Financial Statement

TC VISA SERVICES (INDIA) LIMITED

FY 2024-25

G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

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Independent Auditor's Report
To the Members of TC Visa Services (India) Limited
Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **TC Visa Services (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of board of directors. The report of board of directors is expected to be made available to us after the date of this report.Our

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opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

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considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (ii) In our opinion and to the best of our information and according to the explanations given to us proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)("the Rules");

   (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the maintenance of accounts and other matters connected therewith, reference is made in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Rules;

   (vii) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (viii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company; and

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(ix) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations, which would impact the financial position of the Company;

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in Note No. 25, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in Note No. 25, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year; and

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facilitv and that has operated throughout the year for all relevant transactions recorded in the software. However. audit trail feature

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is not enabled for direct changes to the database level from April 1, 2024 to January 21, 2025 for maintaining general ledgers. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Except for the above as well as audit trail for direct changes at database level for the previous financial year, the Company has preserved the audit trail in accordance with statutory record retention requirements.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNEJ4882

Place: Mumbai
Dated: June 17, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025 :

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) to (d) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) to (d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company's nature of operations does not require it to hold inventories. Consequently, paragraph 3(ii)(a) of the Order regarding physical verification of inventories and maintenance of records is not applicable; and

(b) During the year, the Company has not been sanctioned any working capital limits. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable.

(iii) (a) The Company has given unsecured loan to its holding company during the year amounting to Rs. 200 million and the same has been repaid during the year. The Company has not granted secured loans/advances in the nature of loans, or stood guarantee, or provided security to any parties;

(b) The terms and conditions of the grant of the above-mentioned loan were not prejudicial to the Company's interest; and

(c) to (f) Since, the loan granted has been repaid during the year itself, paragraph 3(iii)(c) to (f) of the Order is not applicable.

(iv) The Company has not granted any loans, or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of loan given by it and the Company has not provided any guarantees or security or made investment to the parties covered under section 186 of the Act.

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits or amounts which are deemed to be deposits therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2025, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company;

(e) & (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

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(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv)(a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a) (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all

liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of section 135(5) and 135(6) of the Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNEJ4882

Place: Mumbai
Dated: June 17, 2025

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on the standalone financial statements for the year ended March 31, 2025

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of the Company as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2025 based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

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The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed 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. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 03956
UDIN: 25039569BMLNEJ4882

Place: Mumbai
Dated: June 17, 2025

TC VISA SERVICES (INDIA) LIMITED
Balance Sheet as at March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Deferred Tax Assets (Net)	3	40.8	69.9
Total Non-Current Assets		**40.8**	**69.9**
Current Assets			
Financial Assets			
- Trade Receivables	5(a)	-	-
- Cash & Cash Equivalents	5(b)	1,216.1	1,152.1
- Other Financial Assets	5(c)	22.3	2.1
Other Current Assets	6	20.3	19.2
Total Current Assets		**1,258.7**	**1,173.4**
TOTAL ASSETS		**1,299.5**	**1,243.3**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	5.0	5.0
Other Equity - Reserve & Surplus	8	1,087.6	1,000.9
Total Equity		**1,092.6**	**1,005.9**
LIABILITIES			
Non-Current Liabilities			
Employee Benefit Obligations		-	-
Total Non-Current Liabilities		**-**	**-**
Current Liabilities			
Financial Liabilities -			
Trade Payables	9 (a)	162.8	191.6
Other Financial Liabilities	9 (b)	-	2.0
Employee Benefit Obligations		-	-
Current Tax Liabilities	4	44.1	43.8
Total Current Liabilities		**206.9**	**237.4**
TOTAL LIABILITIES		**206.9**	**237.4**
TOTAL EQUITY AND LIABILITIES		**1,299.5**	**1,243.3**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: June 17, 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN: 06809421

Date: June 17, 2025
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: June 17, 2025
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Profit And Loss for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Income			
Revenue from operations	10	-	2.6
Other income	11	119.5	94.7
Total income		**119.5**	**97.3**
Expenses			
Finance Cost	12	0.2	0.3
Other Expenses	13	3.5	9.8
Total expenses		**3.7**	**10.1**
Profit before tax		**115.8**	**87.2**
Less: Tax expense	14		
Current tax		-	-
Deferred tax		29.1	21.8
Total tax expenses		**29.1**	**21.8**
Profit for the year (A)		**86.7**	**65.3**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		**86.7**	**65.3**
Earnings per equity share (Face value of INR 10 each)	19		
- Basic earnings per share (In INR)		173.3	130.6
- Diluted earnings per share (In INR)		173.3	130.6

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: June 17, 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN: 06809421

Date: June 17, 2025
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: June 17, 2025
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Cash Flows for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) Cash flow from operating activities		
Profit / (Loss) before income tax	**115.8**	**87.2**
Adjustments for:		
Written off of irrecoverable balances (Net)	(23.9)	0.3
Provision for Doubtful Debts and Advances (Net)	-	0.4
Interest income on Loan	(66.5)	(66.2)
Interest on Fixed deposit	(28.8)	-
Operating profit before changes in operating assets and liabilities	**(3.4)**	**21.7**
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivable	-	71.0
(Increase)/Decrease in other financial assets	-	(1.4)
(Increase)/Decrease in other current assets	(1.1)	25.6
Increase/(Decrease) in non current employee benefit obligations	-	(5.8)
Increase/(Decrease) in trade payables	(6.9)	(114.9)
Increase/(Decrease) in current employee benefit obligations	-	(16.1)
Increase/(Decrease) in other current liabilities	-	(14.6)
Cash generated from operations	**(11.4)**	**(34.5)**
Income taxes paid	0.3	40.5
Net cash inflow / (outflow) from operating activities	**(11.1)**	**6.0**
B) Cash flow from investing activities:		
Loan given to Related Parties	(2,000)	-
Repayment of Loan given to Related Parties	2,000	-
Interest received on fixed deposit	8.7	-
Interest on Loan given	66.5	66.2
Net cash inflow from investing activities	**75.2**	**66.2**
C) Cash flow from financing activities:	-	-
Net increase in cash and cash equivalents	64.0	72.2
Add: Cash and cash equivalents at the beginning of the financial year	1,152.1	1,079.9
Cash and cash equivalents at the end of the year	**1,216.1**	**1,152.1**

Reconciliation of Cash Flow statements as per the cash flow statement	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	1,216.1	1,152.1
Bank Overdrafts	-	-
Balances as per statement of cash flows	**1,216.1**	**1,152.1**

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Acounts) Rules, 2015.
2. The above statement of Cash flow should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: June 17, 2025
Place: Mumbai

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN: 06809421

Date: June 17, 2025
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: June 17, 2025
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at March 31, 2023	**5.0**
Changes in equity share capital during the year	-
Balance as at March 31, 2024	**5.0**
Changes in equity share capital during the year	-
Balance as at March 31, 2025	**5.0**

	Reserves and Surplus		
Particulars	**Capital Contribution**	**Retained Earnings**	**Total Other Equity**
Balance as at March 31, 2023	**9.9**	**925.6**	**935.6**
Profit for the year	-	65.3	65.3
Other Comprehensive Income	-	-	-
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	-	-	-
Balance as at March 31, 2024	**9.9**	**991.0**	**1,000.9**
Profit for the year	-	86.7	86.7
Other Comprehensive Income	-	-	-
Balance as at March 31, 2025	**9.9**	**1,077.7**	**1,087.6**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: June 17, 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN: 06809421

Date: June 17, 2025
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Rambhau Kenkare
Director
DIN: 01272743

Date: June 17, 2025
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Notes forming part of the Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

General Information

TC Visa Services (India) Limited (the "Company") was incorporated on August 30, 2011 with main object to render consultancy and / or advisory services in connection with obtaining / arranging visas. The Company is a 100% subsidiary of Thomas Cook (India) Limited. The Company commenced operations from February 1, 2013.

1 Material Accounting Policies

1.1 Basis of preparation of financial statements

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31st March, 2024.
Financial for the Year Ended March 31, 2025 is prepared based on IND AS.

Current V/s Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

(b) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:
• Investments

(c) Use of estimates and judgments

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Information. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.2 Revenue Recognition

To recognize revenues, the Company applies the following five step approach:
1. identify the contract with a customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognize revenues when a performance obligation is satisfied.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.
Revenue comprises of consultancy and / or advisory services in connection with obtaining / arranging visas. The revenue arising from providing consultancy and/or advisory services in connection with obtaining Visa clearance services is included on the basis of margins earned, since inclusion on the basis of their gross value would not be meaningful and potentially misleading as an indicator of the level of the Company's business.

Revenue is recognised when services towards obtaining /arranging Visa clearance(s) are rendered i.e. submission of relevant documents to the Consulate.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of billing is classified as Accrued Revenue and is classified as a financial asset because, in these cases, right to consideration is unconditional upon passage of time. While invoicing in excess of revenue is classified as Income received in Advance.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

1.3 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.

TC VISA SERVICES (INDIA) LIMITED

1.4 Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Income Tax:

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred Tax:

Deferred tax is recognised using the liability method on taxable temporary differences between the tax base and the accounting base of items included in the Balance Sheet of the Company.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Certain temporary differences arising on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not recognised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

1.5 Impairment of Assets

Financial Assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

1.6 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations shall be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.7 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.9 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Although the Company recognises the revenue relating to commission on net and agent basis, the trade receivables and trade payables are recognised on the gross value of services rendered and services received respectively.

2.0 Financial Instruments

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, expect for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

(ii) Subsequent Measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b)**Measured at fair value through other comprehensive income** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

('c) **Measured at fair value through profit or loss**: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company shall, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

TC VISA SERVICES (INDIA) LIMITED

(b) Financial liabilities

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2.1 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.2 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.3 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs or decimals thereof as per the requirement of schedule III (division II), unless otherwise stated.

2.4 Previous year's figures have been regrouped/rearranged wherever necessary to confirm with current year's figures.

2 Critical Accounting Estimates and Judgements:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Information. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that shall have a financial impact on the Company and that are believed to be reasonable under the circumstances.

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 3: Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
On carriforward buisness losses	40.8	69.9
On provisions allowable for tax purpose when paid	-	-
On Provision for Doubtful Advances	-	-
Net Deferred Tax Assets	**40.8**	**69.9**

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Total
As at April 1, 2023	91.8	-	91.8
charged/(credited)			
-to profit or loss	(21.8)	-	(21.8)
-to other comprehensive income	-	-	-
As at March 31, 2024	**69.9**	-	**69.9**
charged/(credited)			
-to profit or loss	(29.1)	-	(29.1)
-to other comprehensive income	-	-	-
As at March 31, 2025	**40.8**	-	**40.8**

Note 4: Current Tax Assets/(Liabilities)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance - Current Tax Asset/(Liability)	(43.8)	(3.3)
Less: Current Tax payable for the year	-	-
Add: Taxes Paid	(0.3)	(40.5)
Closing Balances - Current Tax Asset/(Liabilities)	**(44.1)**	**(43.8)**

Note 5: Financial Assets

5(a) Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables	-	-
Less: Allowance for doubtful debts	-	-
Total receivables	-	-
Break up of Security Details		
Unsecured, considered good	-	-
Unsecured, considered Doubtful	-	-
Total	-	-
Less : Allowance for doubtful debts	-	-
Total Trade Receivables	-	-

5(b) Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks :		
In current accounts	16.1	32.1
Fixed Deposits with original maturity of less than three months	1,200.0	1,120.0
Cash in hand	-	-
Total Cash and cash equivalents	**1,216.1**	**1,152.1**

5(c) Other Financial Assets

Particulars	Non-current	Current	Non-current	Current
	As at March 31, 2025		As at March 31, 2024	
Accrued Revenue	-	22.3	-	2.1
Other Receivables from Related Parties	-	-	-	0.0
Total Other Financial Assets	-	**22.3**	-	**2.1**

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 6: Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers		
Considered good	0.1	0.0
Considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
	0.1	**0.0**
Receivable with Government authorities	20.2	19.1
Total	**20.3**	**19.2**

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 7: Equity Share Capital

Equity Share capital

Particulars	No of Shares (In lakhs)	Amount
AUTHORISED		
As at April 1, 2023	**5.0**	**50.0**
Increase during the Year Ended March 31, 2024	-	-
As at March 31, 2024	**5.0**	**50.0**
Increase during the Year Ended March 31, 2025	-	-
As at March 31, 2025	**5.0**	**50.0**

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In lakhs)	Amount
As at April 1, 2023	**0.5**	**5.0**
Increase during the Year Ended March 31, 2024	-	-
As at March 31, 2024	**0.5**	**5.0**
Increase during the Year Ended March 31, 2025	-	-
As at March 31, 2025	**0.5**	**5.0**

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

(iii) Shares of the company held by Holding Company

Particulars	As at March 31, 2025			As at March 31, 2024		
	No of Shares (In lakhs)	Amount	% Change during the year	No of Shares (In lakhs)	Amount	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	5.0	-	0.5	5.0	-

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2025			As at March 31, 2024		
	No of shares (In lakhs)	% of Holding	% Change during the year	No of shares (In lakhs)	% of Holding	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	100.0%	-	0.5	100.0%	-

(v) Shares held by Promoters at the end of the year

Category of Shareholder	As at March 31, 2025			As at March 31, 2024		
	No of shares (In lakhs)	% of Holding	% Change during the year	No of shares (In lakhs)	% of Holding	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	100.0%	-	0.5	100.0%	-

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 8: Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Contribution	9.9	9.9
Retained Earnings	1,077.6	990.9
Total reserves and surplus	**1,087.5**	**1,000.8**

(a) Capital Contribution

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	**9.9**	**9.9**
Capital Contribution towards ESOP Expenses	-	-
Closing Balance	**9.9**	**9.9**

(b) Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	**990.9**	**925.6**
Net Profit for the year	86.7	65.3
Items of other Comprehensive income recognised directly in retained earnings	-	-
Closing Balance	**1,077.6**	**990.9**

Nature and Purpose of Reserves-

Capital Contribution
The company has created capital contribution reserve in relation to push-down ESOP's from its parent company- Thomas Cook (India) Limited due to Ind AS requirement.

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 9: Financial Liabilities

9(a) Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables		
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	162.8	191.6
Total Trade Payables	**162.8**	**191.6**

Note: There are no delayed payments to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Further, there are no dues to such parties which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the company. This has been relied upon by the auditors.

Trade Payable Ageing Schedule

As at 31st March 2025

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.8	62.6	78.9	19.5	**162.8**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**1.8**	**62.6**	**78.9**	**19.5**	**162.8**

As at 31st March, 2024

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.2	79.5	58.7	21.1	**191.6**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**32.2**	**79.5**	**58.7**	**21.1**	**191.6**

9(b) Other Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Amount payable to Related parties	-	2.0
Total	**-**	**2.0**

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 10: Revenue from Operations

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Income From Operations	-	2.6
Total	**-**	**2.6**

Note 11: Other Income

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Claims Written back	23.9	-
Miscellaneous Income	-	2.6
Interest on Fixed Deposits with Bank	28.8	22.0
Interest Income on Income tax Refund	0.3	3.8
Interest on Loan to Related Parties	66.5	66.2
Total	**119.5**	**94.7**

Note 12: Finance Costs

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Bank Charges	0.2	0.3
Total	**0.2**	**0.3**

Note 13: Other Expenses

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Rent (Refer note 20)	2.1	1.9
Repairs and Maintenance	1.1	0.8
Rates and Taxes	0.2	-
Travelling Expenses	-	0.4
Legal and Professional Charges (net) #(Refer note below "a")	0.1	5.3
Courier Charges	-	0.2
Provisions for doubtful debts and Advances (net off bad debt w/off)	-	0.4
Advertisment Expenses	-	0.2
Written off of irrecoverable balances*	0.0	0.3
Miscellaneous Expenses	-	0.3
Total	**3.5**	**9.8**

Legal and Professional charges include auditors remuneration
* Amount is below the rounding off norm adopted by the Company.

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

(a): Details of payments to auditors

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Payment to auditors		
As auditor:		
-Statutory Audit	1.0	1.0
-Tax Audit	-	-
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**1.0**	**1.0**

Note 14: Income Tax Expense

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
Decrease (increase) in deferred tax assets	29.1	21.8
Total deferred tax credit	**29.1**	**21.8**
Income tax expense	**29.1**	**21.8**

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit from continuing operations before income tax expense	115.8	87.2
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	**29.1**	**21.8**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	-
Dividend income	-	-
Sec 14A Disallowance	-	-
On account of rate difference as compared to previous year	-	-
Other items	-	-
Income tax expense	**29.1**	**21.8**

TC VISA SERVICES (INDIA) LIMITED

Note 15: Fair value measurements

Financial instruments by category

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Trade receivable	-	-	-	-	-	0.0
Cash and cash equivalents	-	-	1,216.1	-	-	1,152.1
Others	-	-	22.3	-	-	2.1
Total financial assets	-	-	**1,238.4**	-	-	**1,154.2**
Financial liabilities						
Trade Payable	-	-	162.8	-	-	191.6
Other Financial Liabilities	-	-	-	-	-	2.0
Total financial liabilities	-	-	**162.8**	-	-	**193.6**

The carrying amounts of trade receivable, cash and cash equivalents, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values due to their short-term nature.

Note 16: Financial risk management

(i) Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for payments that are 365 days past due as it represents its estimate of expected credit loss in respect of trade and other receivables. The Company does not have any financial assets, other than receivables from group entities, that are 365 days past due but not impaired.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers including group entities is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Neither past due nor impaired	-	-
Past due but not impaired	-	-
Past due 1–90 days	-	-
Past due 91–180 days	-	-
Past due 180–365 days	-	-
Past due > 365 days	-	-
	-	-

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2023	-
Changes in loss allowance	-
Loss allowance on March 31, 2024	-
Changes in loss allowance	-
Loss allowance on March 31, 2025	-

Expected credit loss assessment for customers as at March 31, 2025 and March 31, 2024
Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As company's customer is mainly its group company and few corporate customers (for whom based on information available in the public domain about their credibility/financial performance no impairment indicator exist) hence impairment of trade receivables do not reflect any significant credit losses.

Cash and cash equivalents
The Company held cash and cash equivalents with credit worthy banks and financial institutions of Rs 1216.1 Lakhs and Rs 1152.1 Lakhs as at March 31, 2025 and March 31, 2024 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company had working capital of INR 1051.8 Lakhs as at March 31, 2025 and INR 939.1 Lakhs as at March 31, 2024.

(iv) Market risk

(a) Foreign currency risk

The Company does not deal in foreign currency and hence there is no foreign currency risk exposure.

(b) Cash flow and interest rate risk

The entity does not have any borrowings with fluctuating interest rates and hence it is not exposed to interest rate risk.

(c) Price risk

The entity does not have investsment which are exposed to market fluctuations and hence it is not exposed to price risk.

Note 17: Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 18: Related Party Transactions
(a) Parent Entities
The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at March 31, 2025	As at March 31, 2024
Thomas Cook (India) Limited, India ("TCIL")	Holding Company	India	100%	100%
Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 63.83% of Equity Shares of TCIL. FCML is a stepdown subsidiary of Fairfax Financial Holding Limited, Canada the ultimate Holding Company.	Ultimate Holding Company	Canada		

(b) Key Management personnel

Particulars
R.R. Kenkare
Rajeev Kale
Abraham Alapatt

(c) Transactions with related parties
The following transactions occurred with related parties:

Nature of transaction	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Sale of services		
Thomas Cook (India) Limited	-	2.8
Facilities and Support Services Availed		
Thomas Cook (India) Limited -Rent	2.1	1.9
Loan Given		
Thomas Cook (India) Limited	2,000.0	4,000.0
Loan repaid		
Thomas Cook (India) Limited	2,000.0	4,000.0
Interest income on Loans to Related Parties		
Thomas Cook (India) Limited	66.5	66.2
Balances as at the year end	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Outstanding payables		
Thomas Cook (India) Limited	0.2	-

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2025
(All amounts in INR Lakhs, unless otherwise stated)

Note 19: Earnings Per Share

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Net Profit attributable to equity shareholders	86.7	65.3
Weighted average number of outstanding shares*	0.5	0.5
(a) Basic earnings per share		
Attributable to the equity holder of the company	173.3	130.6
(b) Diluted earnings per share		
Attributable to the equity holder of the company	173.3	130.6

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2025	March 31, 2023
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	86.7	65.3
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**86.7**	**65.3**

(d) Weighted average number of shares used as the denominator

Particulars	March 31, 2025	March 31, 2023
Weighted average number of equity shares used as the denominator in calculating basic earning per share*	0.5	0.5
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share*	0.5	0.5

*The number of equity shares are in Lakhs

TC VISA SERVICES (INDIA) LIMITED

Note 20: Operating Leases
Disclosures in respect of cancellable agreements for office premises taken on lease

Particulars	For the Year ended 31st March 2025	For the Year ended 31 March 2024
Lease payments recognised in the Statement of Profit and Loss	2.1	1.9

Significant leasing arrangements
-The lease agreements are for a period of eleven months to nine years.
-The lease agreements are cancellable at the option of either party by giving one month to six months' notice.
-Certain agreements provide for increase in rent.

Note 21: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one operating segment, which is 'Visa related services'. The Company earns it's entire revenue from its operations in India.

Note 22: Micro, Small and Medium Enterprises
There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 23 - IND AS 115 'Revenue from Contracts with Customers
As per Ind AS 115 'Revenue from Contracts with Customers' revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company's revenue was primarily comprised of Revenue from render consultancy and / or advisory services in connection with obtaining / arranging visas.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes, in its Statement of Profit and Loss

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Visa and Related Services	-	2.6
	-	2.6

ii) Disaggregate Revenue
The following table presents Company revenue disaggregated by type of revenue stream and by geography:
Revenue based on geography

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
India	-	2.6
Overseas	-	-
	-	2.6

Revenue based on product and services

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Visa and Related Services	-	2.6
	-	2.6

iii) Contract balance
The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/service is delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from global distribution systems towards performance linked bonuses. Revenue from Performance linked bonuses from global distribution systems ('GDSs') is recognized as and when the performance obligations under the schemes are achieved.

Revenue from contract with customers

Particulars	As at March 31, 2025	As at March 31, 2024
Advance received from Customers	-	-
	-	-

TC VISA SERVICES (INDIA) LIMITED

Note 24: Ratio Working

Ratio Analysis	Numerator	Denominator	For the year ended 31 March 2025	For the year ended 31 March 2024	Variance	Remark
Current Ratio	Total Current Assets	Total Current Liabilities	6.08	4.94	23%	The increase in the ratio is majorly due to reduction in trade payables. Apart from that investment in fixed deposits has been increased during current year.
Return on Equity Ratio	Profit after Tax	Closing Shareholder's Equity	0.08	0.06	-32%	There is an improvement in ROE due to increase in profit earned during the current year as compared to previous year.
Trade Receivables turnover ratio	Revenue from Operations	Average current trade receivable	#DIV/0!	0.07	#DIV/0!	There are no trade receivable outstanding at the end of current year.
Trade payables turnover ratio	Cost of Goods Sold (Expenses)	Average trade payable	0.02	0.06	-67%	The operations has been reduced during the year.
Net capital turnover ratio	Revenue from Operations	Closing working capital	-	0.00	-100%	Turnover is NIL as compared to previous year.
Net profit ratio	Profit after Tax	Revenue from Operations	#DIV/0!	24.97	#DIV/0!	There are no revenue from operations during the current year.
Return on Capital employed	Profit before interest and tax	Closing Capital Employed	0.11	0.09	-18%	There is an improvement in ratio due to increase in profit earned during the current year as compared to previous year profit.

Note 25 : No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 26: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the company.

Note 27: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 27 form an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: June 17, 2025
Place: Mumbai

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For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN: 06809421

Date: June 17, 2025
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: June 17, 2025
Place: Mumbai

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

Independent Auditor's Report
To the Members of TC Tours Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **TC Tours Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of the board of directors. The report of board of directors is expected to be made available to us after the date of this report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read

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the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

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(i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(ii) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)("the Rules");

(iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

(iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

(v) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025from being appointed as a director in terms of section 164(2) of the Act;

(vi) With respect to the maintenance of accounts and other matters connected therewith, reference is made in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Rules;

(vii) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

(viii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

(ix) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations, which would impact the financial position of the Company;

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

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d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 29, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 29, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year.

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for direct changes to the database level from April 1, 2024 to January 21, 2025 for maintaining general ledgers. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Except for the above as well as audit trail for direct changes at database level for the previous financial year, the Company has preserved the audit trail in accordance with statutory record retention requirememts.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN : 25039569BMLNCF9866

Place: Mumbai
Date: May 5, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) & (b) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) and (b) of the Order is not applicable;

(c) The Company does not have any immovables properties except where the Company is the lessee and the lease agreements are duly excuted in favour of the lessee. Hence, reporting under paragraph 3(iii)(c) of the Order is not applicable;

(d) The Company does not have any property, plant and equipment or intangible assets. The Company has not revalued its right to use assets during the year and hence, reporting under paragraph 3(iii)(d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;

(ii) (a) The Company's nature of operation does not require it to hold inventories. Consequently, paragraph 3(ii)(a) of the Order regarding physical verification of inventories and maintenance of records is not applicable; and

(b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) (a) to (d) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (d) and (f) of the Order is not applicable to the Company; and

(e) The Company has not given any term loan. Accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

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(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) The details of statutory dues referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2025 , on account of dispute are given below:

(Rs. in millions)

Name of the statute	Nature of dues	Amount Involved	Amount Unpaid	Period for which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	13.6	13.6	AY 2018-19	Assessing Officer
Income Tax Act,1961	Income Tax(TDS)	1.0	1.0	AY 2021-22	Commissioner of Income Tax (Appeals)
Income Tax Act,1961	Income Tax(TDS)	6.1	6.1	AY 2022-23	Commissioner of Income Tax (Appeals)

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Income Tax Act,1961	Income Tax	20.2	20.2	AY 2023-24	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act,2017	ITC Mismatch	8.0	8.0	AY 2018-19	Commissioner Appeals
Goods and Services Tax Act,2017	ITC Mismatch	8.2	8.2	AY 2020-21	Commissioner Appeals
Goods and Services Tax Act,2017	ITC Mismatch	3.4	3.4	AY 2021-22	Commissioner Appeals

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company; and

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company;

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business; and

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedure.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable;

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There is no amount remaining unspent by the Company under section 135 of the Act. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN : 25039569BMLNCF9866

Place: Mumbai
Date: May 5, 2025

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025

Opinion

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for Internal Financial Controls

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists,

and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed 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. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN : 25039569BMLNCF9866

Place: Mumbai
Date: May 5, 2025

TC Tours Limited
Balance Sheet as at March 31, 2025

(Rs. In Million)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Right of Use Assets	3(a)	0.5	1.0
Financial assets			
- Loans		-	-
- Investments	5(a)	-	-
Deferred tax assets (net)	3(b)	16.7	13.6
Income tax assets		129.3	106.1
Total non-current assets		**146.5**	**120.7**
Current assets			
Financial assets			
- Trade receivables	5(b)	1,628.9	1,003.3
- Cash and cash equivalents	5(c)	121.2	212.9
- Loans	5(d)	-	-
- Other financial assets	5(e)	397.1	236.9
Other current assets	6	1,365.4	1,172.1
Total current assets		**3,512.6**	**2,625.2**
TOTAL ASSETS		**3,659.1**	**2,745.9**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	30.0	30.0
Other equity			
-Reserve & surplus	8	488.6	375.9
Total Equity		**518.6**	**405.9**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowing	9	357.5	515.4
- Lease liabilities		0.1	0.7
Employee benefit obligations	10	14.2	10.2
Other non-current liabilities		-	-
Total non-current liabilities		**371.8**	**526.3**
Current liabilities			
Financial liabilities			
- Borrowing	11(a)	166.9	124.3
- Lease liabilities		0.5	0.4
- Trade payables	11(b)		
-Dues of micro enterprises and small enterprises		11.7	19.3
-Dues of creditors other than micro enterprises and small enterprises		2,437.6	1,569.7
- Other financial liabilities	11(c)	0.7	0.7
Employee benefit obligations	10	29.6	16.4
Current tax liabilities		43.2	51.0
Other current liabilities	12	78.5	31.9
Total current liabilities		**2,768.7**	**1,813.7**
TOTAL LIABILITIES		**3,140.5**	**2,340.0**
TOTAL EQUITY AND LIABILITIES		**3,659.1**	**2,745.9**

The above balance sheet should be read in conjunction with the accompanying notes.

For and on behalf of the Board of Directors

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 039569

5-May-25
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Mahesh Iyer
Director
DIN: 07560302

5-May-25
Place: Mumbai

Vishal Suri
Director
DIN No.06413771

5-May-25
Place: Mumbai

TC TOURS LIMITED
Statement of Profit And Loss for the Year Ended March 31, 2025

(Rs. In Million)

Particulars	Notes	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Income			
Revenue from operations	13	3,667.9	3,220.8
Other income	14	35.2	18.5
Total income		**3,703.1**	**3,239.3**
Expenses			
Cost of services		3,161.5	2,659.9
Employee benefits expense	15	145.8	127.1
Depreciation	3	0.5	2.4
Finance Cost	16	84.4	82.4
Other expenses	17	156.8	156.6
Total expenses		**3,549.0**	**3,028.4**
Profit before tax		**154.1**	**210.9**
Less : Tax expense	18		
Current tax		43.2	51.0
Deferred tax		(3.7)	2.1
Total tax expenses		**39.5**	**53.1**
Profit for the year (A)		**114.6**	**157.8**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(2.4)	(2.1)
Income tax relating to items that will not be reclassified to profit or loss		0.6	(0.5)
Total other comprehensive income for the year, net of taxes (B)		**(1.8)**	**(2.6)**
Total comprehensive income for the year (A+B)		**112.8**	**155.2**
Earnings per equity share (Face value of INR 10 each)	23		
- Basic earnings per share (In INR)		38.2	52.6
- Diluted earnings per share (In INR)		38.2	52.6

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 039569

05-May-25
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Mahesh Iyer
Director
DIN: 07560302

05-May-25
Place: Mumbai

Vishal Suri
Director
DIN No.06413771

05-May-25
Place: Mumbai

TC TOURS LIMITED
Statement of Cash Flows for the Year Ended March 31, 2025

(Rs. In Million)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
A) Cash flow from operating activities		
Profit before income tax	**154.1**	**210.9**
Adjustments for:		
Interest Income	(7.6)	(9.8)
Depreciation on ROU assets	0.5	2.4
Interest on lease liability	0.1	0.2
Provision for Doubtful Advances (Net) and Impairment charge	2.5	30.1
Operating profit before changes in operating assets and liabilities	**149.6**	**233.8**
Change in operating assets and liabilities:		
Decrease / (Increase) in Trade Receivables	(625.7)	(106.3)
Decrease / (Increase) in Other Financial Assets	(167.9)	(77.8)
Decrease / (Increase) in Other Current Assets	(195.8)	941.4
Increase in Employee Benefits Obligation	14.9	7.5
(Decrease) / Increase in Trade Payables	861.3	(777.5)
Increase in Other Financial Liabilities	0.0	0.7
(Decrease) / Increase in Other Liabilities	46.6	(7.4)
Cash generated from operations	**83.0**	**214.4**
Income taxes paid	(74.2)	(8.0)
Net cash inflow from operating activities	**8.8**	**206.4**
B) Cash flow from investing activities:		
Interest Received	15.3	9.8
Movement of ROU Assets	-	(1.3)
Net cash inflow / (outflow) from investing activities	**15.3**	**8.5**
C) Cash flow from financing activities:		
Repayment of lease liabilities	(0.4)	(1.3)
Secured loan taken from Bank	(107.9)	(32.7)
Interest on lease liabilty made	-	(0.2)
Net cash inflow / (outflow) from finnacing activities	**(108.3)**	**(34.2)**
Net increase in cash and cash equivalents	(84.2)	180.7
Add: Cash and cash equivalents at the beginning of the financial year	205.4	24.7
Cash and cash equivalents at the end of the year	**121.2**	**205.4**

Reconciliation of Cash Flow statements as per the cash flow statement	Year Ended March 31, 2025	Year Ended March 31, 2024
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	121.2	212.9
Bank Overdrafts	-	(7.5)
Balances as per statement of cash flows	121.2	205.4

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Acounts) Rules, 2015.
2. The above statement of Cash flow should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 039569

05-May-25
Place: Mumbai

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Mahesh Iyer
Director
DIN: 07560302

05-May-25
Place: Mumbai

Vishal Suri
Director
DIN No.06413771

05-May-25
Place: Mumbai

TC TOURS LIMITED

Notes to financial statements for the Year Ended March 31, 2025
(All amounts in INR Million, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at March 31, 2023	**30.0**
changes in equity share capital during the year	-
Balance as at March 31, 2024	**30.0**
changes in equity share capital during the year	-
Balance as at March 31, 2025	**30.0**

Other Equity

	Reserves and Surplus		Other Comprehensive Income	
Particulars	**ESOP Reserve**	**Retained Earnings**	**Employee Benefit Expenses (Gratuity - OCI)**	**Total Other Equity**
Balance at the March 31, 2023	7.7	208.4	4.5	220.6
Profit for the year	-	157.8	-	157.8
Other Comprehensive Income	-	-	(2.6)	(2.6)
Total Comprehensive Income for the year	-	**157.8**	**(2.6)**	**155.2**
Transaction with owners in their capacity as owners				
Employee Stock Option Expense				
Balance at the March 31, 2024	7.7	366.2	1.9	375.9
Profit for the year	-	114.6	-	**114.6**
Other Comprehensive Income	-	-	(1.8)	**(1.8)**
Total Comprehensive Income for the year	-	**114.6**	**(1.8)**	**112.8**
Transaction with owners in their capacity as owners				
Employee Stock Option Expense	-	-	-	-
Balance as at March 31, 2025	7.7	480.8	0.1	488.6

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 039569

05-May-25
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Mahesh Iyer
Director
DIN: 07560302

05-May-25
Place: Mumbai

Vishal Suri
Director
DIN No.06413771

05-May-25
Place: Mumbai

General Information

TC Tours Limited (CIN-U63040MH1989PLC054761) (the "Company") was incorporated in the state of Maharashtra on December 26, 1989 under the Companies Act, 1956. It's main object is to inter-alia to carry on the trades or business of general passengers, tourists and transport agents and contractors. The Company is a 100% subsidiary of Thomas Cook (India) Limited.

1 Material Accounting Policies

1.1 Basis of preparation of financial statements

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at March 31, 2025. In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for defined benefit plans & Investments measured at fair value.

1.2 Foreign currency translation and transactions

(a) Functional and presentation currency

A Company's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Presentation currency is the currency in which the financial statements are presented. These financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency.

(b) Transactions and balances

(i) Initial Recognition

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

(ii) Subsequent Recognition

As at the reporting date, non - monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement / conversion at the FEDAI rates are recognised in the Statement of Profit and Loss.

1.3 Revenue Recognition

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

(a) Income from operations

The Company earns revenue from travel and related services and human resource services.

(i) Travel and related services

It comprises of leisure tours packages within India and outside India. Revenue on leisure tours/holiday packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

It also includes income from the sale of airline tickets which is recognized, as an agent, on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines/global distribution systems ('GDSs') are recognized as and when the performance obligations under the schemes are achieved.

(b) Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

1.4 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

TC TOURS LTD.

1.5 **Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The company offsets the current tax assets as against the liability for provision for tax.

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred Taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

1.6 **Leases**

The company's lease asset classes primarily consist of leases for buildings, vehicles and office equipment's. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:
(1) the contract involves the use of an identified asset
(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(3) the company has the right to direct the use of the asset."

At the date of commencement of the lease, the company recognizes a "Right of Use" ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any remeasurement of the lease liability.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

The company as a lessor
Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.7 Employee Benefits

(a) Long-term Employee Benefits

(i) Defined Contribution Plans

The Company has Defined Contribution Plan for post employment benefits in the form of Provident Fund which is Government administered provident fund. Under such Defined Contribution Plan, the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution Plan is charged to the Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

(b) Short-term Employee Benefit

As per the leave policy of the Company, employees are entitled to avail 30 days of annual leave during a calender year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calender year. Provision on actual basis is created for proportionate unutilised leaves as at year end.

1.8 Impairment of Assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit and loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

Carrying amount of tangible assets, intangible assets and investments in subsidiaries (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

1.9 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.0 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with maturities of three months or less, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.1 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Although the Company recognises the revenue relating to commission on net and agent basis, the trade receivables and trade payables are recognised on the gross value of services rendered and services received respectively.

2.2 Financial Instruments

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, expect for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

(ii) Subsequent Measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b)**Measured at fair value through other comprehensive income** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) **Measured at fair value through profit or loss**: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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(b) Financial liabilities

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.4 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.5 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.6 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.7 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current if it is :a) expected to be realised or intended to be sold or consumed in normal operating cycle; b) held primarily for the purpose of trading; c) expected to be realised within twelve months after the reporting period; ormonths after the reporting period.All other assets are classified as non-current.A liability is current when : a) it is expected to be settled in normal operating cycle; b) it is held primarily for the purpose of trading; c) it is due to be settled within twelve months after the reporting period; or d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current on net basis. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

2.8 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs or decimals thereof as per the requirement of schedule III (division II), unless otherwise stated.

2 Critical Accounting Estimates and Judgements:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Information. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimation of defined benefit obligation (Refer note 10) involves critical estimates and judgements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Notes to financial statements for the Year Ended March 31, 2025
(All amounts in INR Million, unless otherwise stated)

Note 3(a) - Right of Use Assets

Particulars	Building	Total
Gross Carrying Amount		
Opening Balance as at 1 April 2024	15.6	15.6
Additions	-	-
Disposals/Transfer	-	-
Closing Balance as at 31st March 2025	**15.6**	**15.6**
Accumulated Depreciation		
Opening Balance as at 1 April 2024	14.6	14.6
Depreciation	0.5	0.5
Disposals/Transfer	-	-
Closing Balance as at 31st March 2025	**15.1**	**15.1**
Net carrying amount as at 31st March 2025	**0.5**	**0.5**

Particulars	Building	Total
Gross Carrying Amount		
Opening Balance as at 1 April 2023	14.2	14.2
Additions	1.4	1.4
Disposals/Transfer	-	-
Closing Balance as at 31st March 2024	**15.6**	**15.6**
Accumulated Depreciation		
Opening Balance as at 1 April 2023	12.2	12.2
Depreciation	2.4	2.4
Disposals/Transfer	-	-
Closing Balance as at 31st March 2024	**14.6**	**14.6**
Net carrying amount as at 31st March 2024	**1.0**	**1.0**

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Notes to financial statements for the Year Ended March 31, 2025
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Note 3(b): Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
Carry forward of losses	(0.0)	(0.0)
On provisions allowable for tax purpose when paid	10.8	7.9
On Provision for Doubtful Advances	5.9	5.7
Other items (ROU)	(0.0)	(0.0)
Net Deferred Tax Assets	**16.7**	**13.6**

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Other items (ROU)	Carry Forward of Losses	Total
As at March 31, 2024	7.9	5.7	(0.0)	(0.0)	13.6
charged/(credited)					
-to profit or loss	3.5	0.2	0.0	-	3.7
-to other comprehensive income	(0.6)	-	-	-	(0.6)
As at March 31, 2025	**10.8**	5.9	(0.0)	(0.0)	16.7

Note 4: Current Tax Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	55.1	98.0
Less: Current Tax payable for the year	(43.2)	(51.0)
Add: Taxes Paid	74.2	8.1
Closing Balances - Current Tax Asset/(Liabilities)	**86.1**	**55.1**

Disclosed as:

Non current tax assets (as per balance sheet)	129.3	106.1
Current tax liability (as per balance sheet)	43.2	51.0

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Notes to financial statements for the Year Ended March 31, 2025
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Note 5: Financial Assets

5(a)Investments

Particulars	Non-current	Current	Non-current	Current
	Mar 31, 2025	Mar 31, 2025	Mar 31, 2024	Mar 31, 2024
Unquoted - In associates at cost				
Nil (Previous year: 5020) fully paid up 0.0001%Convertible Cummulative Preference Shares of INR 100/- each of Traveljunkie Solutions Private Limited *[Refer Note 28]*	-	-	40.0	-
Less: Provision for Investment Impairment	-	-	(40.0)	-
Sub total	-	-	-	-
Quoted - Investment in mutual funds fair valued through Profit and Loss account				
Nil	-	-	-	-
Total	-	-	-	-
Aggregate amount of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	-	-	40.0	-
Aggregate market value of quoted investments	-	-	-	-
Aggregate amount of impairment in the value of investments	-	-	(40.0)	-

5(b)Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	1,633.3	1,010.7
Less: Allowance for doubtful debts	(4.4)	(7.4)
Total recievables	**1,628.9**	**1,003.3**
Break up of Security Details		
Unsecured, considered good	1,628.9	1,003.3
Unsecured, considered Doubtful	4.4	7.4
Total	**1,633.3**	**1,010.7**
Less: Allowance for doubtful debts	(4.4)	(7.4)
Total Trade Recievables	**1,628.9**	**1,003.3**

Ageing for trade receivables outstanding as at March 31, 2025 is as follows:

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) Undisputed Trade receivables considered good		1,607.4	10.9	10.1	0.5	-	1,628.9
(ii) Undisputed Trade Receivables-Which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired		-	-	-	-	4.4	4.4
(iv) Disputed Trade Receivables– considered good							-
(iv) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
(vii) Unbilled revenue							-
Total	-	**1,607.4**	**10.9**	**10.1**	**0.5**	**4.4**	**1,633.3**
Less: Allowances for Expected Credit Loss		-	-	-	-	4.4	4.4
Net Trade Receivables	-	**1,607.4**	**10.9**	**10.1**	**0.5**	-	**1,628.9**
Trade receivables - Unbilled							-
							1,628.9

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) Undisputed Trade receivables considered good		934.5	51.3	10.4	-	7.1	1,003.3
(ii) Undisputed Trade Receivables-Which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired			-	-	-	7.4	7.4
(iv) Disputed Trade Receivables– considered good							-
(iv) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
(vii) Unbilled revenue							-
Total	-	**934.5**	**51.3**	**10.5**	-	**14.5**	**1,010.7**
Less: Allowances for Expected Credit Loss		-	-	-	-	7.4	7.4
Net Trade Receivables		**934.5**	**51.3**	**10.4**	-	**7.1**	**1,003.3**
Trade receivables - Unbilled							-
							1,003.3

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5(c) Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
In current accounts	36.5	132.0
Fixed Deposits with original maturity of less than three months	80.0	80.0
Cash in hand	4.7	0.9
Total Cash and cash equivalents	**121.2**	**212.9**

5(d) Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to Related Parties	-	15.0
Less: Provision for Doubtful Loans and Advances	-	(15.0)
Total Loans	-	-

5(e) Other financial Assets

Particulars	Non-current	Current	Non-current	Current
	Mar 31, 2025	Mar 31, 2025	Mar 31, 2024	Mar 31, 2024
Accrued Revenue	-	256.1	-	236.6
Interest Receivables from Related Parties	-	0.0	-	2.2
Less: Provision for Doubtful Loans & Advances (Interest)	-	(0.0)	-	(2.2)
Sub total	-	-	-	-
Other Receivables from Related Parties	-	141.0	-	0.3
Total Other financial assets	-	**397.1**	-	**236.9**

Note 6: Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers		
Considered good	975.0	805.4
Considered Doubtful	113.9	79.5
Less: Allowance for doubtful advances	(113.9)	(79.5)
Sub total	**975.0**	**805.4**
Advance to Employees		
Considered good	9.8	0.1
Considered Doubtful	-	0.0
Less: Allowance for doubtful debts	-	(0.0)
Sub total	**9.8**	**0.1**
Prepaid expenses	3.3	4.3
Balances with Government authorities	377.3	362.3
Total Other current assets	**1,365.4**	**1,172.1**

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Note 7: Equity Share Capital

Equity Share capital

Particulars	No of Shares (In Mn)	Amount
AUTHORISED		
As at April 1, 2023	3.0	30.0
Increase during the year	-	-
As at March 31, 2024	3.0	30.0
Increase during the year	-	-
As at March 31, 2025	3.0	30.0

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In Mn)	Amount
As at April 1, 2023	3.0	30.0
Add: No of Shares issued during the year	-	-
As at March 31, 2024	3.0	30.0
Add: No of Shares issued during the year	-	-
As at March 31, 2025	3.0	30.0

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares at a par value of INR 10/- per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

(iii) Shares held by Holding Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares (In Mn)	Amount	No of Shares (In Mn)	Amount
Equity Shares				
Thomas cook (India) Limted and its Nominees	3.0	30.0	3.0	30.0

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of shares (In Mn)	% of Holding	No of shares (In Mn)	% of Holding
Equity Shares				
Thomas cook (India) Limted and its Nominees	3.0	100.0%	3.0	100.0%

(v) Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2025		
	No of shares (In Mn)	% of Holding	% Change during the year
Equity Shares			
Thomas cook (India) Limted and its Nominees	3.0	100.0%	-

Name of Promoter	As at March 31,2024		
	No of shares (In Mn)	% of Holding	% Change during the year
Equity Shares			
Thomas cook (India) Limted and its Nominees	3.0	100.0%	-

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Note 8: Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings	480.8	366.2
ESOP Reserve	7.7	7.7
Other Comprehensive Income	0.1	1.9
Total reserves and surplus	**488.6**	**375.9**

Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	366.2	208.4
Net Profit for the year	114.6	157.8
Closing Balance	**480.8**	**366.2**

ESOP Reserve

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	7.7	7.7
Capital Contribution towards ESOP Expenses	-	-
Closing Balance	**7.7**	**7.7**

ESOP Reserve
ESOP Reserve has been created for ESOPs issued by the group company - Thomas Cook (India) Limited to the employees of the company.

Other Comprehensive Income

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	1.9	4.5
Remeasurements of post-employement benefit obligtion, net of tax	(1.8)	(2.6)
Closing Balance	**0.1**	**1.9**

Note 9: Non Current Borrowings

Particulars	Maturity Date / Terms	Coupon/ Interest Rate	As at March 31, 2025	As at March 31, 2024
ECLGS Loan*	Refer Note below	9.00%	357.5	515.4
Total Borrowing (Non-Current)			**357.5**	**515.4**

Assets pledged as a security

Particulars	March 31, 2025	March 31, 2024
Current Financial Assets		
Trade receivables	1,628.9	1,003.3
Cash and cash equivalents	121.2	212.9
Other financial assets	397.1	236.9
Other current assets	1,365.4	1,172.1
Total current assets pledged as security	**3,512.6**	**2,625.2**
Movable Property	-	-
Total Movable Property pledged as security	-	-
Total assets pledged as security	**3,512.6**	**2,625.2**

**Refer Note 11a, INR 166.90 million is current portion of total 524.4 million ECLGS loan.*

Loan amounting to Rs. 524.4 million (net of processing fees/stamp duty) from HDFC Bank Limited is secured by way of second ranking charge over existing primary and collateral securities including mortgages created in the favour of bank and security created over the assets of the borrower purchased out of this facility. The applicable rate of interest as on balance sheet date is 9.00% p.a. However, the applicable interest rate shall change in accordance with every reset/change of the reference rate / change of reference rate or change of spread by the bank. Duration of the loan is 72 month. There will be moratorium period of 24 month and 48 monthly instalment after moratorium period. Interest to be serviced on monthly basis.

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Note 10: Employee Benefit Obligations

Particulars	As at March 31, 2025			As at March 31, 2024		
	Non Current	Current	Total	Non Current	Current	Total
Leave Entitlement	-	1.1	1.1	-	1.0	1.0
Gratuity	14.2	0.2	14.4	10.2	-	10.2
Employee Benefit Payables	-	28.3	28.3	-	15.4	15.4
Total	**14.2**	**29.6**	**43.8**	**10.2**	**16.4**	**26.6**

(i)Leave Obligations - Leave Entitlement

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of INR 1.1 (31 March 2024 - INR 1.0) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Current leave obligations expected to be settled within next 12 months	1.1	1.0

(ii) Post Employment Obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(iii) Defined contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 4.5 mn (31 March 2024 - INR 4.4 mn).

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	11.1	1.8	**9.3**
Current service cost	1.3	-	1.3
Interest expense/(income)	0.8	0.2	0.5
Total amount recognised in profit and loss	**2.1**	**0.2**	**1.9**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	0.3		0.3
(Gain)/loss from change in financial assumptions	0.2		0.2
Experience (gains)/losses	1.7	-	1.7
Total amount recognised in other comprehensive income	**2.2**	**-**	**2.2**
Employer contributions	-	0.2	(0.2)
Benefit payments	(3.0)	(3.0)	-
Liabilities assumed / (settled)*	-	2.9	**(2.9)**
March 31, 2024	**12.4**	**2.2**	**10.2**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**12.4**	**2.2**	**10.2**
Current service cost	1.4	-	1.4
Interest expense/(income)	0.8	0.3	0.5
Total amount recognised in profit and loss	**2.2**	**0.3**	**1.9**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(0.1)	0.1
(Gain)/loss from change in demographic assumptions	2.5		2.5
(Gain)/loss from change in financial assumptions	(0.2)		(0.2)
Experience (gains)/losses	(0.1)	-	(0.1)
Total amount recognised in other comprehensive income	**2.2**	**(0.1)**	**2.3**
Employer contributions	-	0.0	(0.0)
Benefit payments	(1.2)	(1.2)	-
Liabilities assumed / (settled)*	-	-	-
March 31, 2025	**15.6**	**1.2**	**14.4**

*On Account of business inter group transfer

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded obligations	15.6	12.4
Fair value of plan assets	1.2	2.2
Deficit of funded plan	14.4	10.2
Unfunded plans	-	-
Deficit of gratuity plan	**14.4**	**10.2**

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Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.70%	7.20%
Salary growth rate	7.50%	6.00%

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	March 31,2025	March 31,2024	March 31,2025	March 31,2024	March 31,2025	March 31,2024
Discount rate	50 basis point	50 basis point	-4.44%	-3.35%	4.76%	3.57%
Salary growth rate	50 basis point	50 basis point	4.70%	3.59%	-4.43%	-3.40%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(v) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

a) Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any Decrease in the bond yields will increase the plan liabilities.

b) Salary growth & Demographic assumptions- The plan liabilities are calculated using the salary escalation and demographic assumptions which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

(vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 9.19 years (2024 - 6.91 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Post Employment Obligations as at March 31, 2025	1.4	1.2	3.8	25.8	**32.1**
Post Employment Obligations as at March 31, 2024	2.0	1.4	4.1	15.3	**22.9**

11(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	As at March 31, 2025	As at March 31, 2024
Unsecured					
Bank Overdrafts	Payable on Demand		9.70% to 10.70%	-	7.5
ECLGS Loan			9.00%	166.9	116.8
				166.9	**124.3**

Note 11(b): Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables		
-Dues of micro enterprises and small enterprises	11.7	19.3
-Dues of creditors other than micro enterprises and small enterprises	2,437.6	1,569.7
Total Trade Payables	**2,449.3**	**1,589.0**

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs	Unbilled dues	Total
(i) MSME	-	-	-	-	11.7	**11.7**
(ii) Others	2,017.1	93.6	30.3	-	296.6	**2,437.6**
(iii) Disputed dues- MSME						-
(iv) Disputed dues- Others						-
Total	**2,017.1**	**93.6**	**30.3**	**-**	**308.3**	**2,449.3**

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs	Unbilled dues	Total
(i) MSME	-	-	-	-	19.32	**19.3**
(ii) Others	1,026.2	349.8	29.5	-	164.2	**1,569.7**
(iii) Disputed dues- MSME						-
(iv) Disputed dues- Others						-
Total	**1,026.2**	**349.8**	**29.5**	**-**	**183.5**	**1,589.0**

Note: Refer Note 25 for dislosure on Micro, Small and Medium Enterprises.

Note 11(c): Other Financial Liablities

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non-Current	Current	Non-Current	Current
Other Payables to Related Parties	-	0.7	-	0.7
Total Other Financial Liablities	-	**0.7**	-	**0.7**

Note 12: Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Income Received in Advance	-	1.1
Statutory Dues	78.5	30.8
Total	**78.5**	**31.9**

Note 13: Revenue from Operations

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Sale of Services		
- Travel and Related Services	3,667.9	3,220.8
Total	**3,667.9**	**3,220.8**

Also refer note 27 for IND AS 115 disclosure

Note 14: Other Income

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Interest Income on Bank Deposits	5.2	5.9
Interest on Income tax refund	2.4	3.9
Claims Written back	14.5	2.9
PGSI Cashback Income	-	0.1
Miscellaneous Income	13.1	5.7
Total	**35.2**	**18.5**

Note 15: Employee Benefit Expense

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Salaries Wages and Bonus	137.7	120.5
Contribution to Provident and Other Funds	4.5	4.4
Gratuity (Refer note 10)	1.9	1.8
Staff Welfare Expenses	1.7	0.4
Total	**145.8**	**127.1**

Note 16: Finance Costs

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Interest on Borrowing*	53.8	60.7
Other Finance Charges	12.7	10.6
PGSI Bank Charges	17.8	10.9
Interest on Lease liabilty	0.1	0.2
Total	**84.4**	**82.4**

Notes: Interest on borrowing includes Bank Overdraft and ECLGS loan.

Note 17: Other Expenses

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Rent (Refer note 24)	16.7	14.2
Repairs and Maintenance	37.2	24.7
Rates and Taxes	1.4	0.2
Security Services	8.0	6.8
Travelling Expenses	5.8	2.5
Legal and Professional Charges #	67.8	65.4
Printing, Stationery and Communication Cost	3.5	3.5
Bad Debt / Advances written off	59.2	48.0
Provisions for doubtful debts and Advances (net)	(56.7)	(17.9)
Advertisment Expenses	1.1	0.6
CSR Expenses (Refer note "b" below)	3.0	-
Miscellaneous Expenses	9.8	8.6
Total	**156.8**	**156.6**

 # Legal and Professional charges include auditors remuneration and Group Resource Cost. Refer Note "a" below:

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Notes to financial statements for the Year Ended March 31, 2025
(All amounts in INR Million, unless otherwise stated)

(a): Details of payments to auditors

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors		
As auditor:		
-Statutory Audit	0.7	0.6
-Tax Audit	0.2	0.2
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**0.9**	**0.8**

(b): Corporate social responsibility expenditure

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	1.2	NA
(b) Amount spent and paid during the year on	3.0	NA
(1) Promoting Health-Care Including Preventive Health-Care And Sanitation	3.0	-

Note 18: Income Tax Expense

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
(a) Income tax expense		
Current tax		
Current tax on profits for the year	43.2	51.0
Adjustments for current tax of prior periods	-	-
Total current tax expense	**43.2**	**51.0**
Deferred tax		
(Increase) / decrease in deferred tax assets	(3.7)	2.1
Total deferred tax charge / (credit)	**(3.7)**	**2.1**
Income tax expense	**39.5**	**53.1**

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Profit from continuing operations before income tax expense	154.1	210.9
Tax at the Indian tax rate of 25.168% (PY - 25.168%)	**38.8**	**53.1**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
CSR Expenditure	0.7	-
Dividend income	-	-
Other items	-	-
Income tax expense	**39.5**	**53.1**

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Note 19: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 20: Financial risk management

(i) Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for payments that are 365 days past due as it represents its estimate of expected credit loss in respect of trade and other receivables. The Company does not have any financial assets, other than receivables from group entities, that are 365 days past due but not impaired.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers including group entities is as follows:

		As at March 31, 2025	As at March 31, 2024
Past due 1–180 days		1,607.4	934.5
Past due 180–365 days		10.9	51.3
Past due > 365 days		15.0	24.9
		1,633.3	**1,010.7**

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2023	**(25.3)**
Changes in loss allowance	17.90
Loss allowance on March 31, 2024	**(7.4)**
Changes in loss allowance	3.0
Loss allowance on March 31, 2025	**(4.4)**

Expected credit loss assessment for customers as at March 31, 2025 and March 31, 2024
Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As Company's customer is mainly its holding company and few corporate customers (for whom based on information available in the public domain about there credibility/financial performance no impairment indicator exist) hence impairment of trade receivables do not reflect any significant credit losses. Considering the duration of the operations and given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

Cash and cash equivalents
The Company held cash and cash equivalents with credit worthy banks and financial institutions of INR 121.2 million and INR 212.9 million as at March 31, 2025 and March 31, 2024 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company had working capital of INR 743.9 mn as at March 31, 2025 and INR 846.3 mn as at March 31, 2024.

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Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Contractual cash flows				
March 31, 2025	**Carrying amount**	**Total**	**1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	2,437.6	2,437.6	2,437.6	-	-	-
Other financial liabilities	0.7	0.7	0.7	-	-	-
Total	**2,438.3**	**2,438.3**	**2,438.3**	-	-	-

		Contractual cash flows				
March 31, 2024	**Carrying amount**	**Total**	**1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	1,569.7	1,569.7	1,569.7	-	-	-
Other financial liabilities	0.7	0.7	0.7	-	-	-
Total	**1,570.4**	**1,570.4**	**1,570.4**	-	-	-

(iv) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is not exposed to any market risk-sensitive financial instruments, foreign curreny risk and interest rate risk since it does not have any investments in securities, foreign currency receivables and payables or debts.

Note 21: Capital management

The Company's objective for Capital management is to maximise shareholder's value and support the strategic objectives of the Company. The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows.

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Note 22: Related Party Transactions

(a) Parent Entities:

The Company is controlled by the following entities:

Name	Relationship	Place of Business/ Country of Incorporation	Ownership Interest (%)	
			As at March 31, 2025	As at March 31, 2024
Fairfax Financial Holdings Limited	Ultimate Holding	Canada	-	-
Thomas Cook (India) Limited, India	Parent entity	India	100%	100%

(b) Names of related parties and related party relationship:

Name of Entity	Relationship	Place of Business/ Country of Incorporation
Fairfax Financial Holdings Limited	Ultimate Holding	Canada
Thomas Cook (India) Limited	Parent entity	India
SOTC Travel Limited	Fellow Subsidiary	India
Travel Corporation (India) Limited	Fellow Subsidiary	India
Sterling Holidays Resort Group	Fellow Subsidiary	India
Sumit Maheshwari	Non-Executive Director of Holding Company	India

(c) Non-Executive Director

Particulars
Mr. Mahesh Iyer (w.e.f. 30th January, 2025)
Mr. Vishal Suri (w.e.f. 30th January, 2025)
Mr. Debasis Nandy
Mr. R.R. Kenkare
Mr. Abraham Alapatt (till 30th January, 2025)
Ms. Mona Cheriyan

(d) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	March 31, 2025	March 31, 2024
(i) Holding Company		
Sale of Services		
Thomas Cook (India) Limited	2,746.7	2,268.7
Air Ticket Transactions*		
Thomas Cook (India) Limited	19,174.1	18,474.9
Facilities and Support Services Availed		
Thomas Cook (India) Limited	98.9	77.8
Corporate Gurantee fees		
Thomas Cook (India) Limited	0.2	0.1
Commission expense		
Thomas Cook (India) Limited	380.0	364.4
Expenses Reimburse		
Thomas Cook (India) Limited	0.8	-
Only commission income on Air Ticket transactions is part of the Revenue from Operation.		

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(ii) Fellow subsidiaries		
Sale of Services		
SOTC Travel Limited	1,407.7	609.4
Commission expense		
SOTC Travel Limited	72.8	48.4
Expenses Reimburse		
SOTC Travel Limited	0.3	-
Expenses Recovered		
SOTC Travel Limited	0.2	-
Facilities and Services Availed		
Sterling Holidays Resort Group	11.5	7.0
Transaction with Other Parties		
Travel Services Availed		
Sumit Maheshwari	0.3	-

(e) Outstanding balances arising from sale and purchase of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	**March 31, 2025**	**March 31, 2024**
Trade Payables		
Thomas Cook (India) Limited	256.5	112.0
SOTC Travel Limited	43.8	34.6
Sterling Holidays Resort Group	3.1	(2.0)
Travel Corporation (India) Limited	1.0	23.5
Other Payables /(Receivables)		
Thomas Cook (India) Limited	(139.4)	0.7
SOTC Travel Limited	-	-
Total payables to related parties	**165.0**	**169.1**

Particulars	**March 31, 2025**	**March 31, 2024**
Trade Receivables		
Thomas Cook (India) Limited	1,524.4	862.4
SOTC Travel Limited	33.0	72.6
Other Receivables		
TC Visa Services (India) Limited	-	0.2
Borderless Travel Services Ltd	0.1	0.1
Total receivables from related parties	**1,557.5**	**935.2**

Note 23: Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit attributable to equity shareholders	114.6	157.8
Weighted average number of outstanding shares	3.0	3.0
(a) Basic earnings per share		
Attributable to the equity holder of the company	38.2	52.6
(b) Diluted earnings per share		
Attributable to the equity holder of the company	38.2	52.6

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2025	March 31, 2024
Basic earnings per share	38.2	52.6
Profits attributable to the equity holders of the company used in calculating basic earnings per share	114.6	157.8
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	114.6	157.8

(d) Weighted average number of shares used as the denominator

Particulars	March 31, 2025	March 31, 2024
Weighted average number of equity shares used as the denominator in calculating basic earning per share	3.0	3.0
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	3.0	3.0

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Note 24: Leases

The following is the movement in lease liabilities during the year ended March 31, 2025;

Particulars	Amount
Balance as at March 31, 2024	1.1
Interest on lease liabilities	0.1
Addition during the year	-
Payment of lease liabilities	(0.6)
Balance at the end of the year	**0.6**
Classification as	
Non current	0.1
Current	0.5

Below are the contractual maturities of lease liabilities as of March 31, 2025 on an undiscounted basis:

Particulars	Amount
Less than one year	0.5
One to Five years	0.1
More than Five year	-

Rental expense recognised for short-term leases and low value leases for the year ended March 31,2025	16.7
Interest on Lease Liability	0.1
Depreciation on ROU Assets	0.5

Note 25: Micro, Small and Medium Enterprises

	March 31, 2025	March 31, 2024
a. The amounts remaining unpaid to Micro and Small Suppliers as at the end of the year.		
-- Principal	11.7	19.3
-- Interest	-	-
b. Interest paid by the company in terms of section 16 of the micro, small and medium enterprises development act 2006 along with the amount of the payment made to the supplier beyond the appointed day	-	-
c. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under Micro, small and medium enterprises act, 2006	-	-
d. Interest accrued and remaining unpaid	-	-
e. Interest remaining due and payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors	**11.7**	**19.3**

Note 26: Segment Information

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM), comprises of Director and Senior management, evaluates the Company's performance and reviews the segment business. The Company is primarily engaged in a single segment business of 'Travel related services'. All assets of the Company are domiciled in India and the Company earns majority of its revenue from its operations in India.

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Note 27 - IND AS 115 'Revenue from Contracts with Customers':

As per Ind AS 115 'Revenue from Contracts with Customers' revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes, in its Statement of Profit and Loss

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Travel and Related Services	3,667.9	3,220.8
	3,667.9	3,220.8

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by geography:

Revenue based on geography

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
India	3,482.9	2,991.9
Overseas	185.0	228.9
	3,667.9	3,220.8

Revenue based on product and services

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Travel and Related Services	3,667.9	3,220.8
	3,667.9	3,220.8

Note 28: Investment made in Traveljunkie Solutions Private Limited:

The Company has investment of INR 40 mns in Traveljunkie Solutions Private Limited ("TravelJunkie") classified as Associate. Due to adverse business conditions, the recovery of invested amount and advances provided to the associate were considered as doubtful and an impairment provision of Rs. 57.21 mns had been recorded in the profit and loss statement for the year ended March 31, 2021. The impaired investment and advances have been written off in the books in current financial year.

Note 29:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

TC TOURS LTD.

TC TOURS LIMITED
Notes to financial statements for the Year Ended March 31, 2025
(All amounts in INR Million, unless otherwise stated)

Note 30: Key Financial Ratios

	Financial performance ratios	Numerator	Denominator	2024-25	2023-24	% Change
A	**Performance Ratios**					
	Net Profit ratio (in %) (i)	Profit after tax	Revenue from operations	3.1%	4.9%	(36%)
	Net Capital Turnover Ratio (in times)	Revenue from operations	Closing working capital	4.9	4.0	24%
	Return on Capital Employed (in %)	Profit before interest and tax	Closing capital employed	27.7%	32.3%	(14%)
	Return on Equity ratio (in %) (ii)	Profit after tax	Closing shareholder's equity	22.1%	38.9%	(43%)
	Return on Investment	Income Generated from invested funds	Average invested funds in market	NA	NA	
	Debt Service Coverage ratio (in times)	Profit before interest, tax and , Depreciation and amortisation	Closing Debt Service	0.5	0.5	(1%)
B	**Leverage Ratios**					
	Debt- Equity Ratio (in Times) (iii)	Debt consists of borrowings and lease liabilities	Total Equity	1.0	1.6	(36%)
C	**Liquidity Ratios**					
	Current ratio (in times)	Total Current Assets	Total Current Liabilities	1.3	1.4	(12%)
D	**Activity Ratio**					
	Inventory Turnover ratio	Cost of goods sold	Closing inventory	NA	NA	NA
	Trade Receivable Turnover Ratio (iv)	Revenue from operations	Average current trade receivables	2.8	3.4	(18%)
	Trade Payable Turnover Ratio	Cost of goods sold	Average trade payable	1.6	1.4	16%

Reason for Variance

i Due to increase in cost resulted in reduction in profits compared to last year.
ii Due to reduction in profit for the year.
iii Debt Equity Ratio improved due to repayment of ECLGS loan during the year.

TC TOURS LTD.

Note : 31 Contingent liabilities

Contingent Liabilities and Commitments (to the extent not provided for)

Contingent liabilities	March 31, 2025	March 31, 2024
a. Disputed GST Demands	19.6	1.8
b. Disputed Income Tax Demands	7.1	-

a) It is not practicable for the company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.
b) The company does not expect any reimbursement in respect of the above contingent liabilities.

Note : 32 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2025	March 31, 2024
Estimated value of contracts on capital account remaining to be executed	-	-

Note : 33 Struck Off Company

There are 3 Vendors having aggrgate outstanding payable balance of Rs. 1.5 mn as at 31st March, 2025 whose name are struck off from the register under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

Name of the Struck off Company	Nature of transactions	Balance Outstanding as on 31st March 2025	Balance Outstanding as on 31st March 2024
Baragarh Resort And Spa Private Limited	Hotel books for event management	(0.0)	0.0
Harsh Travels Company Pvt Ltd	Air ticket	2.2	(1.4)
Ladakh Trip India Private Limited	Air ticket	(0.6)	(1.1)

Note 34: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 35: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 35 form an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 039569

05-May-25
Place: Mumbai

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Mahesh Iyer
Director
DIN: 07560302

05-May-25
Place: Mumbai

Vishal Suri
Director
DIN No.06413771

05-May-25
Place: Mumbai

Financial Statement

BORDERLESS TRAVEL SERVICES LIMITED

FY 2024-25

G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

Independent Auditor's Report

To the Members of BORDERLESS TRAVEL SERVICES LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **BORDERLESS TRAVEL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of the board of directors The report of board of directors is expected to be made available to us after the date of this report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (ii) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the

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matters stated in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)("the Rules");

(iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

(iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

(v) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

(vi) With respect to the maintenance of accounts and other matters connected therewith, reference is made in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Rules;

(vii) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

(viii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;and

(ix) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations, which would impact the financial position of the Company;

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) (i) The management has represented that, to the best of its knowledge and belief, as stated in note no.22 no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether

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recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, as stated in note no.22 no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year.

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for direct changes to the database level from April 1, 2024 to January 21, 2025 for maintaining general ledgers. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Except for the above as well as audit trail for direct changes at database level for the previous financial year, the Company has preserved the audit trail in accordance with statutory record retention requirements.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNDW1335

Place: Mumbai
Dated: June 06, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025 :

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) to (d) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) to (d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company's nature of operation does not require it to hold inventories. Consequently, paragraph 3(ii)(a) of the Order regarding physical verification of inventories and maintenance of records is not applicable; and

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under paragraph 3(ii)(b) of the Order is not applicable.

(iii) (a) to (f) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (f) of the Order is not applicable to the Company.

(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under Section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales

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tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2025, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company;

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) of the Order is not applicable; and

(f) The Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, the reporting under paragraph 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

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(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs.15.9 Lakhs during the financial year covered by our audit and Rs.18.1 Lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion though material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, management has represented and as stated in the Note 20 to the financial statements that, the Holding Company has undertaken to provide financial support that may be required in Company's obligation towards third parties.

(xx) Based on the audit procedures performed by us, the provisions of sub-section (5) and (6) of section 135 of Act are not applicable to the Company. Accordingly, the

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reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNDW1335

Place: Mumbai
Dated: June 06, 2025

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025

Opinion

We have audited the internal financial controls with reference to standalone financial statements of the Company as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note. on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for Internal Financial Controls

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed 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. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNDW1335

Place: Mumbai
Dated: June 06, 2025

Borderless Travel Services Limited
Balance Sheet as at March 31, 2025

(Amount in Lacs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Deferred Tax Assets	3	74.6	70.6
Total Non-Current Assets		**74.6**	**70.6**
Current assets			
Financial Assets			
Cash & Cash Equivalents	4	0.7	0.7
Other current assets	5	1.4	4.0
Income Tax Assets		2.7	-
Total Current Assets		**4.8**	**4.7**
TOTAL ASSETS		**79.4**	**75.3**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	6	0.5	0.5
Other equity			
-Reserve & surplus	7	(213.4)	(201.5)
Total Equity		**(212.9)**	**(201.0)**
LIABILITIES			
Non-Current liabilites		-	-
Current liabilities			
Financial liabilities			
- Loans	8	174.0	162.0
- Other financial liabilities	8	114.6	81.5
Other current liabilities	9	3.7	32.8
Total current liabilities		**292.3**	**276.3**
TOTAL LIABILITIES		**292.3**	**276.3**
TOTAL EQUITY AND LIABILITIES		**79.4**	**75.3**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 06 June 2025
Place: Mumbai

For and on behalf of the Board of Directors

Amit Madhan
Director
DIN: 06646076

Date: 06 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN: 06809421

Date: 06 June 2025
Place: Mumbai

Borderless Travel Services Limited
Statement of Profit And Loss for the year ended March 31, 2025

(Amount in Lacs)

Particulars	Notes	For the year ended March 31,2025	For the year ended March 31,2024
Income			
Revenue from Operations		-	-
Total income		-	-
Expenses			
Employee benefits expense		-	-
Finance Cost	10	13.0	12.8
Other expenses	11	2.9	5.3
Total expenses		**15.9**	**18.1**
Loss before tax		(15.9)	(18.1)
Less : Tax expense			
Current tax	12	-	-
Deferred tax	12	(4.0)	(4.6)
Total tax expenses		(4.0)	(4.6)
Loss for the year (A)		(11.9)	(13.5)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		(11.9)	(13.5)
Earnings per equity share (Face value of INR 10 each)			
- Basic earnings per share (In INR)	17	(238.3)	(269.1)
- Diluted earnings per share (In INR)		(238.3)	(269.1)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 06 June 2025
Place: Mumbai

For and on behalf of the Board of Directors

Amit Madhan
Director
DIN: 06646076

Date: 06 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN: 06809421

Date: 06 June 2025
Place: Mumbai

Borderless Travel Services Limited
Statement of Cash Flows for the year ended March 31, 2025

(Amount in Lacs)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
A) Cash flow from operating activities			
Loss before income tax		(15.9)	(18.1)
Adjustments for:			
Interest Expenses		13.0	-
Operating profit before changes in operating assets and liabilities		(2.9)	(18.1)
Change in operating assets and liabilities:			
Increase/(Decrease) in Other financial Liabilities		32.2	(29.9)
Increase/(Decrease) in Other Liabilities		(29.3)	32.7
(Increase)/ Decrease in Other Assets		-	-
(Increase)/ Decrease in Other Financial Assets		0.0	(3.1)
Cash generated from operations		(0.0)	(18.4)
Income taxes paid		-	-
Net cash (outflow) from operating activities		(0.0)	(18.4)
B) Cash flow from investing activities:			
Loan received		-	15.7
Net cash inflow / (outflow) from investing activities		-	15.7
Net (decrease) / increase in cash and cash equivalents		(0.0)	(2.7)
Add: Cash and cash equivalents at the beginning of the financial year		0.7	3.4
Cash and cash equivalents at the end of the year		0.7	0.7

Reconciliation of Cash Flow statements as per the cash flow statement	Year ended March 31, 2025	Year ended March 31, 2024
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	0.7	0.7
Balances as per statement of cash flows	0.7	0.7

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Acounts) Rules, 2015.
2. The above statement of Cash flow should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 06 June 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Amit Madhan
Director
DIN: 06646076

Date: 06 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN: 06809421

Date: 06 June 2025
Place: Mumbai

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital (Amount in Lacs)

Particulars	Amount
Balance as at April 1, 2023	**0.5**
changes in equity share capital during the year	-
Balance as at March 31, 2024	**0.5**
changes in equity share capital during the year	-
Balance as at March 31, 2025	**0.5**

(B) Other Equity

	Reserves & Surplus	
Particulars	**Retained Earnings**	**Total Reserve & Surplus**
Balance as at April 1, 2023	**(188.0)**	**(188.0)**
Profit/(Loss) for the year	(13.5)	(13.5)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-	-
Balance at the March 31, 2024	**(201.5)**	**(201.5)**
Profit/(Loss) for the year	(11.9)	(11.9)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-	-
Balance as at March 31, 2025	**(213.4)**	**(213.4)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 06 June 2025
Place: Mumbai

For and on behalf of the Board of Directors

Amit Madhan
Director
DIN: 06646076

Date: 06 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN: 06809421

Date: 06 June 2025
Place: Mumbai

General Information

Borderless Travel Services Limited was incorporated on August 25, 2015 The Company is a 100% subsidiary of Thomas Cook (India) Limited

1 Material Accounting Policies

1.1 Basis of preparation of financial statements

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 that are notified and effective as at March 31, 2014.

This financial statements for the year ended March 31, 2025 has prepared under IND AS.

Current V/s Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

1.2 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.3 Cash and Cash Equivalents

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents.

1.4 Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, and excluding treasury shares other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account
• The after income tax effect of interest and other financing costs associated with dilutive potential equity shares,
• The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.
The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

Borderless Travel Services Limited

Material Accounting Policies *(continued)*

1.5 **Rounding of amounts**
All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees or decimals thereof as per the requirement of schedule III (division II), unless otherwise stated.

1.6 Previous year's figures have been regrouped/rearranged wherever necessary to confirm with current year's figures.

2 Critical Accounting Estimates and Judgements:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also need to exercise judgment in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Standalone Financial Information.

Critical estimates and Judgements

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2025

Note 3: Deferred Tax Assets:

The balance comprises of temporary differences attributable to (Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax on Business Losses	74.6	70.6
Total Deferred Tax Assets	**74.6**	**70.6**

Note 4: Financial Assets - Cash and cash equivalents

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks :		
In current accounts	0.7	0.7
Total Cash and cash equivalents	**0.7**	**0.7**

Note 5: Other current assets

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Govt Authorities	1.4	4.0
Total Other Current Assets	**1.4**	**4.0**

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2025

Note 6: Equity Share Capital

Equity Share capital (Amount in Lacs)

Particulars	No of Shares	Amount
AUTHORISED		
As at April 1, 2023	1,000,000	100
Increase during the year	-	-
As at March 31, 2024	1,000,000	100
Increase during the year	-	-
As at March 31, 2025	1,000,000	100

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares	Amount
As at April 1, 2023	5,000	0.5
Add: No of Shares issued during the year	-	-
As at March 31, 2024	5,000	0.5
Add: No of Shares issued during the year	-	-
As at March 31, 2025	5,000	0.5

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

(iii) Shares of the company held by Holding Company

Particulars	As at March 31, 2025			As at March 31, 2024		
	No of Shares	Amount	% change during the year	No of Shares	Amount	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	5,000	0.5	-	5,000	0.5	-

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2025			As at March 31, 2024		
	No of Shares	% of Holding	% change during the year	No of Shares	% of Holding	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	5,000	100%	-	5,000	100%	-

(v) Shares held by promoters at the end of the year

Category of Shareholder	As at March 31, 2025			As at March 31, 2024		
	No of Shares	% of Holding	% change during the year	No of Shares	% of Holding	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	5,000	100%	-	5,000	100%	-

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2025

Note 7: Reserves and surplus

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings	(213.4)	(201.5)
Total Reserves and Surplus	**(213.4)**	**(201.5)**

Retained Earnings

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	**(201.5)**	**(188.0)**
Net Profit / (Loss) for the year	(11.9)	(13.5)
Items of other Comprehensive income recognised directly in retained earnings	-	-
Closing Balance	**(213.4)**	**(201.5)**

Note 8: Financial Liablities

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Loan from Related Party	174.0	162.0
Total (A)	**174.0**	**162.0**
Other Financial Liabilities		
Interest Payable to Related Party	-	-
Payable to Related Party	98.4	66.2
Liabilities against expense	16.2	15.3
Total (B)	**114.6**	**81.5**
Total Other Financial Liablities (A+B)	**288.6**	**243.5**

Note 9: Other Current Liabilities

(Amount in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Dues	2.0	2.0
Other Payables	1.7	30.8
Total	**3.7**	**32.8**

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2025

Note 10 : Finance Costs (Amount in Lacs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense	13.0	12.8
Total	**13.0**	**12.8**

Note 11 : Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal and Professional Charges #(Refer note below "a")	0.8	3.3
Miscellaneous Expenses	-	0.1
Rent	2.1	1.9
Total	**2.9**	**5.3**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors		
As auditor:		
-Statutory Audit	0.4	0.4
-Tax Audit	-	-
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**0.4**	**0.4**

Note 12: Income Tax Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
increase in deferred tax assets	(4.0)	(4.6)
Total deferred tax credit	(4.0)	(4.6)
Income tax expense	(4.0)	(4.6)

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit from continuing operations before income tax expense	(15.9)	(18.1)
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	**(4.0)**	**(4.6)**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	-
CSR Expenditure	-	-
Buffer tax created	-	-
Dividend income	-	-
Sec 14A Disallowance	-	-
On account of rate difference as compared to previous year	-	-
Other items	-	-
Income tax expense	**(4.0)**	**(4.6)**

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2025

Note 13: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables, and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 14: Financial risk management
Being a non - operating company, the company is not exposed to any kind of risk.

Note 15: Capital management

The Company's objectives when managing capital (consisting of equity capital and unremitted profit in the financial statements) are to safeguard its ability to continue as a going concern, so it can continue to provide services for the holding company and related entities and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or change the capital structure, the Company may adjust the amount of profits for remittance to holding company, return equity capital, or require holding company to infuse additional capital to support its operations.

There are no externally imposed capital requirements on the Company.

The Company has not proposed any Dividend for the year ended March 31, 2025 and March 31, 2024.

Borderless Travel Services Limited

Note 16: Related Party Transactions

(a) Parent Entities

The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at March 31, 2025	As at March 31, 2024
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 66.94% of Equity Shares of TCIL. FCML is wholly owned and controlled by Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Parent entity	India	100%	100%

(b) Fellow Subsidiaries

SOTC Travel Limited	100% Subsidiary of Thomas Cook (India) Limited
TC Tours Limited	100% Subsidiary of Thomas Cook (India) Limited

(b) Key Management personnel (Directors)

Particulars
Amit Madhan
Rajeev Kale
Abraham Alapatt

(c) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	March 31, 2025	March 31, 2024
(i) Holding Company		
Facility and Support service provided		
Thomas Cook (India) Limited	2.1	1.9
Interest Expenses		
Thomas Cook (India) Limited	13.0	12.8
Balance as at the year end		
Thomas Cook (India) Limited		
Loan Payable	133.0	133.0
Interest Payable	42.0	29.0
Outstanding Payable	66.2	66.2
(ii) Fellow Subsidiaries		
Balance as at the year end		
Outstanding Payable		
TC Tours Limited	1.0	-
SOTC Travel Limited	29.1	-

Borderless Travel Services Limited

Note 17: Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit attributable to equity shareholders	(11.9)	(13.5)
Weighted average number of outstanding shares	5,000	5,000
(a) Basic earnings per share		
Attributable to the equity holder of the company	(238.3)	(269.1)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	(238.3)	(269.1)

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2025	March 31, 2024
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	(11.9)	(13.5)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**(11.9)**	**(13.5)**

(d) Weighted average number of shares used as the denominator

Particulars	March 31, 2025	March 31, 2024
Weighted average number of equity shares used as the denominator in calculating basic earning per share	5,000	5,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	5,000	5,000

Note 18 : Segmental Reporting

Since the Company has no operations, there are no reportable segments.

Note 19: Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 20

As at March 31, 2025, company has not started its commercial operations. The Company is a 100% subsidiary of Thomas Cook (India) Limited, which has undertook to provide sufficient financial support to the company to carry on business without curtailment of operations for the period of at least 12 months from the date of signing of the audit report i.e. June 06, 2025 by written support letter.

Borderless Travel Services Limited

Note 21 : Ratios

Current Ratio	FY 2024-25	FY 2023-24	Variance in %	Remarks
Curent Asests	4.8	4.7		No material change
Current Liabilities	292.3	276.3		
Ratio	1.7%	1.7%	2.5%	

Debt Equity Ratio	FY 2024-25	FY 2023-24	Variance in %	
Total Debt	174.0	162.0		No material change
Total Equity	-212.9	-201.0		
Ratio	-0.8	-0.8	-1%	

Return on Equity Ratio	FY 2024-25	FY 2023-24	Variance in %	
Loss after Tax	(11.9)	(13.5)		Equity in negative due to accumulated losses
Total Equity	(212.9)	(201.0)		
Ratio	NA	NA	NA	

Net Profit Ratio	FY 2024-25	FY 2023-24	Variance in %	
Profit after tax	(11.9)	(13.5)	NA	No Revenue from operation during the previous and current year
Revenue from Operations	-	-		
Ratio	NA	NA	NA	

Net Capital Turnover Ratio	FY 2024-25	FY 2023-24	Variance in %	
Revenue from Operations	-	-		No Revenue from operation during the previous and current year
Closing Working Capital	(287.5)	(271.6)		
Ratio	NA	NA	NA	

Return on Investment	FY 2024-25	FY 2023-24	Variance in %	
Closing less opening market price	NA	NA		No Investments
Opening Market price	NA	NA		
Ratio	NA	NA	NA	

Debt Service Coverage Ratio	FY 2024-25	FY 2023-24	Variance in %	
Loss before interest, tax and depreciation	(2.9)	(5.3)		Lossess has been reduced as compared to previous year
Clsoing Debt Service	175.0	162.0		
Ratio	-0.0	-0.0	49%	

Inventory Turnover Ratio	FY 2024-25	FY 2023-24	Variance in %	
Cost of Goods Sold	NA	NA		No Inventory
Closing Inventory	NA	NA		
Ratio	NA	NA	NA	

Trade Receivable Turnover Ratio	FY 2024-25	FY 2023-24	Variance in %	
Revenue from Operations	NA	NA		No Revenue and trade receivables
Closing current Trade	NA	NA		
Ratio	NA	NA	NA	

Trade Payable Turnover Ratio	FY 2024-25	FY 2023-24	Variance in %	
Cost of Goods Sold	NA	NA		No operating activities
Closing Trade Payable	16.2	15.3		
Ratio	NA	NA	NA	

Note 22
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note.23
Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 24: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 24 form an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 06 June 2025
Place: Mumbai

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Amit Madhan
Director
DIN: 06646076

Date: 06 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN: 06809421

Date: 06 June 2025
Place: Mumbai

Financial Statement

INDIAN HORIZON MARKETING SERVICES LIMITED

FY 2024-25

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

Independent Auditor's Report
To the Members of Indian Horizon Marketing Services Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indian Horizon Marketing Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of board of directors. The report of board of directors is expected to be made available to us after the date of this report.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (ii) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)("the Rules");

   (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the maintenance of accounts and other matters connected therewith, reference is made in paragraph 2(ix)(f) below on reporting under rule 11(g) of the Rules;

   (vii) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (viii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company; and

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

(ix) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations, which would impact the financial position of the Company;

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 25, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 25, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year; and

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

is not enabled for direct changes to the database level from April 1, 2024 to January 21, 2025 for maintaining general ledgers. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Except for the above as well as audit trail for direct changes at database level for the previous financial year, the Company has preserved the audit trail in accordance with statutory record retention requirements.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN:25039569BMLNCT9847

Place: Mumbai
Dated: May 19, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025:

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a)(A) The Company does not have any property, plant and equipment and hence provision of paragraph3(i)(a)(A), of the Order is not applicable;

(B) The Company has maintained proper records showing full particulars of intangibe assets; and

(i) (b) to (c) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(b) to (c) of the Order is not applicable;

(d) The company has not revalued any of its intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company's nature of operations does not require it to hold inventories. Consequently, paragraph 3(ii) (a) of the Order regarding physical verification of inventories and maintenance of records is not applicable; and

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under paragraph 3(ii) (b) of the Order is not applicable.

(iii) (a) to (f) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (f) of the Order are not applicable to the Company.

(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

(v) The Company has not accepted deposits or amounts which are deemed to be deposits therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, income tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2025, for a period of more than six months from the date they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2025, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrended or disclosed as income in the tax assessments under the Income Tax Act, 1961.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company; and

(e) & (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

G. M. KAPADIA & CO. ★ Chartered Accountants ★ MUMBAI

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The company has made preferential allotment on a private placement of equity shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 of the Act and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised. Further an amount of Rs 7,225 thousands is pending to be called as at 31 March 2025.The company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv)(a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transactions with its directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi)(a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

(xvii) The Company has incurred cash losses amounting to Rs. 648 thousands. during the financial year covered by our audit and Rs. 224 thousands in the immediately preceding financial year;

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion though material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, management has represented and as stated in the Note 24 to the financial statements that, the parties to Joint Venture has undertaken to provide financial support that may be required in Company's obligation towards third parties.

(xx) The provisions of section 135(5) and 135(6) of the Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN:25039569BMLNCT9847

Place: Mumbai
Dated: May 19, 2025

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2025

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of the Company as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2025 based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for Internal Financial Controls

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed 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. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNCT9847

Place: Mumbai
Dated: May 19, 2025

Indian Horizon Marketing Services Limited

Balance Sheet as at March 31, 2025

(Amount in Thousands)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Intangible Assets under development	3	17,262	-
Deferred Tax Assets (Net)	4	268	104
Total Non-Current Assets		**17,530**	**104**
Current Assets			
Financial Assets			
- Cash & Cash Equivalents	5	8,123	52
Current Tax Assets	6	10	9
Other current assets	7	2,271	-
Total Current Assets		**10,404**	**61**
TOTAL ASSETS		**27,934**	**165**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	22,775	500
Other Equity	9	(1,203)	(718)
Total Equity		**21,572**	**(218)**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
- Other financial liabilities	10	5,871	383
Other Current Liabilities	11	491	0
Total Current Liabilities		**6,362**	**383**
TOTAL LIABILITIES		**6,362**	**383**
TOTAL EQUITY AND LIABILITIES		**27,934**	**165**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah

Partner
Membership No. 039569

Date: 19th May 2025
Place: Mumbai

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy

Director
DIN: 06368365

Date: 19th May 2025
Place: Mumbai

Surya Shive Shanker Bayyapunedi
Director
DIN: 00673720

Date: 19th May 2025
Place: Mumbai

Indian Horizon Marketing Services Limited

Statement of Profit And Loss for the Year Ended March 31, 2025

(Amount in Thousands)

Particulars	Notes	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Income			
Income From Operations	12	-	-
Total income		-	-
Expenses			
Finance Cost	13	0	-
Other expenses	14	648	224
Total expenses		648	224
Loss before tax		(648)	(224)
Less: Tax expense	15		
Current tax		-	-
Deferred tax		(163)	(56)
Total tax expenses		(163)	(56)
Loss for the year (A)		(485)	(168)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		(485)	(168)
Earnings per equity share (Face value of INR 10 each)	20		
- Basic earnings per share (In INR)		(1.7)	(3.4)
- Diluted earnings per share (In INR)		(1.7)	(3.4)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 19th May 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

Date: 19th May 2025
Place: Mumbai

Surya Shive Shanker Bayyapunedi
Director
DIN: 00673720

Date: 19th May 2025
Place: Mumbai

Indian Horizon Marketing Services Limited

Statement of Cash Flows for the Year Ended March 31, 2025

(Amount in Thousands)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A) Cash flow from operating activities		
Loss before income tax	**(648)**	**(224)**
Adjustments for:		
Amounts written off	-	7
Operating Loss before changes in operating assets and liabilities	**(648)**	**(217)**
Change in operating assets and liabilities:		
Increase/(Decrease) in Other financial Liabilities	5,487	217
Increase/(Decrease) in Other Current Liabilities	490	-
Increase/ (Decrease) in Other Current Assets	(2,271)	-
Cash generated from operations	**3,058**	**217**
Income taxes paid	0	-
Net cash inflow / (outflow) from operating activities	**3,058**	**217**
B) Cash flow from investing activities:		
Intangible Assets under development	(17,262)	-
Invesment in Subsidiaries	-	-
Dividend received on Mutual Funds	-	-
Proceeds / (Investment) in Bank fixed deposits	-	-
Net cash inflow/(outflow) from investing activities	**(17,262)**	**-**
C) Cash flow from financing activities		
Proceeds from issue of equity shares	22,275	-
Net cash generated from/(used in) financing activities	**22,275**	**-**
Net increase / (decrease) in cash and cash equivalents	8,071	
Add: Cash and cash equivalents at the beginning of the financial year	52	52
Cash and cash equivalents at the end of the year	**8,123**	**52**

Reconciliation of Cash Flow statements as per the cash flow statement	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	8,123	52
Bank Overdrafts	-	-
Balances as per statement of cash flows	**8,123**	**52**

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Acounts) Rules, 2015.
2. The above statement of Cash flow should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah

Partner
Membership No. 39569

Date: 19th May 2025
Place: Mumbai

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

Date: 19th May 2025
Place: Mumbai

Surya Shive Shanker Bayyapunedi
Director
DIN: 00673720

Date: 19th May 2025
Place: Mumbai

Indian Horizon Marketing Services Limited

Statement of Changes in Equity for the Year Ended March 31, 2025

STATEMENT OF CHANGES IN EQUITY **(Amount in Thousands)**

	Equity share capital	Class "A" Equity Shares
Particulars	**Amount**	**Amount**
Balance as at April 1, 2023	**500**	**-**
changes in equity share capital during the year	-	-
Balance as at March 31, 2024	**500**	**-**
changes in equity share capital during the period	14,900	14,600
Balance as at March 31, 2025	**15,400**	**14,600**

Other Equity

	Reserves and Surplus	
Particulars	**Retained Earnings**	**Total Other Equity**
Balance as at April 1, 2023	**(550)**	**(550)**
Loss for the year	(168)	(168)
Other Comprehensive Income	-	-
Transaction with owners in their capacity as owners		
Employee Stock Option Expense	-	-
Balance as at March 31, 2024	**(718)**	**(718)**
Loss for the year	(485)	(485)
Other Comprehensive Income	-	-
Balance as at March 31, 2025	**(1,203)**	**(1,203)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah

Partner
Membership No. 39569

Date: 19th May 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy

Director
DIN: 06368365

Date: 19th May 2025
Place: Mumbai

Surya Shive Shanker Bayyapunedi
Director
DIN: 00673720

Date: 19th May 2025
Place: Mumbai

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

General Information

Indian Horizon Marketing Services Limited was incorporated on December 26th, 1989 The Company was a 100% subsidiary of Thomas Cook (India) Limited (till 7th November, 2024) and subsequently became Joint Venture of Thomas Cook (India) Limited and Atirath Technologies Private Limited.

1 Material Accounting Policies

1.1 Basis of preparation of financial statements

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 that are notified and effective as at 31st March, 2019.

These financial statements for the period ended 31st March, 2025 has prepared under Ind AS.

Current V/s Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

1.2 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.

1.3 Taxes on Income

Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax:

Deferred tax is recognised using the liability method on taxable temporary differences between the tax base and the accounting base of items included in the Balance Sheet of the Company.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Certain temporary differences arising on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not recognised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Indian Horizon Marketing Services Limited

1.4 **Intangible assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

1.5 **Provisions and contingent liabilities**

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.6 **Cash and Cash Equivalents**

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents.

1.7 **Earnings per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, and excluding treasury shares other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

1.8 **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees or decimals thereof as per the requirement of schedule III (division II), unless otherwise stated.

1.9 Previous year's figures have been regrouped/rearranged wherever necessary to confirm with current year's figures.

2 Critical Accounting Estimates and Judgements:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Information. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 3: Intangible assets and Intangible assets under development (Amount in Thousands)

Particulars	As at March 31, 2025	As at March 31, 2024
Intangible assets under development	17,262	-
Total	**17,262**	**-**

Intangible assets under development mainly comprises of development of cutomizable travel agent interface tool, development of multilingual voice enable travel chatboat, and development of generative AI travel planner.

Intangible assets under development - Ageing Schedule
As at 31st March 2025

Particular	Less than 1 Year	More than 1 Year	Total
Projects in Progess	17,262	-	17,262
Projects temporarily suspended	-	-	-
Total	**17,262**	**-**	**17,262**

There is no delay in commissioning of the Intangible assets under development, nor the project has exceeding its original budget

Note 4: Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax on Business Losses	268	104
Net Deferred Tax Assets	**268**	**104**

Note 5: Financial Assets - Cash and Cash Equivalents:

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks - In current accounts	8,123	52
Total Cash and cash equivalents	**8,123**	**52**

Note 6: Current Tax Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Tax	10	9
Total Current Tax Asset	**10**	**9**

Note 7: Other current assets:

Particulars	As at March 31, 2025	As at March 31, 2024
Balances receivables from government authorities	2,271	-
Total Other Current Assets	**2,271**	**-**

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 8: Equity Share Capital

(i) Authorised Equity Share capital

(Amount in Thousands)

Particulars	No of Shares (In Thousands)	Amount
As at April 1, 2023	3,000	30,000
Increase during the year	-	-
As at March 31, 2024	3,000	30,000
Increase during the year	-	-
As at March 31, 2025	3,000	30,000
Divided as under:		
- Equity Shares	1,540	15,400
- Class A Equity Shares	1,460	14,600

(ii) Issued Share Capital

Particulars	Equity Shares		Class "A" Equity Shares	
	No of Shares (In Thousands)	Amount	-	Amount
As at April 1, 2023	50	500	-	-
Add: No of Shares issued during the year	-	-	-	-
As at March 31, 2024	50	500	-	-
Add: No of Shares issued during the year	1,490	14,900	1,460	14,600
As at March 31, 2025	1,540	15,400	1,460	14,600

(iii) Subscribed and Paid up

Particulars	Equity Shares		Class "A" Equity Shares	
	No of Shares (In Thousands)	Amount	No of Shares (In Thousands)	Amount
As at April 1, 2023	50	500	-	-
Add: No of Shares issued and Fully Paid Up	-	-	-	-
As at March 31, 2024	50	500	-	-
Add: No. of Shares issued and Fully Paid Up	60	600	-	-
Add: No. of Shares issued and Partly Paid Up	1,430	10,725	1,460	10,950
As at March 31, 2025	1,540	11,825	1,460	10,950

(iv) Terms and rights attached to shares

The Company has two class of equity shares having a par value of Rs. 10 per share.

Equity Shares:

Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

Class A Equity Shares:

Class A Equity Share will not carry any voting rights and will not be entitled to any dividend distribution. In the event of liquidation, the equity shareholders of Class A Equity Shares are not eligible to receive any amounts from the proceeds of liquidation, except in accordance with Applicable Law and as agreed to by the Board and Shareholders.

(v) Shares of the company held by Holding Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares (In Thousands)	Amount	No of Shares (In Thousands)	Amount
Equity Shares				
Thomas Cook (India) Limited and its Nominees	-	-	50	500

(vi) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Shares (In Thousands)	% of Holding	No of Shares (In Thousands)	% of Holding
Equity Shares				
Thomas Cook (India) Limited and its Nominees	770	50%	50	100%
Atirath Technologies Private Limited and its Nominees	770	50%	-	-
Class A Equity Shares				
Thomas Cook (India) Limited and its Nominees	1,460	100%	-	-

(vii) Shares held by the promoters at the end of the year

Name of Promoter	As at March 31, 2025		
	No of Shares (In Thousands)	% of Holding	% Change during the year
Equity Shares			
Thomas cook (India) Limited and its Nominees	770	50%	-50%
Class A Equity Shares			
Thomas Cook (India) Limited and its Nominees	1,460	100%	100%

Name of Promoter	As at March 31, 2024		
	No of Shares	% of Holding	% Change during the year
Equity Shares			
Thomas cook (India) Limited(Holding Company) and its Nominees	50	100%	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 9: Other Equity

(Amount in Thousands)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings	(1,203)	(718)
Total Other Equity	**(1,203)**	**(718)**

Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	(718)	(550)
Net Loss for the year	(485)	(168)
Closing Balance	**(1,203)**	**(718)**

Note 10: Other Financial Liablities

Particulars	As at March 31, 2025	As at March 31, 2024
Payable to Related Party	1,357	210
Liabilities against expense	4,514	173
Total Other Financial Liablities	**5,871**	**383**

Note 11: Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Dues	491	0
Total Other Current Liabilities	**491**	**0**

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 12: Income From Operations

(Amount in Thousands)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income From Operations	-	-
Total	-	-

Note 13: Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other Finance Charges	0	-
Total	0	-

Note 14: Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent Expenses	205	189
Legal and Professional Charges #(Refer note below "a")	396	26
Miscellaneous Expenses	47	9
Total	648	224

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors		
As auditor:		
-Statutory Audit	16	16
-Tax Audit	-	-
Total payments to auditors	16	16

Note 15: Income Tax Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
increase in deferred tax assets	(163)	(56)
Total deferred tax credit	(163)	(56)
Income tax expense	(163)	(56)

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss from continuing operations before income tax expense	(648)	(224)
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	(163)	(56)
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
On Carried Forward Losses	163	56
Other items	-	-
Income tax expense	-	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 16: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables, and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 17: Financial risk management

The company is not exposed to any major Financial risk.

Note 18: Capital management

The Company's objectives when managing capital (consisting of equity capital and unremitted profit in the financial statements) are to safeguard its ability to continue as a going concern, so it can continue to provide services for the holding company and related entities and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or change the capital structure, the Company may adjust the amount of profits for remittance to holding company, return equity capital, or require holding company to infuse additional capital to support its operations.

There are no externally imposed capital requirements on the Company.

The Company has not proposed any Dividend for the year ended March 31, 2025.

Indian Horizon Marketing Services Limited

Note 19: Related Party Transactions

(a) Parent / Joint Venture Entities

The Company is controlled by the following entity:

(Amount in Thousands)

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at March 31, 2025	As at March 31, 2024
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 63.83% of Equity Shares of TCIL. FCML is a stepdown subsidiary of Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Parent entity (Till 7 November, 2024) JV Partner (W.e.f. 8 November, 2024)	India	50%	100%
Atirath Technologies Private Limited	JV Partner (W.e.f. 8 November, 2024)	India	50%	NIL

(b) Other related parties

TC Tours Limited	Subsidiary of TCIL	India

(c) Key Management personnel

Particulars
Debasis Nandy
R R Kenkare (till 8 November 2024)
Abraham Alapatt
Surya Shive Shanker Bayyapunedi (W.e.f. 8 November 2024)
Ramachandra R K Raju (W.e.f. 8 November 2024)

Particulars	As at March 31, 2025	As at March 31, 2024
	Holding / JV Company	Holding Company
Issue of Equity Shares		
Thomas cook (India) Limited	5,550	-
Atirath Technologies Private Limited	5,775	-
Issues of Class A Equity Shares		
Thomas cook (India) Limited	10,950	-
Services Availed		
Thomas cook (India) Limited	205	188
Atirath Technologies Private Limited	17,262	-
Reimbursement of Expenses		
Thomas cook (India) Limited	27	22
TC Tours Limited	1,330	-
Outstanding Payables		
Thomas cook (India) Limited	103	210
TC Tours Limited	1,330	-
Atirath Technologies Private Limited	4,458	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 20: Earnings Per Share (Amount in Thousands)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit attributable to equity shareholders	(485)	(168)
Weighted average number of outstanding shares	283	50
(a) Basic earnings per share		
Attributable to the equity holder of the company	(1.7)	(3.4)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	(1.7)	(3.4)

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	(485)	(168)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**(485)**	**(168)**

(d) Weighted average number of shares used as the denominator

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Weighted average number of equity shares used as the denominator in calculating basic earning per share	283	50
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	283	50

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the Year Ended March 31, 2025

Note 21: Segmental Reporting

The Company's business activity falls within a single business segment, ie. Travel and travel related activities and therefore, segment reporting in terms of Ind AS 108 on Segment Reporting is not applicable.

Note 22: Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 23: Key Financials Ratio's

Ratio Analysis	Numerator	Denominator	For the year ended 31 March 2025	For the year ended 31 March 2024	Variance	Remark
Current Ratio	Total Current Assets	Total Current Liabilities	1.64	0.16	924%	Increase in cash balance due to equity raised.
Return on Equity Ratio	Profir After Tax	Average Shareholders Equity	-0.04	-	0%	Losses incurred for the year. Previous period had negative equity
Trade Receivables turnover Ratio	Net Credit Sales	Average Accounts Receivable	-	-	-	No Outstanding Receivables
Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payable	-	-	-	No trade related Purchases
Net capital turnover ratio	Net Sales	Net Working Capital	-	-	-	No revenue from operations
Net profit ratio	Profit after tax	Revenue from operations	-	-	-	No revenue from operations
Return on Capital employed	Profit before tax and Finance Cost	Total Equity	-0.03	-	-	Losses incurred for the year. Equity was in negative in previous year.
Return on investment	Net Profit	Cost of the Investment	-	-	-	No investments
Debt-Equity Ratio	Debt	Equity	-	-	-	No Debt
Debt Service Coverage Ratio	Net Operating Income	Debt Service	-	-	-	No Debt
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	-	-	-	No Inventory

Note 24: During the Year Ended 31 March, 2025, the Compnay has started development of cutomizable travel agent interface tool, development of multilingual voice enable travel chatboat, and development of generative AI travel planner with the help of fresh equity infusion by the Joint Venture Partners. During the Previous Financial Year 2023-2024, the Company has not carried out any commercial operations.

Note 25:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 26: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 27: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 27 form an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: 19th May 2025
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

Date: 19th May 2025
Place: Mumbai

Surya Shive Shanker Bayyapunedi
Director
DIN: 00673720

Date: 19th May 2025
Place: Mumbai

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

FINANCIAL STATEMENTS
YEAR ENDED
31 MARCH 2025

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

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THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Corporate data

		Date appointed	Date resigned
Directors:	Mr Madhavan Karunakaran Menon	19 November 2001	-
	Mr Mahesh Chandran Iyer	4 January 2013	-
	Mr Mohinder Dyall	4 September 2013	-
	Mr Debasis Nandy	20 August 2018	-
	Mrs Lovania Devina Ouma Pertab	1 April 2019	27 February 2025
	Mrs Vidisha Devi Ramlugun Gunesh	29 November 2021	-
	Mrs Selvida Naiken	29 March 2022	-

Administrator and Secretary:
Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Registered office:
C/o Executive Services Mauritius
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Auditor:
Baker Tilly
Level 2, Tribeca Central
Trianon 72261
Republic of Mauritius

Banker:
The Mauritius Commercial Bank Ltd
Sir William Newton Street
Port Louis
Republic of Mauritius

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

For the year ended 31 March 2025

Commentary of the directors

The directors present their annual report together with the audited financial statements of Thomas Cook (Mauritius) Holding Company Limited, the "Company", for the year ended 31 March 2025.

Incorporation

The Company was incorporated in the Republic of Mauritius on 20 December 1994 under the Mauritius Companies Act 2001 as a private company with liability limited by shares.

Principal activity

The principal activity of the Company is to hold investments.

Results and dividends

The results for the year are as shown on page 10.

The directors recommend the payment of a dividend of USD 100,000 for the year under review (2024: Nil).

Directors

The present membership of the Board is set out on page 2.

Statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standard") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the IFRS Accounting Standards. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' interests

The directors do not hold any interests in the ordinary shares of the Company.

Significant contracts

No contracts of significance exist between the Company and its directors.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

For the year ended 31 March 2025

Commentary of the directors (Cont'd)

Donations

The Company has not made any donations during the year under review (2024: Nil).

Directors' remuneration

	2025 USD	2024 USD
Directors' remuneration including sitting fees	**3,016**	**3,716**

Auditor

The auditor, **Baker Tilly**, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the Annual Meeting. The fees of **USD 1,402** (2024: USD 1,286) (including VAT) payable to the auditor are exclusively for audit services.

Director

Director

Date: 02 MAY 2025

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Secretary's Certificate

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Holding Company Limited

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Thomas Cook (Mauritius) Holding Company Limited,** under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2025.

for ***Executive Services Limited***
Company Secretary

Registered office:

C/o Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date: 0 2 MAY 2025

Level 2, Tribeca Central,
Trianon 72261
Mauritius

T: +230 460 8800
BRN: LLP22000037
info@bakertilly.mu
www.bakertilly.mu

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holding Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thomas Cook (Mauritius) Holding Limited (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 9 to 30 give a true and fair view of the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder/(s) of Thomas Cook (Mauritius) Holding Limited

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

► Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder/(s) of Thomas Cook (Mauritius) Holding Limited

Report on the Audit of the Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate data, annual report and certificate from the secretary.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report has been prepared for and only for the Company's shareholder, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed to our prior consent in writing.

Baker Tilly

Baker Tilly

Date: 2 May 2025

Sin C. LI, CPA, CGMA
Licensed by FRC

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of financial position as at 31 March 2025

	Notes	2025 USD	2024 USD
Assets			
Non-current assets			
Investments in subsidiaries	8	**138,255**	138,255
Financial assets at fair value through profit or loss	9	**6**	6
Total non-current assets		**138,261**	138,261
Current			
Loan receivable	10	**1,270,000**	590,000
Receivables	11	**171,650**	114,848
Cash and cash equivalents	12	**95,199**	124,922
Total current assets		**1,536,849**	829,770
Total assets		**1,675,110**	968,031
Equity and liabilities			
Equity			
Stated capital	13	**1,655,500**	1,655,500
Retained earnings/(Accumulated losses)		**7,212**	(705,823)
Total equity		**1,662,712**	949,677
Liabilities			
Current			
Accruals	15	**8,906**	15,301
Current tax liability	17	**3,492**	3,053
Total liabilities		**12,398**	18,354
Total equity and liabilities		**1,675,110**	968,031

Authorised and approved by the Board of Directors on 02 MAY 2025 and signed on its behalf by:

Director **Director**

The notes on pages 13 to 30 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of comprehensive income for the year ended 31 March 2025

	Notes	2025 USD	2024 USD
INCOME			
Interest income	10	**44,802**	37,052
Other income	16	**792,600**	227,500
Total income		**837,402**	264,552
EXPENDITURE			
Expenses written off		**13,410**	-
Other expenses		**1,103**	1,163
Directors' fees		**3,016**	3,716
Audit fees		**2,069**	4,581
Taxation fees		**873**	102
Bank charges		**309**	469
Other expenses		**95**	13
Impairment loss on investment in subsidiary	9(i)	**-**	578,535
Receivable written off		**-**	496,399
Total expenditure		**20,875**	1,084,978
Profit/(loss) before tax		**816,527**	(820,426)
Tax expense	17	**(3,492)**	(440)
Profit/(loss) for the year		**813,035**	(820,866)
Other comprehensive income/(loss) for the year, net of tax		**-**	-
Total comprehensive income/(loss) the year		**813,035**	(820,866)

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of changes in equity for the year ended 31 March 2025

	Stated capital USD	Retained earnings/ (accumulated losses) USD	Total equity USD
At 01 April 2024	**1,655,500**	**(705,823)**	**949,677**
Profit for the year	**-**	**813,035**	**813,035**
Dividend paid	**-**	**(100,000)**	**(100,000)**
Total comprehensive income for the year	**-**	**713,035**	**713,035**
At 31 March 2025	**1,655,500**	**7,212**	**1,662,712**
At 01 April 2023	1,655,500	115,043	1,770,543
Loss for the year	-	(820,866)	(820,866)
Total comprehensive loss for the year	-	(820,866)	(820,866)
At 31 March 2024	1,655,500	(705,823)	949,677

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of cash flows for the year ended 31 March 2025

	Notes	2025 USD	2024 USD
Cash flows from operating activities			
Profit/(loss) before tax		**816,527**	(820,426)
Operating cash flows before movements in working capital		**816,527**	(820,426)
Adjustment for:			
Impairment loss		**-**	578,535
		816,527	(241,891)
Net changes in working capital:			
Change in receivables	10	**(56,802)**	373,347
Change in accruals	13	**(6,395)**	(5,170)
Tax paid	15	**(3,053)**	(1,886)
Total changes in working capital		**(66,250)**	366,291
Net cash generated from/(used in) operating activities		**750,277**	124,400
Cash flow from financing activities			
Issuance of loan to related party	9	**(680,000)**	-
Dividend paid		**(100,000)**	-
Net cash generated from financing activities		**(780,000)**	-
Net change in cash and cash equivalents		**(29,723)**	124,400
Cash and cash equivalents, beginning of the year		**124,922**	522
Cash and cash equivalents, end of the year		**95,199**	124,922
Cash and cash equivalents made up of:			
Cash at bank	11	**95,199**	124,922

The notes on pages 13 to 30 form an integral part of these financial statements.

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Thomas Cook (Mauritius) Holding Company Limited, the "Company", was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 20 December 1994 as a private company with liability limited by shares. The Company's registered office is C/o Executive Services Limited, 2nd Floor, Les Jamalacs Building, Vieux Conseil Street, Port Louis Republic of Mauritius.

The principal activity of the Company is to hold investments. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The Company holds investments in subsidiaries, 100% in Thomas Cook (Mauritius) Operations Company Limited and 100% in Thomas Cook (Mauritius) Holidays Ltd and has taken advantage of paragraph 4 of IFRS Accounting Standards , Consolidated Financial Statements, which dispenses it from the need to present consolidated financial statements.

2. Basis of preparation

(a) ***Statement of compliance***

The financial statements of Thomas Cook (Mauritius) Holding Company Limited have been prepared in accordance with the IFRS Accounting Standards and in compliance with the requirements of Mauritius Companies Act 2001.

Details of the Company's accounting policies are included in Note 4.

(b) ***Basis of measurement***

The financial statements have been prepared on the going concern basis using historical cost basis except as otherwise stated in the notes to the financial statements.

(c) ***Functional and presentation currency***

The financial statements are presented in United States dollar (USD) which is the Company's functional currency. All amounts have been rounded to the nearest USD unless otherwise stated.

(d) ***Going Concern***

Management has made an assessment of the Company's ability to continue as going concern and is satisfied that the Company have the resources to continue in business in the foreseeable future. Refer to Note 20 for further details. Therefore, the financial statements continue to be prepared on the going concern basis.The directors are satisfied that the Company are in a sound financial position and that both has access to sufficient bank facilities to meet foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Company. The directors are also not aware of any material non-compliance.

(e) ***Use of estimates and judgement***

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

3. Application of new and revised IFRS

3.1 Application of new and revised International Financial Reporting Standards ("IFRS")

Up to the date of issue of these financial statements, the IASB has issued the following amendments which are effective for annual periods beginning on or after 01 April 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current with Covenants (Amendments to IAS 1);

The application of the new and revised IFRS Accounting Standards did not have any an impact on the financial statements.

3.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors do not expect that the adoption of the standards listed below would have an impact on the financial statements.

Amendments to:	Effective for accounting period beginning on or after	
Lack of exchangeability – Amendments to IAS 21	01 January 2025	Applicable
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01 January 2026	Not Applicable
Annual Improvements to IFRS Accounting Standards— Volume 11	01 January 2026	Applicable
Contracts Referencing Nature dependent – Amendments to IFRS 9 and IFRS 7	01 January 2026	Applicable
IFRS 18 – Presentation and Disclosure in Financial Statements	01 January 2027	Applicable
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01 January 2027	Applicable
IFRS for SMEs - Third edition	01 January 2027	Not Applicable
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint	To be determined	Not Applicable

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Company does not expect these amendments to have a material impact on its operations of its financial statements.

3. Application of new and revised IFRS (Cont'd)

3.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025 (Cont'd)

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its operations or financial statements.

Annual Improvements to IFRS Accounting Standards — Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

The Company does not expect these amendments to have a material impact on its operations of its financial statements.

Contracts referencing Nature Dependent – Amendments to IFRS 9 and IFRS 7

In December 2024, the Board issued contracts Referencing Nature- Dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The Company does not expect these amendments to have a material impact on its operations of its financial statements.

3. Application of new and revised IFRS (Cont'd)

3.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025 (Cont'd)

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the financial statements.

The Company does not expect these amendments to have a material impact on its operations of its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The Company does not expect these amendments to have a material impact on its operations of its financial statements.

4 Material accounting policies

4.1 Overall considerations

The financial statements have been prepared using the material accounting policies and measurement bases summarised

Its ultimate holding company, Fairfax Financial Holdings Limited, prepares consolidated financial statements in accordance with IFRS. Hence, management has taken the advantage of paragraph 4 of the IFRS, which dispenses it from the need to present consolidated financial statements.

Consolidation exemption

The Company has not consolidated its investment in subsidiary given that it is exempt from preparing the consolidated financial statements based on following:

1. The Company is wholly owned subsidiary of Thomas Cook (India) Limited, which has been informed about, and does not object to following:

• the Company not presenting the consolidated statements for its investments in subsidiaries

4 **Material accounting policies (Cont'd)**

Consolidation exemption (Cont'd)

2. The Company's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);

3. The Company did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation, for the purpose of issuing any class of instruments in a public market; and

4. The ultimate or any intermediate parent of the Company produces financial statements available for public use that comply

Based on above criteria, the Company is exempted from the preparation of consolidated financial statements as the ultimate holding company Fairfax Financial Holdings Limited, a Canadian registered company, prepares the consolidated financial statements in accordance with IFRS Accounting Standards and is available for public use. The registered office of Fairfax Financial Holdings Limited is located in Toronto, Ontario, Canada and the consolidated financial statements of are publicly available on its website.

4.2 Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

Financial assets - Business model assessment

The Company make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets:

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

4 Material accounting policies (Cont'd)

4.2 Financial instruments (Cont'd)

Financial assets - Business model assessment (Cont'd)

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within finance income or finance costs, except for impairment losses which are presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principle and interest on the principle amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loan to related party and most of its receivables fall into this category of financial instruments.

Financial assets – Subsequent measurement and gains and losses

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include accruals.

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Company holds investment in Travel Circle International (Mauritius) Ltd, an unquoted company and the objective of holding this investment is not for returns from capital appreciation or investment income. Hence the directors consider the cost of this investment to be a fair reflection of the fair value.

Impairment

(i) Non-derivative financial assets

Financial instruments

The Company recognise loss allowances for ECLs on financial assets measured at amortised cost.

4 Material accounting policies (Cont'd)

4.2 Financial instruments (Cont'd)

Impairment (continued)

(i) Non-derivative financial assets

The Company measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical

The Company assumes that the credit risk on a financial asset has increased significantly if its is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expect to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

4 Material accounting policies (Cont'd)

4.2 Financial instruments (Cont'd)

Impairment (continued)

(i) Non-derivative financial assets (Cont'd)

Write-off

The gross carrying amount of a financial asset is written off when the Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company have a policy of writing off the gross carrying amount when the financial asset is 90 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Company review the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit or loss. Impairment losses recognised in prior periods are assessed at the end of each reporting date for any indications that the loss has decreased or not longer exists.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Derecognition

Financial assets

The Company derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enter into transactions whereby it transfers assets recognised in their statement of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group and the Company also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

4 Material accounting policies (Cont'd)

4.2 Financial instruments (Cont'd)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.3 Fair value measurement

Fair value measurement of financial

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the level of significance inputs used in fair value measurement, as follows:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or
Level 3 - unobservable inputs for the asset or liability.

4.4 Investments in subsidiaries

A subsidiary is an entity over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity.

Investments in subsidiaries are stated at cost less impairment. Where an indication of impairment exists, the recoverable amounts of the investments are assessed. Where the carrying amounts of the investments are greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to statement of comprehensive income. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

4.5 Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

4.6 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits together with other short-term, highly liquid investments maturing within 90 days that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. The Company has elected to present the statement of cashflows using the indirect method.

4 Material accounting policies (Cont'd)

4.7 Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

4.8 Foreign currency

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

4.9 Revenue Recogntion

Interest income is accounted on an accrual basis unless collectability is in doubt.

Dividend income is recognised when the right to receive payment is established.

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Company also earns service fees from the provision of accounting services to a sister company which are recognised over time, that is when the Company satisfies performance obligations by transferring the promised services to its client.

4.10 Impairment of non-financial assets

At each reporting date, management reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

4 Material accounting policies (Cont'd)

4.11 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

4.12 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

4.13 Expense recognition

All expenses are accounted for on the accrual basis.

4.14 Critical accounting estimates and judgement

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Impairment of investment in subsidiary

The determination of impairment of investment in subsidiary requires significant judgement. In making this judgement, management at group level evaluates, among other factors, the duration and extent to which the fair value of an investments is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Estimation uncertainty

At 31 March 2025, there were no estimates and assumptions that would have a significant effect on the recognition and measurement of assets, liabilities, income and expenses.

5 Financial instrument risk

Risk management objectives and policies

The Company's activity exposes it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's risk management is carried out under policies approved by the Board of Directors and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the Company is exposed are described below:

5.1 Market risk analysis

Foreign exchange sensitivity

The Company is not exposed to foreign currency risk at the reporting date as all transactions are carried out in USD.

Interest rate sensitivity

The exposure to interest rates for the Company's bank balance is considered immaterial.The Company has interest bearing financial asset in the form of loan receivable. The interest on the loan receivable is 6.28%.

5.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The financial assets that potentially expose the Company to credit risk consist of cash and cash equivalents, loan receivable and receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2025 USD	2024 USD
Current assets		
Loan receivable	**1,270,000**	590,000
Receivables	**171,650**	114,848
Cash and cash equivalents	**95,199**	124,922
	1,536,849	829,770

The credit risk for the bank balance is considered negligible since the Company transacts with a reputable bank. The directors do not expect any default on the loan advanced to the related party as it operates under a single treasury management where the credit risk is considered low.

The cash and cash equivalents are held with The Mauritius Commercial Bank Ltd which is rated AAA based on Moody's ratings.

5 Financial instrument risk (Cont'd)

5.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium and long-term funding and liquidity management requirements.

The following are the contractual maturities of financial liabilities,

31 March 2025	Carrying amount USD	Contractual cash flows USD	Less than one year USD	1-5 years USD
Accruals	8,906	8,906	8,906	-

31 March 2024	Carrying amount USD	Contractual cash flows USD	Less than one year	1-5 Years
Accruals	15,301	15,301	15,301	-

6 Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member and other stakeholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared at the reporting date.

7 Fair value measurement

7.1 Fair value measurement of financial instruments

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the level of significance inputs used in fair value measurement, as follows:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - unobservable inputs for the asset or liability.

7 Fair value measurement

7.1 Fair value measurement of financial instruments (Con't)

The Company's financial assets at fair value through profit or loss are classified under Level 3.
The hierarchy of the fair value measurement of the Company's financial assets are as follows:

31 Mar 2025	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Investment in an unquoted company	-	-	6	6

The directors consider the cost of the investment to be a reflection of the fair value.

7.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company did not have any non-financial instruments at the reporting date.

8 Investment in subsidiary

(i) **Unquoted and at cost:**

	2025 USD	2024 USD
At 01 April	138,255	716,790
Impairment loss	-	(578,535)
At 31 March	138,255	138,255

(ii) **Details of the investment are as follows:**

Name of investee company	Country of incorporation	Type of investment	% Holding
Thomas Cook (Mauritius) Operations Company Limited	Republic of Mauritius	Ordinary shares	100

(iii) No consolidated financial statements are presented as the Company's ultimate holding company, Fairfax Financial Holdings Limited, will present consolidated financial statements under IFRS. The registered office of Fairfax Financial Holdings Limited, is 95 Wellington Street West, Suite 800 Toronto, Ontario, Canada. The directors have hence taken the advantage of section 10.4 of IFRS 10- Consolidated Financial Statements, which dispenses it from the need to present consolidated financial statements.

(iv) The directors have carried out an impairment assessment of the investment in subsidiaries and except for Thomas Cook Holidays, that will be wound up, the directors have identified that no impairment is required.

9 Financial assets at fair value through profit or loss

Name of investee company	Country of incorporation	Type of investment	% Holding	2024 Cost and fair value
Travel Circle International (Mauritius) Ltd	Republic of Mauritius	Ordinary shares	0.00002	**6**

(i) The Company subscribed to 1 share in Travel Circle International (Mauritius) Ltd, a related company incorporated in Mauritius.

(ii) The cost of the investments is regarded as a reflection of the fair values. As the Company forms part of a group, all impairment assessment is done at the holding company's level.

10 Loan receivable

Note(i) - Travel Circle International (Mauritius)

	2025 USD	2024 USD
Opening balance	**590,000**	590,000
Movement during the year	**680,000**	-
Closing balance	**1,270,000**	590,000

The loan to Travel Circle International (Mauritius) Ltd bears an interest rate of 6.28% or the benchmarked rate per annum, is unsecured and receivable on demand based on group treasury management. Interest income for the year amounted to USD 44,802 (2024: USD 37,052).

11 Receivables

	2025 USD	2024 USD
Receivable from related party - Travel Circle International (Mauritius) Ltd	**171,650**	114,848
	171,650	114,848

The receivable from related parties are unsecured, bear interest of 6.25% and repayable on demand.

12 Cash and cash equivalents

	2025 USD	2024 USD
Cash at bank	**95,199**	124,922

13 Stated capital

	2025 USD	2024 USD
1,655,500 ordinary shares of USD 1 each	**1,655,500**	1,655,500

Rights attached to the ordinary shares are as per the Mauritius Companies' Act, as follows:
(i) the right to vote on a poll for every share held at a meeting of the Company on any resolution;
(ii) the right to an equal share in dividends authorised by the Board;
(iii) the right to an equal share in the distribution of the surplus assets of the Company.

14 Dividend

	2025 USD	2024 USD
Declared during the year and paid	**100,000**	-

A dividend of USD 100.000 (2024: nil) was declared on 26 March 2025 and paid to Thomas Cook (India) Limited.

15 Accruals

	2025 USD	2024 USD
Accrued expenses	**8,906**	15,301

16 Other income

	2025 USD	2024 USD
Dividend income	**780,000**	215,500
Management services fees	**12,000**	12,000
Operating income	**600**	-
	792,600	227,500

17 Taxation

(i) Income tax

The Company is liable to income tax at the rate of 17% and at 31 March 2025 it had income tax liability of USD 2,972 (2024: USD 3,053)

Current tax expense

	2025 USD	2024 USD
Income tax based on taxable profits at 15%	**3,119**	2,801
Corporate Social Responsibility	**373**	252
Over provision related for last year	-	(2,613)
	3,492	440

(ii) Income tax reconciliation

The income tax on the Company's (loss)/profit before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

Reconciliation of effective

	2025 USD	2024 USD
Profit/(loss) before tax	**816,527**	(820,426)
Tax at effective rate of 15%	**122,479**	(123,064)
Non-allowable expenses	3,016	162,636
Exempt income	**(122,376)**	(36,771)
	3,119	2,801

17 Taxation (Cont'd)

(ii) Income tax reconciliation (Cont'd)

Reconciliation of income tax liability in the statement of financial position

	2025 USD	2024 USD
Balance as at 1 April	**3,053**	4,499
Income tax	**3,119**	2,801
Over provision related for last year	**-**	(2,613)
Paid during the year	**(3,053)**	(1,886)
Corporate Social Responsibility	**373**	252
	3,492	3,053

(iii) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%. No provision for deferred tax asset has been recognised as no taxable income is probable in the foreseeable future.

18 Related parties transactions

For the year ended 31 March 2025, the Company had transactions with its related parties. The nature, volume of transactions and the balances are as follows:

Name of related parties	Nature of relationships	Nature of transactions	Volume of transactions	balance at 31 Mar-25	Volume of transactions	balance at 31 Mar-24
			USD	USD	USD	USD
Travel Circle International (Mauritius) Limited	Investee company	Loan	**(680,000)**	**1,270,000**	**-**	590,000
Travel Circle International (Mauritius) Limited	Subsidiary company	Amount receivable	**56,802**	**171,650**	**(373,347)**	114,848

All related party transactions are done at arm's length.

19 Holding companies

The directors consider Thomas Cook (India) Limited, a company listed on the Bombay Stock Exchange, India, as the immediate holding company and Fairfax Financial Holdings Limited, a company listed on the Toronto Stock Exchange, Canada, as the ultimate holding company.

Thomas Cook (India) Limited holds 100% of the shares of Thomas Cook (Mauritius) Holding Company Limited.

Fairbridge Capital (Mauritius) Limited ("Fairbridge"), a subsidiary of Fairfax Financial Holdings Limited (the "ultimate parent"), Canada and its affiliates, held equity shares of INR 1 each corresponding to 63.83% stake in Thomas Cook (India) Limited as on 31 March 2019. As at the financial year ended 31 March 2025, the Fairbridge held equity shares if INR 1 each corresponding to 63.83% stake in Thomas Cook (India) Limited.

20 Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the Company have adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors are satisfied that the Company are in a sound financial position and that both has access to sufficient bank facilities to meet foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Company. The directors are also not aware of any material non-compliance.

21 Contingencies and capital commitments

The Company does not have any contingent liability and capital commitment at year.

22 Events after the reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED

31 MARCH 2025

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For the year ended 31 March 2025

Corporate data

		Date appointed	Date resigned
Directors:	Mr Mohinder Dyall	4 September 2013	-
	Mr Mahesh Chandran Iyer	13 April 2022	-
	Mr Debasis Nandy	17 December 2018	-
	Mr Madhavan Menon	8 March 2019	-
	Mrs Lovania Devina Ouma Pertab	1 April 2019	27 February 2025
	Mrs Vidisha Ramlugun	12 April 2021	-
	Mrs Selvida Naiken	29 March 2022	-

Secretary:
Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Registered office:
Anglo-Mauritius House
4 Intendance Street
Port Louis
Republic of Mauritius

Auditor:
Baker Tilly
Level 2, Tribecca Central
Trianon 72261
Republic of Mauritius

Bankers:
AfrAsia Bank Limited
Bank One Limited
BCP Bank (Mauritius) Limited
ABSA Bank (Mauritius) Limited
MauBank Ltd
SBM Bank (Mauritius) Ltd
SBI (Mauritius) Ltd
The Mauritius Commercial Bank Ltd

For the year ended 31 March 2025

Annual report

The directors present their annual report together with the audited financial statements of Thomas Cook (Mauritius) Operations Company Limited, the "Company", for the year ended 31 March 2025.

The Company was incorporated in the Republic of Mauritius on 14th February 2000 under the Mauritius Companies Act 2001 as a private company with liability limited by shares.

Principal activity

The principal activity of the Company is to deal in foreign exchange under a foreign exchange dealer licence issued by the Bank of Mauritius.

Results and dividends

The results for the year are as shown on page 24.

The directors recommended the payment of a dividend **Rs 36,000,000** for the year under review (2024: Rs 10,000,000).

Directors

The present membership of the Board is set out on page 2.

Statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial staements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the IFRS Accounting Standards. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that adequate accounting records have been maintained and effective systems of internal control and risk management were in place.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT

Report on Corporate Governance

CORPORATE GOVERNANCE STATEMENT

Thomas Cook (Mauritius) Operations Company Limited, the "Company", is a subsidiary of Thomas Cook (Mauritius) Holding Company Limited, a Company incorporated in the Republic of Mauritius and a step-down subsidiary of Thomas Cook (India) Limited, a Company incorporated in the Republic of India. The ultimate parent is Fairfax Financial Holding Limited, Canada.

The Corporate Governance report for the year ended 31 March 2025 has been prepared having regard to the requirements prescribed in the Guideline on Corporate Governance issued by the Bank of Mauritius.

The Company is committed to the highest standard of business integrity, transparency, and professionalism in all its activities. The Board of Directors ensures that the Company is managed ethically and responsibly to enhance business value for all stakeholders.

Although the Company is not qualified as a Public Interest Entity (PIE) under The Financial Reporting Act 2004 and the Financial Reporting (Amendment of Schedule) Regulations 2016, the Board has considered and applied principles of the code which is likely to work in the context of the Company and culture and which promotes the following:

- Headed by an effective Board whereby the responsibilities and accountabilities within the organization are clearly identified.
- Formal, rigorous and transparent process for the appointment, election, induction and re-election of directors
- Effective decision-making, robust risk management and control.
- Ensuring that directors are aware of their legal duties and they fister high ethical standards and strong ethical culture in the organization.
- Presenting a fair, balanced and understandable assessment of the organization's financial performance.
- Ensuring effective and independent audit function that has the respect, confidence and co-corporation of both Board and the Management.
- Keeping the interests of the owners of the business aligned with, and at the front of the mind of, the people charged with managing the business; and
- The ability of the Company to hear the voice of all stakeholders, principally, regulatory and standard bodies, employees, customers, suppliers and the environment in which the Company operates.

SHAREHOLDING STRUCTURE

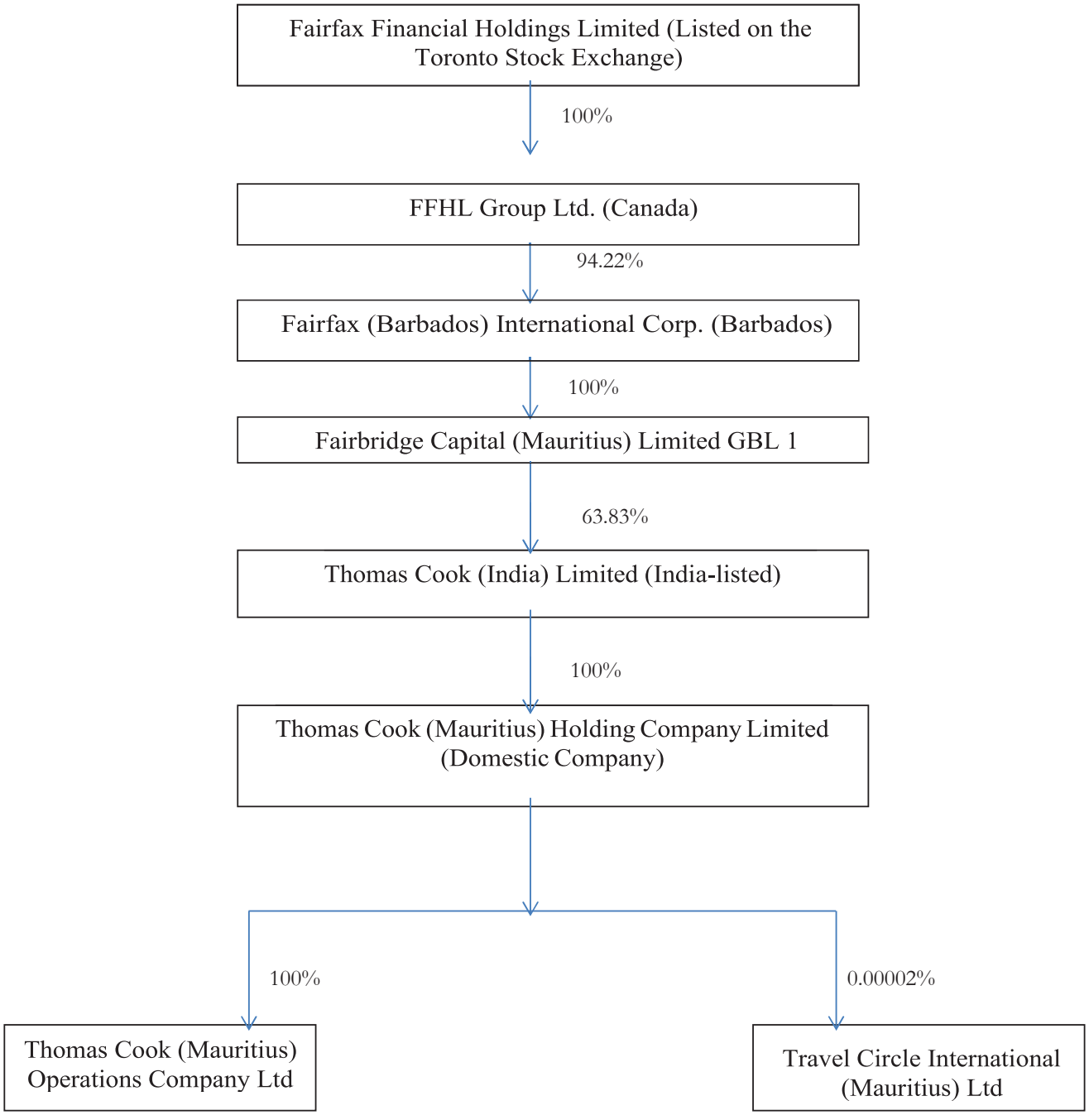
The shareholding of the Company is as follows:

Shareholder	**No of Shares**
Thomas Cook (Mauritius) Holding Company Ltd	648,149
Total Number of Shares	**648,149**

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

Report on Corporate Governance (Contd)

SHAREHOLDING STRUCTURE (Contd)



ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS

Structure of the Board

The Board's structure of the Company is a unitary Board which is collectively accountable and responsible for the long-term success of the Company. The Board provides effective leadership and strategic guidance towards the achievement of the Company's strategy within a framework of effective controls and risk management, alongside ensuring adherence of the Company to relevant legislations. The directors of the Company share responsibility for directing and promoting its affairs collectively when acting on behalf of the Company.

Composition of the Board

The Board currently is comprised of one (1) Executive Director, three (3) Non-Executive Directors and three (3) Independent-Directors.

Mr Madhava Menon and Mrs Lovinia Pertaub are no longer members of the Board.

Attendance at Board Meetings:

	30/04/2024	21/08/2024	28/11/2024
Chairperson			
Lovinia PERTAB (Independent Director)	✓	✓	✓
Chief Operating Officer/Executive Director			
Mohinder DYALL	✓	✓	✓
Independent Director			
Dr. Vidisha RAMLUGUN	✓	✓	✓
Selvida NAIKEN	✓	✓	✓
Non-Executive Directors			
Madhavan MENON	×	×	×
Debasis NANDY	✓	✓	✓
Mahesh Chandran IYER	✓	✓	✓

ANNUAL REPORT (Contd)
Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile (Contd)

Directors' Profile

Mr. Mohinder DYALL – Executive Director

He joined the Company in September 2013 as the Chief Operating Officer. He holds a Post Graduate Diploma in marketing from the Chartered Institute of Marketing and an MSc E-Business from the University of Mauritius. He is both a member of the Chartered Institute of Marketing (CIM) and a Chartered Marketer from the same Institute. He is the former Chief Operations Officer at Flemingo Duty Free Mauritius Ltd and Chief Executive Officer at Mauritius Duty Free Paradise Ltd.

He was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 4th September 2013.

Mr Madhavan MENON - Non-Executive Director

Mr. Madhavan Menon joined Thomas Cook India in 2000 as the Executive Director responsible for the Foreign Exchange business and stepped up to the position of Managing Director in January 2006; Chairman and Managing Director in January 2016.

He completed his MBA from George Washington University and undergraduate degree from American University of Beirut.

Mr. Menon has a varied background, having commenced his career in Banking at Grindlays Bank, Citibank and Emirates Bank and in Birla Sun Life Asset Management Company.

Mr. Menon is a member of the Board of Thomas Cook (India) Ltd and holds directorships in various subsidiaries of the Company. He is also the Chairman of the Fairfax India Charitable Foundation that focusses on bringing down the cost of treating kidney related ailments in the country.

During his tenure, Thomas Cook India has made several acquisitions, making it the largest travel and related services Company in India and has expanded the global footprint of the Group to cover twenty-one countries across four continents, with operations in Australia, China, ASEAN, South Asia, Middle East, Southern Africa, Eastern Africa and North America.

He was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 8th March 2019. His tenure ended on 7th March 2025, and is no longer part of the Board of Thomas Cook (Mauritius) Operations Company Limited.

ANNUAL REPORT (Contd)
Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile (Contd)

Mr. Debasis NANDY – Non- Executive Director

He is a Chartered Accountant and a Finance Professional. He is also an associate member of the Institute of Chartered Accountants of India. Mr. Nandy has been part of the Executive Development Programme at Wharton and London Business School.

He has been with Thomas Cook India since 2008 and is presently the President & Group Chief Financial Officer. Moreover, he has over 30 years of diverse experience in the field of Finance & Accounts, with stints at Piramal Healthcare, Aviva, ICI and Indian Aluminium.

He is responsible for and oversees the Finance and Accounts function of Thomas Cook India Group companies, which span across four continents and twenty-four countries.

With his expertise and diverse experience, Mr. Nandy plays a significant role in the performance of the Company and is a key member of the Group Management Committee.

He was appointed director of Thomas Cook (Mauritius) Operations Limited on the 17th December 2018.

Mr. Mahesh IYER – Non- Executive Director

Mr. Iyer joined Thomas Cook India Ltd. in 1994 and worked at different roles in the FX business and lead the strategy division before stepping up to the position of Chief Operating Officer Foreign Exchange in January 2016 and eventually Chief Executive Officer and Executive Director as from May 29, 2018.

Mr. Iyer completed his Executive Program in Business Management from the Indian Institute Management of Kolkata and master's degree in marketing management from Jamnalal Bajaj Institute of Management Studies.

Mr. Iyer is a member on the Board of Director of Thomas Cook (India) Ltd and is responsible for the Company's business result across its various verticals, management of key relationships, as well as, in building a sustainable growth-oriented organization that maximizes value for all its shareholders.

Mr. Iyer also holds directorships in the various subsidiaries of the Company. He has already been a member of the Board of the Directors of Thomas Cook (Mauritius) Operations Ltd. for the period March 2013 to March 2019.

Mrs. Lovania Devina Ouma PERTAB - Independent Director

Mrs. Pertab is a barrister by profession. She holds a master's in law from University of La Réunion, France and a postgraduate diploma in International Environment Law from the University of Limoges, France. She is also the holder of a post graduate diploma in Ocean Laws and Policy.

She has worked as Principal State Council at the State Law Office of Mauritius and has served as Magistrate in both Mauritius and the Republic of Seychelles.

In the past fifteen years, she has worked in the private sector as an in-house lawyer, namely in the aviation sector, the banking sector and in the commercial field.

She is now the Chairperson of Transparency Mauritius and has been a director in its Board for more than two years.

ANNUAL REPORT (Contd)
Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile (Contd)

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 1st April 2019 and was also a member of the Audit and Risk Management Committee.

Mrs Pertaub resigned from the Board of Directors, and all instances of the Company, on 25th February 2025.

Mrs. Dr. Vidisha RAMLUGUN – Independent Director

Dr. Ramlugun is a Senior Lecturer from the Department, Finance and Accounting, Faculty of Law and Management at the University of Mauritius. She holds a Ph.D. in Corporate Governance from the Open University of Mauritius, an MSc International Banking and Finance from University of Greenwich, London and a BSc (Hons) Accounting and Finance from the University of Mauritius. She is a member of Chartered Institute of Secretaries and Administrators as well as a member of the Mauritius Institute of Directors.

As part of her interest, Dr. Ramlugun carried out research in corporate governance matters. Furthermore, she actively produces working papers on various themes for publications and conferences.

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 12th April 2021 and is also the Chairperson of the Audit and Risk Management Committee since 15th November 2021.

Mrs. Selvida Naiken- Independent Director

Mrs. Naiken holds an Master in Business Administration with Specilisation in Marketing, a Diploma in Social Work and Certificates in Quality Assurance and Corporate Governance. She is also a fellow member of the Association of Chartered and Certified Accountants (ACCA). She has over twenty- five years of experience in the Public Sector occupying various posts such as Probation Officer and Senior Accountant in various ministries. She joined the Financial Reporting Council in 2007 as Chief Executive Officer, body which regulates auditors, reviews Annual Reports of Public Interest Entities and ensures compliance with corporate governance in line with the National Code of Corporate Governance.

She is now the Director of Compliance at Sotravic Ltee and chairs its Risk Management and Audit Committee.

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 29th March 2022.

ANNUAL REPORT (Contd)

Report on Corporate Governance

BOARD AND DIRECTORS (Contd)

Role and function of the Board

The Board is the decision-making body for all matters material to the Company's finances, strategy and reputation. It is collectively responsible for the long- term success of the Company and has ultimate responsibility for management, direction and performance of the Company and its businesses. The Board is required to exercise objective judgement on all corporate matters and is accountable to shareholders for the proper conduct of the business. The Board has also delegated specific responsibility to the Audit and Risk Management Committee.

There is a defined division of responsibilities between the Non-Executive Chairperson and the Chief Operating Officer.

Role and Function of the Chairperson

The Chairperson is responsible to manage and provide leadership to the Board of Directors. She is accountable to the Board and acts as a direct liaison between the Board and the management of the Company through the Chief Operating Officer. The Chairperson also acts as the communicator for Board decisions where appropriate.

Role and Function of the Chief Operating Officer

The Chief Operating Officer ("COO") is responsible for leading the development and execution of the Company's long-term strategy with a view to creating shareholder value. The COO's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long- and short-term plans.

Role of the non-executive director and of the Independent Director

The Non-Executive Director and the Independent Director make a significant contribution to the functioning of the Board, are involved in policy making and planning exercises. They ensure that no one individual or group dominates the decision-making process.

Directors' Duties and Responsibilities

The Directors exercise care, skill and due diligence in dealing with the business affairs of the Company and work with the management to take objective decisions in the interest of the Company. The Company Secretary keeps Directors informed of their duties as per the Companies Act 2001.

Role and function of the Company Secretary

The Company Secretary manages the provision of timely, accurate and considered information to the Board and ensures that the Board maintains its awareness of the ever-changing corporate governance environment. The Company Secretary attends every Board meeting and Committee meeting.

ANNUAL REPORT (Contd)

Report on Corporate Governance

BOARD AND DIRECTORS (Contd)

Conflicts of interests

Each Director ensures that no decision or action is taken that places his interests in front of the interests of the business. At each Board meeting a director is required to disclose any actual or potential conflicts of interests.

Remuneration of directors

The Board decided to allocate an aggregate amount of Rs. 100,000 as remuneration and benefits to the independent directors for each quarterly meeting.

BOARD EFFECTIVENESS

Nomination process

The Board recognizes the importance of having a formal and transparent process for the nomination and appointment of directors.

The nomination and appointment process of directors is as follows:

- Identification of candidates
- Interviews conducted.
- Board approval of candidate
- Regulatory approval
- Election at Annual/Special Meeting
- Letter of appointment
- Regulatory filing

Board Induction and Professional Development

All new directors receive a full, formal and tailored induction on joining the Board, including meetings with senior management and visits to the Company's operational locations. The Board recognizes that its directors have a diverse range of experience, and so it encourages them to attend external seminars and briefings that will assist them individually. The Company also regularly organizes training programs for the Directors to ensure that they keep pace with the fast-moving governance and regulatory environment, with a focus on AML/CFT particularly.

Board Evaluation

The Board recognizes that a continuous and constructively critical evaluation of their performance is a powerful feedback mechanism for improving Board effectiveness, maximizing strengths and highlighting areas for further development.

ANNUAL REPORT (Contd)

Report on Corporate Governance

BOARD EFFECTIVENESS (Contd)

Succession Planning

The Board of Directors is responsible for reviewing Board succession plans for Directors and seeking to refresh the Board membership as and when it deems necessary.

The Board of Directors also ensures that the Company has succession planning for its Executive Directors and key management personnel, including appointing, training and mentoring successions. The Board of Directors reviews contingency arrangements for any unexpected incapacity of the Chief Operating Officer or any of the top management personnel and ensures that procedures are in place to ensure a transition to a full operational management team.

Board Meetings

At each meeting, the Board receives regular reports covering current operations and Management Accounts. At certain points in the year, the Board reviews results of the operations, budgets, capital expenditure, risks and audited financial statements and also reviews other topics such as technical or legal developments and the competitive environment as appropriate.

BOARD COMMITTEES - Audit and Risk Management Committee

The Board has a standing Audit and Risk Management Committee (the "Committee"). The Committee reports to the Board. The Audit and Risk Management Committee charter was reviewed and approved by the Board on the 13th of January 2022. The minutes of the Committee Meetings are circulated and reviewed by the Board.

The main duties and responsibilities of the Audit and Risk Management Committee are:

1.1 The basic responsibility of the members of the Audit and Risk Management Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company senior executives and its outside advisors and auditors, to the fullest extent permitted by law.

1.2 The Board authorizes the Audit and Risk Management Committee, within the scope of its responsibilities to:

(a) perform activities within the scope of this charter.
(b) investigate any activity it deems appropriate.
(c) appoint independent advisers and professionals (accountants, lawyers and so on) as it deems necessary to carry out its duties.
(d) instruct any officer or employee of the Company to attend any meetings and provide pertinent information as necessary and appropriate.
(e) have unrestricted access to members of management, employees and relevant information.
(f) establish procedures regarding accounting, internal controls and auditing matters.

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD COMMITTEES – Audit and Risk Management Committee (Contd)

(g) establish procedures for the receipt and treatment of audit observations received by the Company regarding accounting controls and auditing matters.

(h) make recommendations to the Board in relation to the appointment, termination and remuneration of external auditors and evaluate the work of the latter.

(i) review the performance of the external auditors and exercise final approval on the appointment or discharge of the auditors.

(j) pre-approve all audit services fees and terms as well as review policies for the provision of non-audit services by the external auditors.

Membership of the Committee

The members of the Committee during the year were Dr. Vidisha Ramlugun (Committee Chairperson); Mrs. Lovania Devina Ouma Pertab and Ms. Selvida Naiken.

Attendance at Committee:

	30/04/2024	21/08/2024	28/11/2024
Mrs. Vidisha RAMLUGUN	✓	✓	✓
Mrs. Lovania Devina Ouma PERTAB	✓	✓	✓
Ms. Selvida NAIKEN	✓	✓	✓

The Chief Operating Officer, General Manager-Finance, Senior General Manager-Forex Exchange, the Deputy General Manager –Compliance/MLRO, the BPIA are de-facto attendees at the Audit and Risk Management Committee. The Internal and External auditors attend meetings by invitation.

RISK MANAGEMENT, INTERNAL CONTROL, AND INTERNAL AUDIT

Internal Audit and Internal Control

The scope of the internal audit function is to assist the Board and management to maintain and improve the process by which risks are identified and managed, and to help the Board to discharge its responsibilities and to maintain and strengthen the internal control framework.

During the year under review the Board has outsourced the internal audit function to BDO & Co., assisted by the BPIA.

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT (CONTD)

Risk Management

The Board of directors has overall responsibility for the Company's risk management and the process in place in relation to the identification, evaluation and management of the significant risks faced by the Company in compliance with the Corporate Governance Code.

The risk management mechanism in place includes:

- A system for the on-going identification and assessment of risks; and
- Communication of risk management across all levels of organization

The Financial Risk Management is outlined on pages 40 to 45 of the audited financial statements.

INFORMATION GOVERNANCE

The Company lays emphasis on the confidentiality, integrity, availability and protection of information backed by the Information Technology (IT) systems. For fulfilling its obligations, the Board is supported by the Audit and Risk Management Committee.

ACCOUNTING AND AUDITING

Auditors

The auditors' fees charged (exclusive of VAT) by Baker Tilly for audit and other services were:

	2025 (Rs)	2024 (Rs)
Audit fees	1,200,000	465,000
Other services*	66,000	59,000
TOTAL	1,266,000	524,000

*Other services comprise of tax services.

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

INTEGRATED SUSTAINABILITY REPORT

Ethics and business conduct

The Company is committed to a Code of Business Conduct and Ethics which sets out the business practices and personal ethics for all its employees. The Code of Business Conduct and Ethics was approved by the Board of Directors on 18 November 2015.

Health and Safety Policy

The Company is committed to ensure a risk-free and healthy working environment through the provision and maintenance of a safe workspace and system of work through appropriate information, instruction, training and supervision and effective communication.
The Company commits to comply with the provisions of the Occupational Safe and Health Act of 2005 and the relevant Regulations.
The Company ensures that health and safety standards are a key issue in its organization. Communication and consultation at all levels in the organization take place to ensure that health and safety are maintained and improved where necessary.

Training and Development Policy

The Company ensures that the employees are trained and become sufficiently experienced to the extent necessary to competently and effectively undertake their assigned duties and responsibilities. It is also the aim of the Company to encourage the employees to make the most of learning opportunities to realize their own personal and enjoyment of their job.

The Company attempts to create a learning environment where employees are prepared to accept change, develop new skills and take responsibility for their own continuous learning in collaboration with their head of department and the Executive director, to ensure their effective contribution to the successful achievement of both their personal goals.

Equal Employment Opportunity Policy

In order to provide equal employment and advancement opportunity to all individuals, employment decisions in the Company is based on merit, qualifications and abilities. The Company does not discriminate in employment opportunities or practices based on race, colour, religion, sex, national origin, age or any other characteristic protected by law.

This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination and access to benefits and training.

Any employee of the Company with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their head of department or their Manager. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination would be subject to disciplinary action and may result into termination of employment.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

INTEGRATED SUSTAINABILITY REPORT (CONTD)

Corporate Social Responsibility (CSR)

The Company recognizes that it has a responsibility to be involved in social issues which do not necessarily relate to the welfare of its own employees.

The Company believes that CSR can also help to improve the perception of the Company amongst its employees, particularly when they become involved through fundraising activities, community volunteering or other relevant activities.

COMMUNICATION AND DISCLOSURE

Related Party Transaction

Related party transactions are disclosed in Note 24 of the audited financial statements.

Constitution

The Company's constitution is in conformity with the provisions of the Companies Act 2001.

Dividend Policy

The payment of dividends is subject to the performance of the Company, its cash flow, its investments requirements and its solvency test.

Directors' interests

The directors do not hold any interest in the ordinary shares of the Company.

COMMUNICATION AND DISCLOSURE

Significant Contracts

No contracts of significance exist between the Company and its directors.

Donations

The Company has not made donations during the year ended 31 March 2025 (2024: Nil).

Directors' Remuneration

During the year ended 31 March 2024, remuneration paid to the directors by the Company are as follows:

	2024 (Rs)	2024 (Rs)
Non-Executive Independent directors - sitting fee	1,200,000	1,193,250
Executive director	5,226,073	5,200,804

Approved by the Board of directors on 02 MAY 2025 and signed on its behalf by:

Director

Director

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS.

Directors acknowledge their responsibilities for:

(i) Adequate accounting records and maintenance of effective internal control systems.

(ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with International Financial Reporting Standard (IFRS).

(iii) the use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The Company has considered having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board has also established formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation's internal and external auditors. The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

(i) adequate accounting records and an effective system of internal controls and risk management have been maintained;

(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

(iii) International Financial Reporting Standards have been adhered to and comply with the Companies Act 2001 and the Financial Reporting Act 2004. Any departure has been disclosed, explained and quantified;

(iv) The financial statements have been prepared on the going concern basis.

(v) Adequate Data security is focused on by protecting personal data from any unauthorised third-party access or malicious attacks and exploitation of data.

Acknowledgement

The Board would like to thank all employees for their continued dedication and loyalty.

ON BEHALF OF THE BOARD

Director

Director

Name: Vidusha Ramlugun

Name: S Naiken

Date: 08/5/2025

STATEMENT OF COMPLIANCE

(Section 75 (3) of the Financial Reporting Act)

THOMAS COOK OPERATIONS COMPANY LIMITED

Reporting period: Year ended 31 March 2025

We, the Directors of THOMAS COOK OPERATIONS COMPANY LIMITED, confirm, to the best of our knowledge that the Company has complied with the Corporate Governance Code for Mauritius (2016). The Company has applied all the principles set out in the Code and has explained how these principles have been applied.

Signed by:

Chairperson

Name: Vrdisha Ramlugun

Date: 07/5/2025

Director

Name: Selvida Nauken

For the year ended 31 March 2025

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Operations Company Limited

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of Thomas Cook (Mauritius) Operations Company Limited, under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2025.

for **Executive Services Limited**
Secretary

Registered address:
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date 02 MAY 2025

Level 2, Tribeca Central,
Trianon 72261
Mauritius

T: +230 460 8800
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INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thomas Cook (Mauritius) Operations Company Limited (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 23 to 54 give a true and fair view of the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board Board and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

► Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate data, annual report and certificate from the secretary.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Banking Act 2004

In our opinion, the financial statements:

- have been prepared on a basis consistent with that of the preceding year.
- are complete, fair and properly drawn up; and
- comply with the Banking Act 2004 as well as the regulations and guidelines of the Bank of Mauritius.

Other Matter

This report has been prepared for and only for the Company's shareholder, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed to our prior consent in writing.

Baker Tilly

Baker Tilly

Date:02 May 2025

Sin C. LI, CPA, CGMA
Licensed by FRC

Statement of financial position as at 31 March 2025

	Notes	2025 Rs	2024 Rs
Assets			
Non-current assets			
Plant and equipment	7	**10,043,213**	10,622,178
Intangible assets	8	**125,642**	38,891
Rights-of-use assets	9	**19,781,796**	8,532,498
Deferred tax assets	22	**430,695**	443,470
Investment in treasury bills	10	**8,611,911**	-
Total non-current assets		**38,993,257**	19,637,037
Current assets			
Investment in treasury bills	10	**38,399,220**	47,026,997
Trade and other receivables	11	**8,429,273**	7,046,092
Cash and cash equivalents	12	**186,532,755**	46,641,888
Total current assets		**233,361,248**	100,714,977
Total assets		**272,354,505**	120,352,014
Equity and liabilities			
Equity			
Stated capital	13	**64,814,900**	64,814,900
Retained earnings		**52,369,745**	21,867,435
Gratuity benefit deficits		**(1,879,900)**	(2,374,000)
Total equity		**115,304,745**	84,308,335
Liabilities			
Non-current liabilities			
Gratuity obligations	14	**3,999,647**	4,370,647
Lease liabilities	16	**12,412,479**	3,487,832
Total non-current liabilities		**16,412,126**	7,858,479
Current liabilities			
Trade and other payables	17	**48,544,696**	20,058,685
Bank overdraft	15	**72,259,550**	614,813
Lease liabilities	16	**7,818,541**	4,558,185
Tax liability	22	**12,014,847**	2,953,517
Total current liabilities		**140,637,634**	28,185,200
Total liabilities		**157,049,760**	36,043,679
Total equity and liabilities		**272,354,505**	120,352,014

Approved by the Board of Directors on 02 MAY 2025 and signed on its behalf by:

Name:	**Name:**	**Name:**
Director	**Director**	**Chief Operating Officer**

The notes on pages 27 to 54 form an integral part of these financial statements.

Statement of comprehensive income for the year ended 31 March 2025

	Notes	2025 Rs	2024 Rs
INCOME			
Net gains from foreign currency dealings and net foreign exchange	18	**71,277,942**	75,104,506
Other operating income	19	**104,380,362**	23,316,281
Sundry income		**-**	222,000
Administrative expenses		**(91,820,731)**	(76,305,748)
Operating profit	23	**83,837,573**	22,337,039
Finance income	20	**1,592,230**	1,835,367
Finance costs	21	**(3,588,913)**	(3,363,073)
Net finance cost		**(1,996,683)**	(1,527,706)
Profit before tax		**81,840,890**	20,809,333
Tax expense	22	**(15,338,580)**	(5,458,148)
Profit for the year		**66,502,310**	15,351,185
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Deferred tax	22	**(115,900)**	(321,300)
Actuarial gain/(loss) on gratuity benefit obligations	14	**610,000**	(2,142,000)
Other comprehensive income/(loss) for the year, net of tax		**494,100**	(2,463,300)
Total comprehensive income for the year		**66,996,410**	12,887,885

Statement of changes in equity for the year ended 31 March 2025

	Note	Stated capital Rs	Retained earnings Rs	Gratuity benefit deficits Rs	Total Rs
At 01 April 2024		**64,814,900**	**21,867,435**	**(2,374,000)**	**84,308,335**
Profit for the year		**-**	**66,502,310**	**-**	**66,502,310**
Dividend paid	**13**		**(36,000,000)**	**-**	**(36,000,000)**
Other comprehensive income:					
Deferred tax		**-**	**-**	**(115,900)**	**(115,900)**
Actuarial gain on gratuity benefit obligations		**-**	**-**	**610,000**	**610,000**
Total comprehensive income for the year		**-**	**30,502,310**	**494,100**	**30,996,410**
At 31 March 2025		**64,814,900**	**52,369,745**	**(1,879,900)**	**115,304,745**
At 01 April 2023		64,814,900	16,516,250	89,300	81,420,450
Transaction with the shareholder		-	-	-	-
Profit for the year		-	15,351,185	-	15,351,185
Dividend paid	13	-	(10,000,000)	-	(10,000,000)
Other comprehensive income / (loss):					
Deferred tax		-	-	(321,300)	(321,300)
Actuarial loss on gratuity benefit obligations		-	-	(2,142,000)	(2,142,000)
Total comprehensive income / (loss) for the year		-	5,351,185	(2,463,300)	2,887,885
At 31 March 2024		64,814,900	21,867,435	(2,374,000)	84,308,335

The notes on pages 27 to 54 form an integral part of these financial statements.

Statement of cash flows for the year ended 31 March 2025

	Notes	2025 Rs	2024 Rs
Operating activities			
Profit before tax		**81,840,890**	20,809,333
Adjustment for:			
Depreciation	7, 9	**11,475,697**	10,777,654
Amortisation	8	**7,549**	7,549
Gratuity benefit obligations	14	**1,149,000**	791,000
Interest income		**(1,592,230)**	(1,835,367)
Interest expense		**3,588,913**	3,363,073
Unrealised foreign exchange		**-**	(904,377)
Loss on disposal		**50,970**	(105,146)
Total adjustments		**14,679,899**	12,094,386
Net changes in working capital:			
Change in trade and other receivables		**(1,332,001)**	(2,203,755)
Change in trade and other in payables		**28,486,011**	7,910,750
Tax paid	22	**(6,380,375)**	(847,750)
Total changes in working capital		**20,773,635**	4,859,245
Interest received		**1,541,053**	1,835,367
Interest paid		**(2,654,745)**	(3,515,484)
Net cash generaed from operating activities		**116,180,732**	36,082,847
Investing activity			
Purchase of plant and equipment	7	**(1,276,963)**	(2,231,919)
Purchase of intangible assets	8	**(94,300)**	-
Asset under constructions	7	**(84,272)**	-
Employer contributions	14	**(910,000)**	(565,000)
Proceeds from disposal		**-**	452,292
Net cash generated from/(used in) from investing activity		**(2,365,535)**	(2,344,627)
Financing activity			
Proceeds from redemption of investment in treasury bills	10	**15,650,000**	24,452,750
Investment in treasury bills	10	**(15,634,134)**	(13,853,199)
Payment of lease liabilities	16	**(9,584,933)**	(7,332,783)
Dividend paid		**(36,000,000)**	(10,000,000)
Change in borrowings		**71,644,737**	(34,572,941)
Net cash generated from/(used in) financing activity		**26,075,670**	(41,306,173)
Net change in cash and cash equivalents		**139,890,867**	(7,567,953)
Cash and cash equivalents, beginning of the year		**46,641,888**	54,209,841
Cash and cash equivalents, end of the year	**12**	**186,532,755**	46,641,888
Cash and cash equivalents made up of:			
Cash in hand and cash at bank (Note 12)		**186,532,755**	46,641,888
Bank overdrafts (Note 15)		**(72,259,550)**	(614,813)
		114,273,205	46,027,075
Non-cash transactions			
Lease assets derecognised under IFRS 16		**-**	-
Lease liabilities derecognised under IFRS 16		**-**	-

The notes on pages 27 to 54 form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2025

1. General information and statement of compliance with International Financial Reporting Standards

Thomas Cook (Mauritius) Operations Company Limited, the "Company", was incorporated in the Republic of Mauritius under the former Mauritius Companies Act 1984 (now replaced by the Mauritius Companies Act 2001) on 14 January 2000 as a private company with liability limited by shares. The Company's registered office is Ground Floor, Anglo Mauritius House, 4, Intendance Street, Port Louis, Republic of Mauritius.

The main activity of the Company is to deal in foreign exchange under a foreign exchange dealer licence issued by the Bank of Mauritius on 17 June 2005. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

1.1 Basis of preparation

(a) Statement of compliance

The financial statements of Thomas Cook (Mauritius) Operations Company Limited have been prepared in accordance with the IFRS Accounting Standards and in compliance with the requirements of Mauritius Companies Act 2001.

(b) Basis of measurement

The financial statements have been prepared on the going concern basis using historical cost basis except as otherwise stated in the notes to the financial statements.

(c) Functional and presentation currency

The financial statements are presented in Mauritian Rupee (MUR) which is the Company's functional currency. All amounts have been rounded to the nearest MUR unless otherwise stated.

(d) Use of estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(e) Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company have the resources to continue in business in the foreseeable future. Refer to Note 29 for further details. Therefore, the financial statements continue to be prepared on the going concern basis.

2 Application of new and revised IFRS

2.1 Application of new and revised International Financial Reporting Standards ("IFRS")

Up to the date of issue of these financial statements, the IASB has issued the following amendments which are effective for annual periods beginning on or after 01 April 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-Current Liabilities with Covenants (Amendments to IAS 1).

Notes to the financial statements
For the year ended 31 March 2025

2 Application of new and revised IFRS (conitnued)

2.1 Application of new and revised International Financial Reporting Standards ("IFRS") (continued)

The application of the new and revised IFRS Accounting Standards did not have any impact on the financial statements.

2.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors do not expect that the adoption of the standards listed below would have an impact on the financial statements.

New standards/ Amendments to:	Effective for accounting period beginning on or after
Lack of exchangeability - Amendments to IAS 21	01 January 2025
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	01 January 2026
Contracts Referencing Nature dependent - Amendments to IFRS 9 and IFRS 7	01 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01 January 2027

Lack of exchangeability - Amendmemts to IAS 21

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not exchangeable. The Company does not expect these amendments to have a material impact on its operations or its financial statements.

Classificiation and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its financial statements.

2.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025 (continued)

Annual Improvements to IFRS Accounting Standards - Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognitin of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent
- IAS 7: Cost method

Contacts referencing Nature Dependent - Amendments to IFRS 9 and IFRS 7

In December 2024, the Board issued contracts Referencing Nature Dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own use' requirements;
- Permitting hedge accounting if these contracts are used as hedging instruments;
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosures of newly defined management- defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optonality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the financial statements.

2.2 Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025 (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requiremnts while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The Company does not expect these amendments to have a material impact on its operations or financial statements.

3 Material accounting policies

3.1 Overall considerations

The financial statements have been prepared using the material accounting policies and measurement bases summarised below.

3.2 Foreign currency

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in "Mauritian Rupees" ("MUR" or "Rs").

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 Plant and equipment

Plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and impairment loss.

Depreciation is calculated on the straight-line method to write down the cost of the assets to their residual values over their estimated useful lives as follows:

Office equipment	4.75%
Computer equipment	25%
Furniture and fittings	6.33%
Motor vehicles	15%
Right-of-use	20% - 50%

3 Material accounting policies (continued)

3.3 Plant and equipment (continued)

Depreciation is provided in full in the month of addition and in respect of assets written off and disposed, up to the month of write off and disposal. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of an asset, the difference between the carrying value of the asset and sale consideration is taken to the statement of comprehensive income.

The assets' residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each reporting date. Repairs and maintenance costs are expensed as incurred.

Assets of value up to Rs 10,000 are written off completely in the month of acquisition.

3.4 Intangible assets

Computer software

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

Acquired computer software has been assessed as having a finite useful life which has been estimated to 4 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

3.5 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, where appropriate.

3 Material accounting policies (continued)

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the Company's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within finance income or finance costs, except for impairment losses which are presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principle and interest on the principle amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loan to related party and most of its receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of these new requirements include mainly amount due from related parties.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a boader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company makes use of a simplified approach in accounting for its amount due from related parties and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

3 Material accounting policies (continued)

3.5 Financial instruments (continued)

Impairment of financial assets (continued)

The Company writes off a financial asset when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include bank overdrafts, trade and other payables and lease liabilities.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.6 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.7 Trade receivables

Trade receivables represents commission receivable on MoneyGram transfers.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective rate of interest less impairment. Discounting is omitted where the effect of discounting is immaterial.

3.8 Finance costs

Finance costs are usually referred to as the interest costs on short-term and long-term borrowings. Finance costs are recognized as expense on Income Statement in the period in which they are incurred.

3.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank. Cash and cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

3.10 Equity and reserves

Stated capital is determined using the nominal value of shares that have been issued.

Retained earnings include all current and prior years' results.

Gratuity benefit deficits comprise of the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.

3 Material accounting policies (continued)

3.11 Income tax

Income tax expense represents the sum of the tax currently payable, deferred tax and Corporate Social Responsibility not recognised in other comprehensive income or directly in equity.

(i) Current tax

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are neither taxable nor deductible.

The Company's liability for current tax is on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full.

(iii) Corporate Social Responsibility ("CSR")

The Company is subject to CSR and the contribution is at a rate of 2% on chargeable income of the preceding financial year.

Effective 01 January 2019, the contribution to the Mauritius Revenue Authority must be at least 75% or reduced up to 50% if prior written approval of the National CSR Foundation is obtained.

(iv) Corporate Climate Responsibility ("CCR")

The Company is subject to CCR and the contribution is at a rate of 2% on net income, where the total income for that financial year exceeds Rs 50 million.

3.12 Investment in treasury bills

Treasury bills are short-term debt instruments issued by the government. They are sold at a discount and redeemed at par value, generating interest income for the investors.

3.13 Employee benefits

Gratuity obligations

The liability recognised in the statement of financial position in respect of gratuity obligations is the present value of the gratuity obligations at the end of the reporting period. The gratuity obligations are calculated annually by independent actuaries. The present value of the gratuity obligations is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the profit or loss.

3 Material accounting policies (continued)

3.13 Employee benefits (continued)

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Benefits falling due more than 12 months after the reporting period are discounted to their present value.

Termination benefits include wages, salaries, social security contribution, travelling and insurance. These costs are charged to the profit or loss when incurred.

Employee leave entitlement

Employee entitlement to annual leave and other benefits are supposed to be recognised when they accrue to the employees. The Company encourages all employees to take all their annual leave and other benefits during the year and hence there is no provision required.

3.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3.15 Revenue Recognition

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Company earns fees and commission from the sale and purchase of foreign currencies and from the provision of services as detailed below.

3.15.1 Net gains from foreign currency dealings

Sale of foreign currencies

Dealings in foreign exchange transactions are recognised on customer acceptance. Gains and losses arising on these dealings are recognised on a net basis.

Net foreign exchange differences include net realised gains and net gain on currencies translations at year end.

3.15.2 Other operating income

Other operating income comprises of fees and commission arising from telegraphic transfers, MoneyGram transactions, income from pick-up and delivery of foreign currencies to banks net of import charges.

Fees and commissions are recognised at a point in time, when the Company satisfies performance obligations by transferring services to its clients.

3 Material accounting policies (continued)

3.15.3 Interest income

Interest income is recognised on an accrual basis using the effective interest rate method.

3.16 Leased assets

The Company as a lessee

For any new contracts entered into on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a right-of-use liability (lease liability) on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the right-of-use liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets and lease liabilities have been disclosed as separate line items.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36.

3 Material accounting policies (continued)

3.16 Leased assets (continued)

Measurement and recognition of leases as a lessee (continued)

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. The finance lease liability is reduced by lease payments net of finance charges.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.17 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.18 Expense recognition

All expenses are accounted for on the accrual basis.

3.19 Trade payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers and are classified as current liabilities if payment is due within one year.

Trade payables also include advances received from customers in respect of telegraphic transfers not yet processed by the Company at the reporting date.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective rate of interest. Discounting is omitted where the effect of discounting is immaterial.

3.20 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3.21 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the year of the borrowings using the effective interest

Borrowing costs are expensed in the year in which they are incurred.

3 Material accounting policies (continued)

3.22 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Recognition of deferred tax assets

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Gratuity benefit obligations

The cost of gratuity benefit obligations is determined using actuarial valuations. The actuarial valuation is based on a number of critical underlying assumptions such as discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Variation in these assumptions may significantly impact the gratuity benefit obligations amount and the annual defined benefit expenses.

The assumptions were developed by an independent actuarial appraiser. The benefit obligations at the reporting date were estimated at **Rs 3,999,647** (2024: Rs 4,370,647).

Depreciation and amortisation rates

The Company depreciates or amortises its assets over their estimated useful lives. The estimation of useful lives is based on historical performance and expectation about future use and requires significant degree of judgement. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

Impairment of receivables

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its receivables. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Notes to the financial statements
For the year ended 31 March 2025

4 Financial instrument risk

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's risks are managed at the level of the Board of Directors with the assistance of line managers. The Board is responsible for overseeing the establishment of effective risk management systems and the monitoring of internal compliance and controls.

The Company's financial assets and financial liabilities by category are summarised below:

	2025	2024
	Rs	Rs
Financial assets		
Investment in treasury bills	**47,011,131**	47,026,997
Trade and other receivables*	**2,970,830**	3,176,027
Cash and cash equivalents	**186,532,755**	46,641,888
Total financial assets	**236,514,716**	96,844,912
Financial liabilities		
Trade and other payables**	**48,517,692**	19,475,435
Bank overdraft	**72,259,550**	614,813
Lease liabilities	**20,231,021**	8,046,017
	141,008,262	28,136,265
Total financial liabilities	**141,008,262**	28,136,265

*Trade and other receivables considered as financial assets exclude prepayments.
**Trade and other payables considered as financial liabilities exclude TDS.

4.1 Market risk analysis

Foreign exchange sensitivity

The Company has financial assets and financial liabilities denominated in United States Dollar ("USD"), EURO and Great Britain Pound ("GBP"). Consequently, the Company is exposed to the risk that the exchange rates of USD, EURO and GBP relative to MUR may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in the foreign currencies. The effect of any change in the exchange rates of other currencies relative to MUR will not have any material impact on the operating cash flows.

4 Financial instrument risk (continued)

Risk management objectives and policies (continued)

4.1 Market risk analysis (continued)

Foreign exchange sensitivity (continued)

The currency profile of the Company's financial assets and financial liabilities is as follows:

	Financial assets		Financial liabilities	
	2025	2024	**2025**	2024
	Rs	Rs	**Rs**	Rs
MUR	**68,183,023**	74,707,931	**141,008,262**	27,521,452
USD	**111,033,875**	5,387,320	**-**	-
EURO	**55,778,451**	13,394,196	**-**	-
GBP	**586,376**	1,812,910	**-**	614,813
Others	**932,991**	1,542,555	**-**	-
	236,514,716	96,844,912	**141,008,262**	28,136,265

Foreign currency sensitivity

The information below illustrates the sensitivity of movement in foreign exchange rates against MUR and the impact on profit or loss for the year and equity.

It assumes a 10% change in the USD/MUR, EURO/MUR and GBP/MUR exchange rate for the year ended 31 March 2025 (2024: 10%). The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

If the MUR had strengthened against the USD, EURO and GBP by 10%, equity would have decreased by **Rs 16,739,871** at 31 March 2025 (2024: Rs 1,997,961). If the MUR had weakened by the same percentage against these foreign currencies, equity would have increased by **Rs 16,739,871** (2024: 1,997,961).

	2025		2024	
	Profit or Loss	**Equity**	Profit or Loss	Equity
	Rs	**Rs**	Rs	Rs
USD	**11,103,388**	**(11,103,388)**	538,732	(538,732)
EURO	**5,577,845**	**(5,577,845)**	1,339,420	(1,339,420)
GBP	**58,638**	**(58,638)**	119,810	(119,810)
	16,739,871	**(16,739,871)**	1,997,962	(1,997,962)

Interest rate risk

The Company has interest bearing financial assets and financial liabilities in the form of bank balances, overdrafts, leases and investment in treasury bills. The interest on the overdraft facilities is at floating rate.

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date.

If interest rate on the financial instruments had been 25 basis points higher/lower, the net effect would be **Rs 180,649** (2024: Rs 1,537) on the operating cash flows and equity.

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4 Financial instrument risk (continued)

Risk management objectives and policies (continued)

4.2 Credit risk analysis

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The financial assets that potentially expose the Company to credit risk consist of trade and other receivables, cash and cash equivalents and investment in treasury bills. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2025	2024
	Rs	Rs
Current assets		
Investment in treasury bills	**47,011,131**	47,026,997
Trade and other receivables	**2,970,830**	3,176,027
Cash and cash equivalents	**186,532,755**	46,641,888
	236,514,716	96,844,912

Trade receivables consist of amount due from MoneyGram for which the directors consider risk of default as minimal since the latter is a highly reputable organisation and there is no history of default.

The directors consider that no credit risk is associated with the amount due from the related party included in trade and other payables, as the latter forms part of the same group of companies and the ultimate holding company has undertaken to make good of any loss suffered by the Company in the event of any default arising out from this amount due.

The Company holds investment in Government of Mauritius treasury bills on which credit risk is considered minimal.

The credit risk for cash and cash equivalents is considered negligible, since the Company transacts with reputable banks.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

The cash and cash equivalents are held with bank and financial institution conterparties which are rated BBB- to AA+ based on Fitch's and Moody's ratings as illustrated below:

Bank	**Ratings**
AfrAsia Bank Limited	A+
Bank One Limited	BB-
BCP Bank (Mauritius) Limited	BBB-
ABSA Bank (Mauritius) Limited	BB-
SBM Bank (Mauritius) Ltd	Baa3/P-3
SBI (Mauritius) Ltd	BBB-
The Mauritius Commercial Bank Ltd	AAA

None of the above financial assets are secured by collaterals or other credit enhancements.

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitor the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring cash inflows and outflows due in day-to-day business.

4 Financial instrument risk (continued)

Risk management objectives and policies (continued)

4.3 Liquidity risk analysis (continued)

The maturity profile of the financial liabilities is summarised as follows:

31 March 2025	**Carrying amount Rs**	**Less than one year Rs**	**1-5 Years years Rs**
Trade and other payables	**48,517,692**	**48,517,692**	**-**
Bank overdraft	**72,259,550**	**-**	**-**
Lease liabilities	**20,231,020**	**20,231,021**	**-**
	141,008,262	**68,748,712**	**-**

31 March 2024	Carrying amount Rs	Less than one year Rs	1-5 Years years Rs
Trade and other payables	19,475,435	19,475,435	-
Bank overdrafts	614,813	-	-
Lease liabilities	8,046,017	4,558,185	3,487,832
	28,136,265	24,033,620	3,487,832

Income projection

The main source of revenue are from the buying and selling of foreign exchange currency notes through the retail outlets and treasury deals with Corporate Clients and Financial Institutions. The Company has projected an increase of 10% in its revenue derived from foreign exchage transactions in the coming financial year as the tourism industry continues to recover and the sustained requirement for currency in the corporate segment. To be able to achieve these increases, marketing efforts will be enhanced towards corporate customers as these carry a higher income generating potential. Although the Company acknowledges the potential of the Money Transfer Service through MoneyGram, it has nevertheless adopted a more prudent approach on the capacity of this segment to generate revenue due to the currency volatility and exchange rate fluctuations risk, based on current trends.

Operating costs

The fixed and variable costs will continue to be closely monitored so that the Company does not have liquidity stress.

5 Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member and other stakeholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The structure of the Company consists of debt, which includes borrowings, offset by cash and cash equivalents and equity comprising of issued capital and retained earnings.

The Company monitors capital on the basis of the gearing ratio. This ratio is determined as the proportion of net debt to total capital.

5 Capital management policies and procedures (continued)

	2025 **Rs**	2024 Rs
Total borrowings (Note (i))	**92,490,570**	8,660,830
Less: cash and cash equivalents	**(186,532,755)**	(46,641,888)
Net debt	**(94,042,185)**	(37,981,058)
Total equity (Note (ii))	**115,304,745**	84,308,335
Total capital	**21,262,560**	46,327,277
Gearing ratio	**(442%)**	(82%)

(i) Borrowings comprise of bank overdrafts and lease liabilities as detailed in Notes 15 and 16.
(ii) Equity includes both capital and reserves.
(iii) The Company is required to maintain an unimpaired capital of Mauritian Rupee 25,000,000 and an additional two million rupees for each branch that it operates in accordance with the Terms and Conditions of its Foreign Exchange Dealer Licence. At 31 March 2025, the Company's total equity stood at Rs 115,304,745 (2024: Rs 84,308,335) and therefore the Company meets the unimpaired capital requirement.

Also, in accordance with Section 25 of the Banking Act 2004, the Company should maintain minimum liquid assets, equivalent to not less than 10 per cent of its liabilities, as may be determined by the Bank of Mauritius. Management considers the cash and cash equivalents and Government of Mauritius treasury bills as liquid assets and the total amount of these assets exceeded the total liabilities balance at the reporting date.

6 Fair value measurement

6.1 Fair value measurement of financial instruments not carried at fair value

The Company's financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of plant and equipment, intangible assets, deferred tax assets, right of use assets and prepayments. Its non-financial liabilities consist of gratuity obligations and tax liabilities.

For both non-financial assets and non-financial liabilities, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis.

7 Plant and equipment

	Office Equipment Rs	**Computer Equipment Rs**	**Furniture and Fittings Rs**	**Motor Vehicles Rs**	**Total Rs**
Cost					
At 01 April 2024	**6,211,636**	**8,429,002**	**10,632,918**	**3,797,000**	**29,070,556**
Additions	**368,441**	**271,325**	**637,197**	**-**	**1,276,963**
Work in progress	**-**	**-**	**84,272**	**-**	**84,272**
Disposals	**(88,770)**	**(21,839)**	**-**	**-**	**(110,609)**
At 31 March 2025	**6,491,307**	**8,678,488**	**11,354,387**	**3,797,000**	**30,321,182**

Notes to the financial statements
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7 Plant and equipment (continued)

	Office Equipment Rs	Computer Equipment Rs	Furniture and Fittings Rs	Motor Vehicles Rs	Total Rs
Depreciation					
At 01 April 2024	**3,473,383**	**6,945,569**	**6,219,814**	**1,809,612**	**18,448,378**
Charge for the year	**297,432**	**564,642**	**607,980**	**419,175**	**1,889,229**
Disposals	**(37,799)**	**(21,839)**	**-**	**-**	**(59,638)**
At 31 March 2025	**3,733,016**	**7,488,372**	**6,827,794**	**2,228,787**	**20,277,969**
Net book values					
At 31 March 2025	**2,758,291**	**1,190,116**	**4,526,593**	**1,568,213**	**10,043,213**

	Office Equipment Rs	Computer Equipment Rs	Furniture and Fittings Rs	Motor Vehicles Rs	Total Rs
Cost					
At 01 April 2023	6,177,363	7,830,458	10,712,155	3,645,000	28,364,976
Additions	58,430	679,389	552,100	942,000	2,231,919
Disposals	(24,157)	(80,845)	(631,337)	(790,000)	(1,526,339)
At 31 March 2024	6,211,636	8,429,002	10,632,918	3,797,000	29,070,556
Depreciation					
At 01 April 2023	3,199,502	6,538,533	5,890,685	2,240,060	17,868,780
Charge for the year	282,267	487,607	629,364	359,552	1,758,790
Disposals adjustment	(8,386)	(80,571)	(300,235)	(790,000)	(1,179,192)
At 31 March 2024	3,473,383	6,945,569	6,219,814	1,809,612	18,448,378
Net book values					
At 31 March 2024	2,738,253	1,483,433	4,413,104	1,987,388	10,622,178

8 Intangible assets

	2025 Rs	2024 Rs
Cost		
At 01 April	**5,778,353**	5,778,353
Additions	**94,300**	**-**
At 31 March	**5,872,653**	5,778,353
Amortisation		
At 01 April	**5,739,462**	5,731,913
Charge for the year	**7,549**	7,549
At 31 March	**5,747,011**	5,739,462
Net book values		
At 31 March	**125,642**	38,891

Notes to the financial statements
For the year ended 31 March 2025

9 Rights-of-use assets

	2025 Rs	2024 Rs
Cost		
At 01 April	**43,113,275**	40,558,223
Remeasurement adjustment	**-**	737,170
Additions	**20,835,766**	2,301,620
Termination	**-**	(483,738)
At 31 March	**63,949,041**	43,113,275
Depreciation		
At 01 April	**34,580,777**	25,679,289
Remeasurement adjustment	**-**	(117,376)
Charge for the year	**9,586,468**	9,018,864
At 31 March	**44,167,245**	34,580,777
Net book values		
At 31 March	**19,781,796**	8,532,498

The statement of comprehensive income includes the following amounts relating to leases:

	2025 Rs	2024 Rs
Depreciation on right-of-use assets	**9,586,468**	9,018,864
Interest expense on lease liabilities	**934,168**	534,265

10 Investment in treasury bills

	2025 Rs	2024 Rs
At 01 April	**47,026,997**	55,791,181
Purchased during the year	**15,634,134**	13,853,199
Redeemed during the year	**(15,650,000)**	(24,452,750)
Interest element	**-**	1,835,367
At 31 March	**47,011,131**	47,026,997
Current	**38,399,220**	47,026,997
Non-current	**8,611,911**	-
	47,011,131	47,026,997

At 31 March 2025, the company held treasury bills through financial institutions with maturity dates of 04 October 2025, 03 December 2026 and 21 August 2025 interest rates between 3.39% - 5.21%.

11 Trade and other receivables

	2025 Rs	2024 Rs
Trade receivables (Note (i))	**893**	450,000
Rental and other deposits	**1,756,580**	1,745,740
Other receivables and prepayments	**6,671,800**	4,850,352
	8,429,273	7,046,092

11 Trade and other receivables (continued)

(i) Trade receivables represent commissions receivable from MoneyGram. The credit period is one week and no interest is charged on overdue balances.
(ii) Equity includes both capital and retained earnings.

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for its amount due from the related party as this item does not have a significant financing component.

The Directors consider that no credit risk is associated with the amount due from related party as the latter forms part of the same group of companies and the ultimate holding company has undertaken to make good of any loss suffered by the Company in the event of any default arising out from this receivable.

	2025	2024
	Rs	Rs
Ageing of past debtors		
0 - 30 days	**893**	450,000
Total	**893**	450,000

12 Cash and cash equivalents

	2025	2024
	Rs	Rs
Cash at bank:		
Local currency	**4,003,125**	2,432,839
Foreign currency	**168,331,693**	13,642,944
Cash in hand:		
Local currency	**14,130,155**	22,072,068
Foreign currency	**67,782**	8,494,037
Cash at bank and in hand	**186,532,755**	46,641,888
Total	**186,532,755**	46,641,888

13 Stated capital

	2025	2024
	Rs	Rs
At 01 April	**64,814,900**	64,814,900
At 31 March	**64,814,900**	64,814,900

The number of shares at 31 March 2025 is 648,149 with a face value of Rs 100 each.

Rights attached to the ordinary shares are as per the Mauritius' Companies' Act, as follows:

(i) the right to vote on a poll for every share held at a meeting of the Company on any resolution;
(ii) the right to an equal share in dividend authorised by the Board; and
(iii) the right to an equal share in distribution of the surplus assets of the Company.

During the year, a dividend of **Rs 36,000,000** was paid (2024: Rs 10,000,000) to the holding company, Thomas Cook (Mauritius) Holding Company Limited.

14 Gratuity obligations

The Company has recognised gratuity obligations of **Rs 3,999,647** (2024: Rs 4,370,647) in the statement of financial position in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees as determined by the Company's actuary.

	2025	2024
	Rs	Rs
Reconciliation of gratuity obligations		
At 01 April	**4,370,647**	2,002,647
Amount recognised in profit or loss	**1,149,000**	791,000
Amount recognised in other comprehensive income	**(610,000)**	2,142,000
Employer contributions	**(910,000)**	(565,000)
At 31 March	**3,999,647**	4,370,647
Reconciliation of present value of gratuity obligations		
At 01 April	**5,335,647**	2,571,647
Current service costs	**945,000**	677,000
Interest expense	**260,000**	159,000
(Other benefits paid)	**(334,000)**	(169,000)
Liability experience (gain)/loss	**(737,000)**	1,901,000
Liability loss due to change in financial assumptions	**71,000**	196,000
At 31 March	**5,540,647**	5,335,647
Reconciliation of fair value of plan assets		
At 01 April	**965,000**	569,000
Interest income	**56,000**	45,000
Benefits paid	**(334,000)**	(169,000)
Return on plan assets excluding interest income	**(56,000)**	(45,000)
Employer contribution	**910,000**	565,000
At 31 March	**1,541,000**	965,000
Components of amount recognised in profit or loss		
Current service costs	**945,000**	677,000
Net interest on net defined benefit liability	**204,000**	114,000
	1,149,000	791,000
Components of amount recognised in other comprehensive income		
Return on plan assets (above)/below interest income	**56,000**	45,000
Liability experience (gain)/loss	**(737,000)**	1,901,000
Liability loss due to change in financial assumptions	**71,000**	196,000
	(610,000)	2,142,000
Principal assumptions used at end of year		
Discount rate	**5.80%**	5.20%
Rate of salary increases	**4.50%**	3.70%
Average retirement age	**60**	60
Sensitivity analysis on gratuity obligations at end of year		
Increase due to 1% decrease in discount rate	**361,000**	368,000
Decrease due to 1% increase in discount rate	**321,000**	327,000

14 Gratuity obligations (continued)

Future cash flows

(a) The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.
(b) Expected employer contribution for the next year is Rs 1,084,000.
(c) Weighted average duration of the gratuity obligations established at 6 years.

The Company is subject to an unfunded defined benefit plan for the employees. The plan exposes the Company to normal risks described below:

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by a decrease in inflationary pressures on salary increases.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

There has been no plan amendment, curtailment or settlement during the year, except for data adjustments.

15 Bank overdraft

	2025	2024
	Rs	Rs
Current		
Bank overdraft	**72,259,550**	614,813
Total borrowings	**72,259,550**	614,813

The entity has an overdraft facility with Mauritius Commercial Bank which shall be reviewed at 31 August 2025. Rate applicable on the facility is as follows:

Rate of Interest applicable on the Overdraft facility:

1. Up to MUR 25,000,000/- MCB's Prime Lending Rate (currently at 6.65%p.a) will be charged on daily debit balances.

2. Up to EUR 480,000/-: EURIBOR 1 Month (floored to 0.00%p.a) plus margin of 5.53%p.a will be charged on daily debit balances.

3. Up to GBP 400,000/-: LIBOR 1 Month (floored to 0.00%p.a) plus margin of 7.46%p.a will be charged on daily debit balances.

4. Up to USD 520,000/-: LIBOR 1 Month (floored to 0.00%p.a) plus margin of 7.32%p.a will be charged on daily debit balances.

5. Up to CHF 480,000/-: LIBOR 1 Month (floored to 0.00%p.a) plus margin of 3.44%p.a will be charged on daily debit balances.

6. Up to JPY 780,000/-: LIBOR 1 Month (floored to 0.00%p.a) plus margin of 3.47%p.a will be charged on daily debit balances.

7. Up to ZAR 10,000,000/-: LIBOR 1 Month (floored to 0.00%p.a) plus margin of 14%p.a will be charged on daily debit balances.

Convenants

The facilities are subject to the satisfaction of the following covenants:

(i) The Borrower shall ensure that, upon maturity of the new Treasury Bill belonging to Thomas Cook (Mauritius) Operations Company Limited, in custody with the MCB Ltd:-

- The Treasury Bill is renewed wth the MCB Ltd; or

15 Borrowings (continued)

Convenants (continued)

- A minimum of MUR 25,000,000 is routed to a new renewable Fixed Deposit Account, opened with the MCB Ltd, and this shall be pledged to secure the overdraft facility.

(ii) The Borrower shall provide the Bank with its audited accounts and of any parent, subsidiary, other associate of the Borrower or sureties/guarantors in respect of the Borrower's indebtedness to the Bank, prepared in accordance with IFRS accounting standards and consistently applied, at the earliest but not later than 180 days of the end of each financial year;

(iii) The Borrower shall provide the Bank with management accounts within 30 days of the end of each quarter. The management accounts are to include the balance sheet and profit and loss statement.

16 Lease liabilities

The Company's lease liabilities concern rental of buildings.

The remaining period of the lease contracts varies from 1 to 5 years as from 01 April 2022.

	2025	2024
	Rs	Rs
At 01 April	**8,046,017**	14,057,216
Remeasurement	**-**	715,619
Additions	**20,835,768**	555,438
Termination	**-**	(483,738)
Adjusted	**28,881,785**	14,844,535
Payments during the year	**(9,584,933)**	(7,332,783)
Interest accrued	**934,168**	534,265
At 31 March	**20,231,020**	8,046,017
Split between:		
Non-current	**12,412,479**	3,487,832
Current	**7,818,541**	4,558,185
	20,231,020	8,046,017

Future minimum lease payments at 31 March 2025 were as follows:

	Within 1 year	**1 – 5 years**	**Total**
	Rs	**Rs**	**Rs**
31 March 2025			
Lease payments	**6,884,373**	**12,412,479**	**19,296,852**
Finance charges	**934,168**	**-**	**934,168**
Net present values	**7,818,541**	**12,412,479**	**20,231,020**

Future minimum lease payments at 31 March 2024 were as follows:

	Within 1 year	1 – 5 years	Total
	Rs	Rs	Rs
31 March 2024			
Lease payments	4,023,920	3,487,832	7,511,752
Finance charges	534,265	-	534,265
Net present values	4,558,185	3,487,832	8,046,017

16 Lease liabilities (continued)

Additional information on the right-of-use assets by class of assets is as follows:

31 March 2025	**Carrying amount Rs**	**Amortisation for the year Rs**	**Impairment Rs**
Buildings under rental	**19,781,796**	**9,586,468**	**-**

31 March 2024	Carrying amount Rs	Depreciation for the year Rs	Impairment Rs
Buildings under rental	8,532,498	9,018,864	-

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets or the terms of the contract that do not satisfy the three key criteria as described in the accounting policy on lease (Note 3.16) and payments made under such leases are expensed on a straight-line basis.

17 Trade and other payables

	2025 Rs	2024 Rs
Trade payables	**38,472,534**	13,252,436
Due to intermediate holding company (Note (i))	**3,348,927**	2,456,070
Accruals and other payables	**6,723,235**	4,350,179
	48,544,696	20,058,685

The amount payable to the intermediate holding company is unsecured, interest-free and repayable on demand.

18 Net gains from foreign currency dealings and net foreign exchange differences

Net gains from foreign currency dealings arise from sale and purchase of foreign currencies. Dealings in foreign exchange transactions are recognised on customer acceptance. Gains and losses arising on dealings in foreign currencies are recognised on a net basis.

19 Other operating income

	2025 Rs	2024 Rs
Income from pick-up and delivery of foreign	**33,477**	268,854
Net income on telegraphic transfers	**(41,079)**	(421,512)
Commission received on MoneyGram transactions	**27,744,988**	9,967,041
Other revenue (Note (i))	**76,642,976**	13,501,898
	104,380,362	23,316,281

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19 Other operating income (continued)

(i) Other revenue relates to net settlement gain on Moneygram transactions.

20 Finance income

	2025	2024
	Rs	Rs
Interest received on treasury bills	**1,592,230**	1,835,367
	1,592,230	1,835,367

21 Finance costs

	2025	2024
	Rs	Rs
Interest on bank overdrafts	**2,649,141**	2,828,808
Interest on lease liabilities	**939,772**	534,265
	3,588,913	3,363,073

22 Taxation

(i) Income tax

The Company is liable to income tax at the rate of 19% and at 31 March 2025 it had income tax liability of **Rs 12,014,847** (2024: Rs 2,953,517).

	2025	2024
	Rs	Rs
Balance as at 1 April 2024	**2,953,517**	847,750
APS paid during the year	**(2,934,921)**	(699,393)
Income tax	**12,772,444**	3,539,877
Corporate social responsibility	**474,331**	113,033
Corporate climate responsibility levy	**1,702,993**	-
Corporate climate responsibility levy 2024	**491,937**	-
Paid during the year	**(3,445,454)**	(847,750)
Total	**12,014,847**	2,953,517

(ii) Tax expense

	2025	2024
	Rs	Rs
Current tax charge	**12,772,444**	3,539,877
Deferred taxation (income) / charge	**(103,125)**	1,805,238
Corporate social responsibility	**474,331**	113,033
Corporate climate responsibility levy	**2,194,930**	-
Total	**15,338,580**	5,458,148

22 Taxation (continued)

(iii) Income tax reconciliation

The income tax on the Company's profit before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

	2025	2024
	Rs	Rs
Profit before tax	**81,840,890**	20,809,333
Tax at 15%	**12,276,133**	3,121,400
Non-allowable items	**2,331,882**	2,095,000
Movement on deferred taxation- Profit & loss	**(103,125)**	1,805,238
Exempt income	**(1,835,571)**	(1,676,523)
Corporate social responsibility	**474,331**	113,033
Corporate climate responsibility levy	**2,194,930**	-
Tax expense	**15,338,580**	5,458,148

(iv) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 19% for the year (2024: 15%).

The movement in deferred tax liabilities is as follows:

	2025	2024
	Rs	Rs
At 01 April	**443,470**	2,570,008
Movement during the year	**(12,775)**	(2,126,538)
At 31 March	**430,695**	443,470

The deferred tax assets are made up of:

	2025	2024
	Rs	Rs
Accelerated capital allowances	**329,305**	212,180
Accumulated tax losses	**-**	-
Gratuity obligations	**(760,000)**	(655,650)
Total	**(430,695)**	(443,470)

Notes to the financial statements
For the year ended 31 March 2025

23 Operating profit

	2025 Rs	2024 Rs
Operating loss is arrived at after		
Depreciation of plant and equipment	**1,889,230**	1,758,790
Depreciation of right of use assets	**9,586,468**	9,018,864
Amortisation of intangible assets	**7,549**	7,549
Rental expenses	**2,583,408**	1,667,652
Security charges	**4,169,832**	2,979,408
Telephone and connectivity charges	**2,251,887**	1,957,123
Licences	**2,839,932**	2,801,666
Audit fees and other fees	**2,025,255**	670,635
Staff costs:		
Salaries and allowances	**23,025,779**	19,781,448
Social security costs	**2,681,853**	2,583,821
Other employee benefits	**10,234,014**	8,160,644

24 Related party transactions

For the year ended 31 March 2025 and 2024, the Company had transactions with its related parties. The nature, volume of transactions and the balances are as follows:

Nature of relationship	Nature of transactions	Volume of transactions Rs	Debit balance at 31 Mar-25 Rs	Debit balance at 31 Mar-24 Rs
Ultimate Holding company	Account Payables	**892,857**	**3,348,927**	2,456,070
Ultimate Holding company	Expenses paid on behalf	**7,068,951**	**7,068,951**	3,770,562

The terms and conditions of the payables are described in Note 17 to these financial statements respectively.

25 Contingent liabilities

The Company has given bank guarantees for an amount of Rs 80,000 to third parties for which no financial loss is anticipated.

26 Reconciliation of liabilities arising from financing activities

31 March 2025	Opening balance Rs	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Teasury bills	**47,026,997**	**(15,866)**	**-**	**47,011,131**
Lease liabilities	**8,046,017**	**(8,650,763)**	**-**	**20,231,021**
Bank overdrafts	**(614,813)**	**(71,644,737)**	**-**	**(72,259,550)**
	54,458,201	**(80,311,366)**	**-**	**(5,017,398)**

31 March 2024	Opening balance Rs	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Teasury bills	55,791,181	(8,764,184)	-	47,026,997
Lease liabilities	14,057,216	(6,011,199)	-	8,046,017
Bank overdrafts	(32,358,938)	31,744,125	-	(614,813)
	37,489,459	16,968,742	-	54,458,201

Notes to the financial statements
For the year ended 31 March 2025

27 Compensation of key management personnel

	2025 Rs	2024 Rs
Salaries and other short term employee benefits	**4,363,846**	4,353,735

28 Holding companies

The Directors consider Thomas Cook (Mauritius) Holding Company Limited, a company incorporated in the Republic of Mauritius, as the Company's immediate holding company. Thomas Cook (Mauritius) Holding Company Limited holds 100 % of the shares of the Company.

Thomas Cook (India) Limited, a company incorporated in the Republic of India, holds 100% of the shares of Thomas Cook (Mauritius) Holdings Company Limited.

Fairbridge Capital (Mauritius) Limited, a subsidiary of Fairfax Financial Holdings Limited (the 'ultimate holding'), Canada and its affiliates represent a 63.84% stake in Thomas Cook (India) Limited as on 31 March 2025.

29 Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the Company have adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepasred on a going concern basis. The directors are satisfied that the Company are in a sound financial position and that both has access to suffiecient bank facilities to meet foreseeable cash requirements. The directors are not aware of any new material changes that may adversly impact the Compnay. The directors are also not aware of any material non-compliance.

30 Events after the reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March,	Note	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
Revenue	6	232,318,890	252,845,379	232,318,890	252,845,379
Administrative and other operating expenses	7	(337,718,612)	(288,094,386)	(357,502,418)	(297,433,872)
Loss from operations		**(105,399,722)**	**(35,249,007)**	**(125,183,528)**	**(44,588,493)**
Other income	8	2,996,119	589,488	3,204,430	14,159,488
Net finance income	9	3,033,652	24,452,086	3,014,326	23,929,101
Operating loss before impairment losses		**(99,369,951)**	**(10,207,433)**	**(118,964,772)**	**(6,499,904)**
Impairment charge for other losses	10	(2,686,328)	(22,346,668)	(153,920)	(342,396)
Share of loss of equity accounted investee, net of tax	16	-	-	(165,039)	(38,419)
Loss before tax		**(102,056,279)**	**(32,554,101)**	**(119,283,731)**	**(6,880,719)**
Income tax reversal/(charge)	11	111,082	(659,618)	111,082	(647,049)
Loss for the year		**(101,945,197)**	**(33,213,719)**	**(119,172,649)**	**(7,527,768)**
Other comprehensive income, net of tax					
Items that will never be reclassified to profit or loss					
Remeasurement of defined benefit liability		370,275	(2,198,728)	370,275	(2,198,728)
Less: Deferred tax charge on actuarial (loss)/gains		(111,082)	659,618	(111,082)	659,618
Net actuarial gain on defined benefit plans		**259,193**	**(1,539,110)**	**259,193**	**(1,539,110)**
Total other comprehensive income for the year		**259,193**	**(1,539,110)**	**259,193**	**(1,539,110)**
Total comprehensive income for the year		**(101,686,004)**	**(34,752,829)**	**(118,913,456)**	**(9,066,878)**
Loss per share	12	**(9.47)**	**(3.08)**	**(11.07)**	**(0.70)**

The annexed Notes to the Financial Statements form an integral part of these Financial Statements.
Figures in the brackets indicate deductions.

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March,	Note	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
ASSETS					
Property, plant and equipment	13	22,923,091	18,132,931	22,923,380	18,834,052
Intangible Assets	14	-	-	-	-
Investment in subsidiary	15	-	-	-	-
Equity-accounted investee	16	-	-	-	-
Other investments - Non current assets	17	-	21,386,575	-	21,386,575
Amount due from related companies	18	-	-	-	-
Non-current assets		22,923,091	39,519,506	22,923,380	40,220,627
Current Assets					
Amount due from related companies	18	-	-	-	-
Current taxation	19	1,343,491	1,343,491	1,210,878	1,210,878
Trade and other receivables	20	13,901,760	3,347,708	13,901,760	3,347,708
Prepayments		5,327,164	3,988,149	5,327,164	3,988,149
Other investments - Current assets	17	137,795,437	103,208,470	137,795,437	103,208,470
Cash and cash equivalents	21	98,769,929	102,345,602	99,247,170	102,860,387
Total Current assets		257,137,781	214,233,420	257,482,409	214,615,592
Total assets		280,060,872	253,752,926	280,405,789	254,836,219
EQUITY AND LIABILITIES					
Equity					
Stated capital	22	107,679,780	107,679,780	107,679,780	107,679,780
Redeemable preference shares - Equity	23	3,886,223	-	3,886,223	-
Accumulated losses		(336,127,109)	(234,441,105)	(429,503,326)	(310,589,870)
Total Equity		(224,561,106)	(126,761,325)	(317,937,323)	(202,910,090)
LIABILITIES					
Employee benefits	24	9,221,852	8,200,851	9,221,852	8,200,851
Deferred Tax Liability	25	-	-	-	-
Long term loans from related parties	26	196,628,084	137,627,318	196,628,084	137,627,318
Lease Liability	29	3,504,589	4,067,874	3,504,589	4,067,874
Redeemable preference shares - Liability	27	46,140,877	-	46,140,877	-
Non current liabilities		255,495,402	149,896,043	255,495,403	149,896,043
Amount due to related companies	28	181,992,216	175,563,949	181,992,216	175,563,949
Lease Liability	29	3,367,838	122,473	3,367,838	122,473
Loans and Borrowings	30	-	-	-	-
Trade and other payables	31	12,584,913	7,592,854	106,306,047	84,824,912
Bank overdraft	21	51,181,609	47,338,932	51,181,609	47,338,932
Current liabilities		249,126,576	230,618,208	342,847,710	307,850,266
Total liabilities		504,621,978	380,514,251	598,343,113	457,746,309
Total Equity and Liabilities		280,060,872	253,752,926	280,405,789	254,836,219

The Notes to the Financial Statements form an integral part of these Financial Statements.
These Financial Statements are in compliance with the requirements of the Company Act No 07 of 2007.

.....
Shaja Nair A
Head - Foreign Exchange

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved and signed for and on behalf of the Board:

.....
Dilusis Nandy
Director

.....
Aravinda De Silva
Director

Colombo

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March,

Company

	Stated Capital Rs.	Redeemable Preference Shares Rs.	Accumulated Losses Rs.	Total Rs.
Balance as at 1st April 2023	107,679,780	-	(199,088,276)	(92,008,496)
Loss for the year	-	-	(33,213,719)	(33,213,719)
Other comprehensive income	-	-	(1,539,110)	(1,539,110)
Total Comprehensive Income for the year		-	**(34,752,829)**	**(34,752,829)**
Balance as at 31st March 2024	**107,679,780**	-	**(234,441,105)**	**(126,761,325)**
Balance as at 1st April 2024	107,679,780	-	(234,441,105)	(126,761,325)
Share issue during the year		3,886,223		3,886,223
Loss for the year		-	(101,945,197)	(101,945,197)
Other comprehensive income	-	-	259,193	259,193
Total Comprehensive Income for the year			**(101,686,004)**	**(101,686,004)**
Balance as at 31st March 2025	**107,679,780**	**3,886,223**	**(336,127,109)**	**(224,561,106)**

Group

	Stated Capital Rs.	Redeemable Preference Shares Rs.	Accumulated Losses Rs.	Total Rs.
Balance as at 1st April 2023	107,679,780	-	(301,522,992)	(193,843,212)
Loss for the year	-	-	(7,527,768)	(7,527,768)
Other comprehensive income	-	-	(1,539,110)	(1,539,110)
Total Comprehensive Income for the year		-	**(9,066,878)**	**(9,066,878)**
Balance as at 31st March 2024	**107,679,780**	-	**(310,589,870)**	**(202,910,090)**
Balance as at 1st April 2024	**107,679,780**	-	**(310,589,870)**	**(202,910,090)**
Share issue during the year		3,886,223		3,886,223
Loss for the year	-	-	(119,172,649)	(119,172,649)
Other comprehensive income	-	-	259,193	259,193
Total Comprehensive Income for the year			**(118,913,456)**	**(118,913,456)**
Balance as at 31st March 2025	**107,679,780**	**3,886,223**	**(429,503,326)**	**(317,937,323)**

The notes to the Financial Statements form an integral part of these Financial Statements.

Figures in bracket indicate deductions.

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF CASHFLOWS

For the year ended 31st March,	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cash flows from Operating Activities				
Loss before taxation	(102,056,279)	(32,554,101)	(119,283,731)	(6,880,719)
Adjustment for ;				
Depreciation of Property, plant and equipment	5,180,955	5,118,461	5,660,097	5,826,548
Amortization of intangible assets	-	-	-	23,405
Impairment Charges for other losses	2,686,328	22,346,668	153,920	342,396
Provision for employee benefits	1,553,692	1,207,480	1,553,692	1,207,480
Interest income	(11,537,848)	(13,489,509)	(11,537,848)	(13,467,138)
Interest expense	12,298,955	11,456,890	12,298,955	11,932,657
Finance cost on preference shares	5,329,600		5,329,600	
Foreign exchange (gain)/loss	(10,107,494)	(23,687,547)	(10,107,494)	(23,685,259)
Interest income from refundable deposit	(18,311)	-	(18,311)	-
Disposal gain	-	-	(208,311)	-
Share of (Profit) / loss of equity accounted investee	-	-	165,039	38,419
Operating profit/(loss) before working capital changes	**(96,670,402)**	**(29,601,658)**	**(115,994,392)**	**(24,662,211)**
(Increase) / Decrease in trade and other receivables	(10,554,052)	(644,277)	(10,554,052)	(644,277)
(Increase) / Decrease in amounts due from related parties	-	-	-	-
(Increase) / Decrease in prepayments	(1,339,015)	927,586	(1,339,015)	927,586
Increase / (Decrease) in amount due to related party	23,406,363	40,708,177	23,406,363	27,135,896
Increase / (Decrease) in trade and other payable (excluding	(310,441)	(2,158,779)	16,178,634	(2,539,790)
Cash generated from operating activities	**(85,467,547)**	**9,231,049**	**(88,302,462)**	**217,205**
Employee benefit paid	(162,418)	(227,630)	(162,418)	(227,630)
Interest Expense Paid	(11,852,672)	(10,513,314)	(11,852,672)	(10,989,081)
Net cash generated from operating activities	**(97,482,637)**	**(1,509,895)**	**(100,317,551)**	**(10,999,506)**
Cash flows from investing activities				
Purchase of property plant and equipment	(3,431,556)	(536,600)	(3,431,556)	(536,600)
Proceed from disposal of property plant and equipment	-	-	430,000	-
Interest received	18,539,603	17,021,383	18,539,603	17,035,342
Investing on Fixed Deposits	(20,202,147)	(20,000,000)	(20,202,147)	(20,000,000)
Redemption of short-term investment	-	-	-	500,000
Net cash used in investing activities	**(5,094,100)**	**(3,515,217)**	**(4,664,100)**	**(3,001,258)**
Cash flows from financing activities				
Lease payments	(4,179,651)	(4,255,556)	(4,179,651)	(4,255,556)
Loan Granted and other Accruals to Related Party	(2,686,328)	(22,346,668)	(318,959)	(287,815)
Loan Repayments during the year	-	-	-	(3,150,993)
Loan recieved from Related Party	52,292,741	57,950,000	52,292,741	57,950,000
Issue of preference share capital	49,731,625	-	49,731,625	-
Net cash used in financing activities	**95,158,387**	**31,347,776**	**97,525,756**	**50,255,636**
Net increase / (decrease) in cash and cash equivalents	(7,418,350)	26,322,664	(7,455,895)	36,254,872
Cash and cash equivalents at the beginning of the year	55,006,670	28,684,006	55,521,455	19,266,584
Cash and cash equivalents at the end of the year (Note 21)	**47,588,320**	**55,006,670**	**48,065,561**	**55,521,455**

The Notes to the Financial Statements form an integral part of these Financial Statements.

For the year ended 31st March	Company		Group	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
6. Revenue				
Foreign currency trading	176,952,885	203,041,120	176,952,885	203,041,120
Commission on encashment trading	55,366,005	49,804,259	55,366,005	49,804,259
	232,318,890	252,845,379	232,318,890	252,845,379

6.1 The Group's/Company's revenue include income earned through dealing with foreign currency trading and commission income earned on the transactions. Revenue from contracts with customers is disaggregated by the timing of revenue recognition as follows:

Disaggregation of revenue from contracts with customers				
Services transferred at a point in time	232,318,890	252,845,379	232,318,890	252,845,379

6.2 Despite an increase in tourist arrivals during the year, the Company experienced a decline in foreign currency trading revenue compared to the previous year. This was primarily due to the relative stability of exchange rates maintained by the Central Bank of Sri Lanka (CBSL) during the current financial year. The reduced volatility resulted in narrower margins between the retail exchange rates and CBSL rates, particularly for major currencies such as the USD and INR. Consequently, the Company recorded lower gains from foreign exchange transactions, despite the increased volume of tourism-related currency conversions.

The Subsidiary Luxe Asia (Pvt) Ltd, has suspended its business operations from January 2022 due to drop in business in the tourism sector due to implications of COVID outbreak and economic conditions. The Subsidiary has not recommenced operations since then and therefore the Subsidiary has not generated any revenue during the year.

7. Administrative and other operating expenses				
Auditor's remuneration - Audit fee	980,000	885,000	1,471,250	1,237,000
Director's fees and emoluments	-	-	-	-
Depreciation and amortization (Note 13 & 14)	5,180,955	5,118,461	5,660,097	5,849,953
Professional service cost (Note 7.1)	460,000	1,327,000	535,936	2,713,870
Staff expenses (Note 7.2)	49,084,986	44,816,667	66,709,151	50,036,391
Other expenses (Note 7.3)	273,444,183	209,569,318	274,557,496	211,218,718
Group resource cost (Note 7.4)	8,568,488	26,377,940	8,568,488	26,377,940
	337,718,612	288,094,386	357,502,418	297,453,872

7.1 Professional service costs have significantly decreased during the current year compared to the previous year. The higher cost incurred in the prior year was primarily due to one-off consultancy payments related to lease renewal activities and tax consultancy services. While the Company continued to incur tax advisory expenses during the current year, the overall professional service cost was lower due to the absence of lease renewal-related consultancy payments and a reduction in the level of tax consultancy services required.

7.2 Staff expense				
Salaries, wages and bonus	32,155,712	28,721,209	32,155,712	28,721,209
Define benefit plan cost (Note 24.2)	1,553,692	1,207,480	1,553,692	1,207,480
Employees' Provident Fund (Note 24.1)	4,462,421	4,311,990	4,462,421	4,311,990
Employees' Trust Fund (Note 24.1)	866,608	833,540	866,608	833,540
Others staff related expenses (Note 7.2.1)	10,046,554	9,742,448	10,046,554	14,962,172
Labour compensation (Note 7.2.2)	-	-	17,624,165	-
	49,084,986	44,816,667	66,709,151	50,036,391

7.2.1 This pertains primarily to staff welfare expenditures, staff travel expenses, and executive rental expenses.

7.2.2 Labour compensation relates to Case No. CA (Writ) Appeal 95/2022 filed by the Company in the Court of Appeal, challenging the order issued by the Commissioner General of Labour on 31 December 2021 under reference No. TEU/14/2021, which directed the Company to pay Rs. 20,249,098/- as compensation to nineteen employees. At the hearing held on 30 May 2025, the Company submitted a Bank Draft amounting to Rs. 17,624,165/- to the Court of Appeal. As the terms of the settlement were fulfilled, the Court permitted the withdrawal of the application, and the matter is now considered closed. Accordingly, the related settlement amounting to Rs.17,624,165/- made subsequent to reporting date has been appropriately recognised in the financial statements of the Group for the year ended 31 March 2025 as an adjusting event. The said amount has been reported under Administration expense in the profit or loss.

7.3 Other expenses				
Travel related services	-	-	-	148,477
Office rent expenses (Note 7.3.1)	245,360,623	184,188,414	246,304,623	185,691,695
IT Expenses	6,274,181	5,677,331	6,274,181	5,677,331
Internet Expenses	3,130,228	3,093,982	3,130,228	3,093,982
Others (Note 7.3.2)	18,679,151	16,609,591	18,848,464	16,607,233
	273,444,183	209,569,318	274,557,496	211,218,718

7.3.1. This primarily comprises the rent payments made by Thomas Cook Lanka (Pvt) Ltd. for the counters at Arrival and departure terminals at the Bandaranayake International Airport. SLFRS 16 has not been applied to the above mentioned balances because the asset is not identifiable and falls under the exemption criterion.

The overall increase in rent expense during the year was primarily due to higher rental charges for both counters compared to the previous year.

7.3.2. This includes mainly printing and packaging, electricity expenses, other insurance and other miscellaneous expenses.

7.4. Group Resources cost includes expenses incurred by the immediate parent Company Thomas Cook India Limited on behalf of Sri Lankan Companies.

During the year, shared service expenses decreased as the parent company allocated a lower portion of shared salary costs to the Company, taking into account its loss-making position for the period. Further, no shared service charges were allocated to the Company after December 2025.

For the year ended 31st March,	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
8. Other income				
Other income (Note 8.1)	2,977,808	589,488	2,977,808	589,488
Write back of RPT payable	-	-	-	13,570,000
Interest income from refundable deposit (Note 20.1)	18,311	-	18,311	-
Disposal Gain on PPE (Note 8.2)	-	-	208,311	-
	2,996,119	**589,488**	**3,204,430**	**14,159,488**

8.1. This includes incentive received for Global Payment Service and Dynamic Currency Conversion during the year. The incentive income increased during the year due to the higher volume of transactions driven by increased tourist arrivals.

8.2. Given the dormant status of Luxe Asia (Pvt) Ltd and minimal business activity, all remaining furniture and fittings and office equipment assets were fully disposed during the year. As a result, the carrying value of these assets was reduced to zero. The gain arising from the disposal has been recognized under Other Income in the Group's financial statements.

9. Net finance income				
Finance income				
Interest income from fixed deposits	11,537,848	13,489,509	11,537,848	13,467,138
Foreign exchange gain (Note 9.1)	9,839,119	23,687,547	9,839,119	23,687,547
	21,376,967	**37,177,056**	**21,376,967**	**37,154,685**
Finance expenses				
Bank charges	714,760	1,268,080	733,660	1,290,639
Interest on overdraft	2,943,446	2,140,115	2,943,446	2,527,914
Interest on ROU assets	446,283	943,576	446,283	943,576
Interest on Borrowings	-	-	-	87,968
Foreign exchange loss(Note 9.1)	-	-	426	2,288
Interest on related party loans (Note 9.2)	8,909,226	8,373,199	8,909,226	8,373,199
Finance cost on Preference shares (Note 9.3)	5,329,600	-	5,329,600	-
	18,343,315	**12,724,970**	**18,362,641**	**13,225,584**
Net finance income/(expense)	**3,033,652**	**24,452,086**	**3,014,326**	**23,929,101**

9.1. In the previous financial year, the Company recorded a foreign exchange gain of approximately Rs. 23 million, primarily driven by significant fluctuations in exchange rates. However, during the current year, the Sri Lankan economy exhibited signs of stabilization, resulting in minimal movements in exchange rates. As a result, the foreign exchange gain recognized in the current year has declined in comparison to the prior year.

9.2 Interest expense on related party loans increased during the year, primarily due to interest incurred on a new loan obtained from Thomas Cook India Limited amounting to USD 176,605. In addition, the increase in the average interest rate from 6.6% in the previous year to 7.25% in the current year further contributed to the rise in interest expense.

The accrued interest income for the current year on the related party loan due from the Subsidiary Luxe Asia (Pvt) Limited was reversed based on the confirmation issued by the Board of the Company on XX July 2025 stating that the interest accured can be reversed by the Subsidiary on the basis that the Subsidiary is in a dormant condition and unable to generate any income during the year. Please refer to section 18.1.2 for further details.

9.3. Company issued 5,000,000 convertible cumulative redeemable preference shares to Thomas Cook India Limited on the date of 25 June 2024 for Rs.10 per share at a dividend rate of 14.14% per annum,accruing on a daily basis. The conversion right will be excercised within period of 20 years from the issuance of the shares at the conversion rate of 3:1. During the year, the Company recognized a finance cost of Rs. 5,329,600 related to the liability component of the Convertible Cumulative Redeemable Preference Shares.

10. Impairment Charges for other losses				
Impairment on Receivable From Luxe Asia (Note 18.1.1)	2,367,369	22,058,853	-	-
Impairment on Receivable From Sita (Note 18.2.1)	318,959	287,815	318,959	287,815
Impairment Reversal on Equity Accounted Investment (Note 16)	-	-	(165,039)	(38,419)
Write off of the amount due from Sita World Travel Lanka	-	-	-	93,000
	2,686,328	**22,346,668**	**153,920**	**342,396**

11. Income Tax Charge /(Reversal)				
Current taxes expense				
Current year tax expense	-	-	-	-
Under provision in respect of prior years	-	-	-	(12,569)
	-	-	-	(12,569)
Deferred tax expense				
Deferred tax asset (origination)/ reversal (Note 25.1)	1,269,960	1,760,097	11,531,527	1,760,097
Deferred tax liability origination/(reversal) (Note 25.2)	(1,158,878)	(1,100,479)	(11,420,445)	(1,100,479)
	111,082	**659,618**	**111,082**	**647,049**

For the year ended 31st March,	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
11.1 Reconciliation of the accounting profit and the income tax expense				
Loss before taxation	(102,056,279)	(32,554,101)	(119,283,731)	(6,880,719)
Disallowable expenses	30,425,613	61,578,373	50,450,435	62,310,164
Allowable expenses	(28,146,865)	(56,312,662)	(28,355,176)	(56,434,341)
Total statutory income from Business	(99,777,531)	(27,288,389)	(97,188,472)	(1,004,896)
Investment income	11,537,848	13,489,509	11,537,848	13,489,509
Assessable income	(88,239,683)	(13,798,880)	(85,650,624)	12,484,613
Less: Setting off against brought forward tax losses	-	-	-	-
Tax Loss	(88,239,683)	(13,798,880)	(85,650,624)	12,484,613
Total Income Tax Expense for the year	-	-	-	-
11.2 Reconciliation of tax losses				
Balance as at 1 April	(87,760,074)	(73,961,193)	(96,307,368)	(108,791,981)
Add : Tax loss for the year	(88,239,683)	(13,798,880)	(85,650,624)	12,484,613
Balance as at 31 March	**(175,999,757)**	**(87,760,074)**	**(181,957,992)**	**(96,307,368)**
11.3 Amount recognised in OCI				
Deferred tax impact on defined benefits plan actuarial gains	(111,082)	659,618	111,082	659,618
	(111,082)	**659,618**	**111,082**	**659,618**

11.4 Corporate income tax rate applicable for the year

As provided for in LKAS 12 - Income taxes, deferred tax assets and liabilities should be measured at the tax rate that are expected to be applied in the period in which the asset will be realized or the liability will be settled, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the reporting date.

The Company applied tax rate of 30% for the computation of current tax and deferred tax for the current year.

The applicable tax rates for the Group are as follows;	**2025**	**2024**
Thomas Cook Lanka (Pvt) Ltd	30%	30%
Lux Asia (Pvt) Ltd	30%	30%

For the year ended 31st March,	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
12. Loss per share				
Loss attributable to equity holders of the Company/ Group	(101,965,197)	(33,213,719)	(119,172,649)	(7,527,768)
Weighted average number of ordinary shares (Note 22)	10,767,978	10,767,978	10,767,978	10,767,978
	(9.47)	**(3.08)**	**(11.07)**	**(0.70)**

12. Loss per share

Calculation of loss per share is based on the net loss attributable to ordinary shareholders divided by the weighted average number of ordinary shares outstanding as during the year.

As at 31st March,

13. Property , Plant & Equipment

13.1 Company

Cost	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Right-of-use Assets Rs.	Total 2025 Rs.	Total 2024 Rs.
Balance as at 1 April	5,396,585	24,492,563	9,285,366	15,439,563	54,614,077	50,070,892
Additions during the year	851,068	1,331,222	1,249,266	6,539,559	9,971,115	4,543,185
Balance as at 31 March	**6,247,653**	**25,823,785**	**10,534,632**	**21,979,122**	**64,585,192**	**54,614,077**
Accumulated Depreciation						
Balance as at 1 April	3,430,475	12,519,581	9,285,366	11,245,724	36,481,146	31,362,685
Charge for the year	259,337	1,194,878	89,356	3,637,384	5,180,955	5,118,461
Balance as at 31 March	**3,689,812**	**13,714,459**	**9,374,722**	**14,883,108**	**41,662,101**	**36,481,146**
Carrying amount						
As 31 March 2025	**2,557,841**	**12,109,326**	**1,159,910**	**7,096,014**	**22,923,091**	
As 31 March 2024	**1,966,110**	**11,972,982**	**-**	**4,193,839**		**18,132,931**

13.2 Group

Cost	Motor Vehicles Rs.	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Right-of-use Assets Rs.	Total 2025 Rs.	Total 2024 Rs.
Balance as at 1 April	235,990	6,840,024	32,871,134	16,755,352	15,439,563	72,142,063	67,598,878
Additions during the year	-	851,068	1,331,222	1,249,266	6,539,559	9,971,115	4,543,185
Disposal during the year		(1,186,425)	(6,281,871)	-	-	(7,468,296)	-
Balance as at 31 March	**235,990**	**6,504,667**	**27,920,485**	**18,004,618**	**21,979,121**	**74,644,881**	**72,142,063**
Accumulated Depreciation							
Balance as at 1 April	235,990	4,837,919	20,233,026	16,755,352	11,245,724	53,308,011	47,481,463
Charge for the year	-	295,332	1,638,026	89,356	3,637,384	5,660,097	5,826,548
Disposal during the year	-	(1,186,425)	(6,060,182)	-	-	(7,246,607)	-
Balance as at 31 March	**235,990**	**3,946,826**	**15,810,869**	**16,844,708**	**14,883,107**	**51,721,501**	**53,308,011**
Carrying amount							
As 31 March 2025	**-**	**2,557,841**	**12,109,615**	**1,159,910**	**7,096,014**	**22,923,380**	
As 31 March 2024	**-**	**2,002,105**	**12,638,108**	**-**	**4,193,839**		**18,834,052**

13.3 The Board has carried out an assessment of the recoverable value of Property, plant, and equipment, taking into consideration the status of business operations. Accordingly, no impairment provision was required as at the reporting date.

As at 31st March,	Company 2025 Rs.	Company 2024 Rs.	Group 2025 Rs.	Group 2024 Rs.
14. Intangible assets				
Computer software (Note 14.1)	-	-	-	-
Goodwill (Note 14.2)	-	-	-	-
	-	-	-	-
14.1 Computer software				
Cost				
Balance as at 1 April	10,973,975	10,973,975	14,031,296	14,031,296
Additions during the year	-	-	-	-
Balance as at 31 March	**10,973,975**	**10,973,975**	**14,031,296**	**14,031,296**
Amortization				
Balance as at 1 April	10,973,975	10,973,975	14,031,296	14,007,891
Charge for the year	-	-	-	23,405
Balance as at 31 March	**10,973,975**	**10,973,975**	**14,031,296**	**14,031,296**
Carrying amount as 31 March 2025	-	-	-	-

As at 31st March,

14.2 Provision for impairment of Goodwill

The group has recognized a goodwill of Rs. 77,114,785 as a result of acquisition of subsidiary Luxe Asia (Pvt) Ltd in 2017.

As required by LKAS 36 - "Impairment of Assets", goodwill is tested for impairment on annual basis and assessed for any indication of impairment as at each reporting date to ensure that carrying amount does not exceed the recoverable amount. Accordingly, the Board of Directors of the Group/ Company conducted an assessment and concluded that goodwill has impaired as the Investment in Luxe Asia (Pvt) Ltd financial has been also impaired in full. Accordingly the Goodwill recognized has been fully impaired.

	Group	
	2025	2024
	Rs.	Rs.
Balance as at 1 April	77,114,785	77,114,785
Allowance for impairment	(77,114,785)	(77,114,785)
Balance as at 31 March	-	-

15. Investment in subsidiary - Luxe Asia (Pvt) Ltd

As at 31st March,	Company	
	2025	2024
	Rs.	Rs.
Balance as at 1 April	73,975,000	73,975,000
Allowance for impairment (Note 15.1)	(73,975,000)	(73,975,000)
Balance as at 31 March	-	-

15.1 Allowance for impairment

Balance as at 1 April	73,975,000	73,975,000
Charge during the year	-	-
Balance as at 31 March	73,975,000	73,975,000

The Subsidiary has incurred a net loss of Rs. 19,594,822/- for the year ended 31 March 2025 (2024 - net profit of Rs. 3,626,799/-), and as of that date the Subsidiary's accumulated loss was Rs. 273,550,762/- (2024 - Rs. 253,955,940/-). Further the Subsidiary current liabilities exceeded the current assets by Rs. 93,392,221/- (2024 - Rs.76,849,598/-) and its total liabilities exceeded its total assets by Rs. 243,550,762/- (2024 - Rs. 223,955,940/-).

The Subsidiary is also facing a serious loss of capital situation under Sec 220 of the Companies Act No.07 of 2007. The Subsidiary has temporarily ceased business operations due to the prevailing economic conditions and continuing impact of COVID 19 outbreak on Tourism related activities in the country. Although these conditions indicate material uncertainty on the ability of the Subsidiary to continue as a going concern, the Board of Directors are of the view that the business operations of the Subsidiary will be revived in the future years and the Subsidiary will continue as a going concern. The Immediate parent Thomas Cook India Limited has provided a letter of comfort dated XX July 2025 confirming their intention to provide adequate financial support to the Subsidiary as is necessary to ensure its continuing operation for a period of at least 12 months following the date of approval of the financial statements and if and when the Subsidiary is unable to settle its liabilities to other parties when they fall due.

As at 31st March,	Company		Group	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
16. Equity-accounted investee - Sita World Travel Lanka (Pvt) Ltd				
Balance as at 1 April	-	-	-	-
Share of loss after tax (Note 16.2)	-	-	(165,039)	(38,419)
Reversal of impairment (Note 16.1)	-	-	165,039	38,419
Balance as at 31 March	-	-	-	-

Sita World Travel Lanka (Pvt) Limited, is a company incorporated in Sri Lanka, to set up and carry out travel agent activities, and the Company acquired 24% stakes of Sita World Travel Lanka (Pvt) Limited on August 12, 2016 from Jetwing's Travels (Private) Limited, which gives the significant influence over the Component.

16.1 Allowance for impairment -Equity-accounted investee

Balance as at 1 April	4,260,475	4,298,894
Reversal during the year (Note 16.1.1)	(165,039)	(38,419)
Balance as at 31 March	4,095,436	4,260,475

As at 31st March,

16. Equity-accounted investee - Sita World Travel Lanka (Pvt) Ltd (Cont.)

16.1 Allowance for impairment (Cont.)

Audited financial statements of Sita World Travel Lanka (Pvt.) Limited carried an Emphasis of Matter for going concern ability as the Company has reported a net loss of Rs. 687,664/- for the year ended 31st March 2025 (2024 - Loss of Rs. 160,078/-). As at the reporting date, the Associates' accumulated loss amounted to Rs. 46,585,691/- (2024 - Accumulated loss of Rs. 45,898,028/-). Further the Company has ceased its business operations from October 2018. The above facts indicate the existence of uncertainty which may cast significant doubt about the Associates' ability to continue as a going concern. The board of directors of the Associates' are of the view that the indications will have an impact of entity to continue as a going concern. Accordingly, the Board of Directors of Thomas Cook Lanka (Pvt) Ltd is of the view that full provision is required in the current financial statements. Accordingly carrying value of Sita World Travel Lanka (Pvt) Ltd is fully impaired.

16.1.1 Further, since Sita World Travel Lanka (Pvt.) Limited recorded a net loss for the year, the impairment provision that was previously provided was reversed up to the Company's share of Total comprehensive income.

16.2 Summarize financial information in Investment in Associate

Carrying amount of Investment in Associate

Financial Position of Equity Accounted Investee

	Group	
	2025	**2024**
	Rs.	**Rs.**
Non Current Assets	-	-
Current Assets	56,052	57,302
Non-Current Liabilities	-	-
Current Liabilities	(1,041,506)	(355,092)
Net Assets/(Liabilities)	**(985,453)**	**(297,790)**
Preference shares related to Travel Corporation India (Pvt) Ltd	(43,100,238)	(43,100,238)
Net Assets/(Liabilities) related to equity holders of the company	**(44,085,691)**	**(43,398,028)**
Percentage Ownership Interest	24%	24%
Group's share of net assets	(10,580,566)	(10,415,527)
Goodwill	14,676,002	14,676,002
Allowance for impairment (Note 16.1)	(4,095,436)	(4,260,475)
Carrying value of interest in equity accounted investee	**-**	**-**
Company's share of comprehensive income		
Financial Performance of Equity Accounted Investee		
Income	-	677,810
Expenses	(687,664)	(837,888)
Loss for the year, net of tax	**(687,664)**	**(160,078)**
Total Comprehensive income/(loss) for the year	**(687,664)**	**(160,078)**
Company's share of Total comprehensive income/(loss) (24%)	**(165,039)**	**(38,419)**

As at 31st March,	Company		Group	
	2025	**2024**	**2025**	**2024**
	Rs.	**Rs.**	**Rs.**	**Rs.**
17. Other investments				
Non-Current assets				
Investment in fixed deposits	-	20,000,000	-	20,000,000
Interest receivable	-	1,386,575	-	1,386,575
	-	21,386,575		21,386,575
Current assets				
Investment in fixed deposits	137,433,045	97,230,898	137,433,045	97,230,898
Interest receivable	362,392	5,977,572	362,392	5,977,572
	137,795,437	103,208,470	137,795,437	103,208,470
Total other Investments	**137,795,437**	**124,595,045**	**137,795,437**	**124,595,045**

As at 31st March,

17.1 The Company/Group have pledged following FDs with Sampath Bank to obtain bank guarantees

Bank Name	Fixed Deposit Number	Maturity Date	Fixed deposit amount	Guarantee amount (Rs.)
Bank guarantees obtained in favor of Airport and Aviation Services Pvt. Ltd (Bandaranayake International Airport) for,				
Sampath Bank PLC	208817652044	09-Mar-24	10,000,000	10,000,000
Sampath Bank PLC	208817847257	10-Aug-24	5,400,000	5,400,000
Sampath Bank PLC	208818003937	03-Jan-25	10,000,000	10,000,000
Sampath Bank PLC	208818094206	03-Jan-25	24,866,584	24,866,584
Sampath Bank PLC	208818094210	03-Jan-25	24,866,584	24,866,584
Sampath Bank PLC	208817652041	09-Mar-24	10,000,000	10,000,000
Sampath Bank PLC	208818097877	05-May-25	5,000,000	5,000,000
Sampath Bank PLC	208818095602	03-Jan-25	24,866,584	24,866,584
Sampath Bank PLC	208818094218	03-Jan-25	12,433,292	12,433,292
Sampath Bank PLC	208818097867	05-May-25	10,000,000	10,000,000
			137,433,044	137,433,044

As at 31st March,	Company 2025 Rs.	Company 2024 Rs.	Group 2025	Group 2024 Rs.
18. Amount due from related companies				
Luxe Asia (Pvt) Ltd (Note 18.1)	-	-	-	-
Sita World Travel Lanka (Pvt) Ltd (Note 18.2)	-	-	-	-
	-	-	-	-
18.1 Amount due from Luxe Asia (Pvt) Ltd				
Balance as at 1 April	147,807,173	125,748,320	-	-
Loans granted during the year (Note 18.1.2)	2,367,369	22,058,853	-	-
	150,174,542	**147,807,173**	-	-
Allowance for impairment (Note 18.1.1)	(150,174,542)	(147,807,173)	-	-
Balance as at 31 March	-	-	-	-
18.1.1 Allowance for impairment				
Opening Balance	147,807,173	125,748,320	-	-
Impairment loss during the year (Note 10)	2,367,369	22,058,853	-	-
Allowance for impairment as at 31 March	150,174,542	147,807,173	-	-

18.1.2 Since The Luxe Asia (Pvt) Ltd has suspended operations since January 2022, Thomas Cook Lanka (Pvt) Ltd has provided funding for their day-to-day expenses, and this funding has been converted into a loan

The loan was granted to the subsidiary at an interest rate of 10%. However,The Board of Thomas Cook Lanka (Private) Limited has taken a decision to write off interest on loan given to the Luxe Asia (Pvt) Ltd. The said Board confirmation was date XX July 2025. Accordingly, interest income accrued on loan provided to Luxe Asia (Pvt) Ltd has been reversed. Further as per the Board confirmation The board of Directors of the Company has agreed not to demand any repayments of the loan granted to Luxe Asia (Pvt) Limited at least for the next 12 months from 31 March 2025. Accordingly, the said receivable from the Luxe Asia (Pvt) Limited reclassified as a Non-current Asset

18.2 Amount due from Sita World Travel Lanka (Pvt) Ltd				
Balance as at 1 April	-	296,995	-	389,995
Loans granted during the year (Note 18.2.2)	318,959	287,815	318,959	287,815
Allowance for Impairment (Note 18.2.1)	(318,959)	-	(318,959)	-
Write off of amount due form related party (Note 18.2.3)	-	(584,810)	-	(677,810)
Balance as at 31 March	-	-	-	-
18.2.1 Allowance for impairment				
Opening Balance	-	296,995	-	296,995
Impairment loss during the year (Note 18.2.1.1)	318,959	287,815	318,959	287,815
Reversal of impairment	-	(584,810)	-	(584,810)
Allowance for impairment as at 31 March	318,959	-	318,959	-

18.2.1.1 The Company recognized an impairment of Rs. 318,959 during the year in relation to the amount receivable from Sita World Travel Lanka (Pvt) Ltd. The impairment was recorded due to uncertainty over the recoverability of the balance, as the related party has remained dormant.

18.2.2 Amount due from Sita World Travel Lanka (Pvt) Limited includes Audit fee, secretarial fees and legal fees for Sita World Travel Lanka (Pvt) Limited. As there is an uncertainty over recoverability, the said amount has been impaired during the year.

As at 31st March,	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
19. Current taxation				
Balance as at the beginning of the year	1,343,491	1,343,491	1,210,878	1,198,309
Provision/(reversal) for the year (Note 11)	-	-	-	12,569
Balance as at the end of the year	**1,343,491**	**1,343,491**	**1,210,878**	**1,210,878**
20. Trade and other receivable				
Trade and other receivable (Note 20.1)	13,901,760	3,347,708	13,901,760	3,347,708
Total trade and other receivables	**13,901,760**	**3,347,708**	**13,901,760**	**3,347,708**

20.1 Other receivables mainly consist of advance payments made for electricity, counter shifting, lease renewal security deposits, rent,WHT receivable, refundable deposits, and VAT on financial services receivables The increase in other receivables during the year is primarily attributable to an advance payment of Rs. 4.5 million made in relation to the bidding process and counter shifting at Bandaranaike International Airport (BIA) with Airport and Aviation Services (Sri Lanka) Limited, and increment of Rs. 4.3 million relating to VAT on financial services

21. Cash and cash equivalents				
Cash in Hand				
- Sri Lankan rupees	13,192,878	45,243,948	13,192,878	45,262,178
- Foreign Currencies	29,531,417	53,031,850	29,531,417	53,651,850
Cash at Bank	56,045,634	3,449,704	56,522,875	3,946,359
	98,769,929	**102,345,502**	**99,247,170**	**102,860,387**
Bank Overdraft	(51,181,609)	(47,338,932)	(51,181,609)	(47,338,932)
Cash and cash equivalents as per the Statement of Cash Flows	**47,588,320**	**55,006,570**	**48,065,561**	**55,521,455**
22. Stated capital				
10,767,978 Ordinary Shares	**107,679,780**	**107,679,780**	**107,679,780**	**107,679,780**
23. Redeemable preference shares - Equity				
5,000,000 Preference Shares	**3,886,223**	-	**3,886,223**	

Company issued 5,000,000 convertible cumulative redeemable preference shares to Thomas Cook India Limited on the date of 25 June 2024 for Rs.10 per share at a dividend rate of 14.14% per annum,accruing on a daily basis. The conversion right will be exercised within period of 20 years from the issuance of the shares at the conversion rate of 3:1. Considering the terms and conditions of the instrument, the liability element is calculated as the present value of future dividend cash flows discounted at market rate of 15.41%. The equity element is calculated as any residual value.

24. Employee benefits

24.1 Defined contribution plans

Following contributions have been made to Employees' Provident Fund and Employees' Trust Fund during the year.

For the year ended 31st March	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Employees' Provident Fund				
Employers' contribution	4,462,421	4,311,990	4,462,421	4,311,990
Employees' contribution	2,559,951	2,467,230	2,559,951	2,467,230
Employees' Trust Fund	866,608	833,540	866,608	833,540

24.2 Defined benefit plan - Gratuity				
Balance as at the beginning of the year	8,200,851	5,022,273	8,200,851	5,022,273
Provision recognized during the year in profit or loss (Note 24.2.1)	1,553,692	1,207,480	1,553,692	1,207,480
Actuarial (gain)/loss during the year (Note 24.2.2)	(370,275)	2,198,728	(370,275)	2,198,728
	9,384,269	**8,428,481**	**9,384,269**	**8,428,481**
Payments during the year	(162,418)	(227,630)	(162,418)	(227,630)
Balance as at the end of the year	**9,221,852**	**8,200,851**	**9,221,852**	**8,200,851**
24.2.1 Provision recognized in profit or loss				
Current service costs	680,185	654,354	680,185	654,354
Interest costs	873,507	553,126	873,507	553,126
	1,553,692	**1,207,480**	**1,553,692**	**1,207,480**
24.2.2 Provision recognized in the other comprehensive income				
Actuarial (gain)/loss during the year	**(370,275)**	**2,198,728**	**(370,275)**	**2,198,728**

As required by LKAS 19 - Employee Benefit, which became effective from 1 January 2012 the Company has provided for gratuity liability based on an internally generated model. The principal assumptions used in determining the cost of Employee Benefits were as follows

Following the settlement of all commitments pertaining to the defined benefit plans, the remaining liability has been reversed and reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Since all obligations associated with the defined benefit plan have been fully discharged in the subsidiary

	2025	2024
Discount rate*	11%	12.25%
Future salary increment Rate	10.52%	11.82%
Staff Turnover	13.95%	14.29%
Retirement age	60 Years	60 Years

*As per the guidelines issued by the Institute of Chartered Accountants of Sri Lanka, the discount rates have been adjusted to convert the coupon bearing yield to a zero coupon yield to match the characteristics of the gratuity payment liability and the resulting yield to maturity for the purpose of valuing Employee benefit obligations as per LKAS 19

As at 31st March,	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
25. Deferred taxation				
Deferred tax assets (Note 25.1)	6,053,354	4,894,476	16,314,921	4,894,476
Deferred tax liabilities (Note 25.2)	(6,053,354)	(4,894,476)	(16,314,921)	(4,894,476)
	-	-	0	-
25.1 Deferred tax assets				
Balance at the beginning of the year	4,894,476	5,994,955	4,894,476	5,994,955
Amount reversed during the year to profit or loss				
(Reversal)/Originated during the year to profit or loss	1,269,960	(1,760,097)	11,531,527	(1,760,097)
Impact from the change in tax rate (Note 12.4 and 25.4)		-		-
Total amount reversed during the year to profit or loss	**1,269,960**	**(1,760,097)**	**11,531,527**	**(1,760,097)**
(Origination) / Reversal during the year to other comprehensive income	(111,082)	659,618	(111,082)	659,618
Balance at the end of the year	**6,053,354**	**4,894,476**	**16,314,921**	**4,894,476**
25.2 Deferred tax liabilities				
Balance at the beginning of the year	4,894,476	5,994,955	4,894,476	5,994,955
Amount reversed during the year to profit or loss				
(Origination)/Reversal during the year - recognized in Profit or Loss	1,158,878	(1,100,479)	11,420,445	(1,100,479)
Impact from the change in tax rate (Note 12.4 and 25.4)		-		-
Total amount reversed during the year to profit or loss	**1,158,878**	**(1,100,479)**	**11,420,445**	**(1,100,479)**
Balance at the end of the year	**6,053,354**	**4,894,476**	**16,314,921**	**4,894,476**

25.3 Deferred tax assets and liabilities are attributable to,

Company	2025		2024	
	Temporary Difference	Tax effect	Temporary Difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	13,081,832	3,924,550	12,121,082	3,636,325
Right of use asset	7,096,014	2,128,804	4,193,839	1,258,152
	20,177,846	**6,053,354**	**16,314,921**	**4,894,476**
Deferred tax assets				
Employee benefits	9,221,852	2,766,555	8,200,851	2,460,255
Lease Liability	6,872,427	2,061,728	4,190,347	1,257,104
Tax losses (Note 25.3.1)	4,083,567	1,225,070	3,923,723	1,177,117
	20,177,846	**6,053,354**	**16,314,921**	**4,894,476**
Net deferred tax Liabilities	-	-	-	-

Group	2025		2024	
	Temporary Difference	Tax effect	Temporary Difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	13,081,832	3,924,550	12,121,082	3,636,325
Right of use asset	7,096,014	2,128,804	4,193,839	1,258,152
	20,177,846	**6,053,354**	**16,314,921**	**4,894,476**
Deferred tax assets				
Employee benefits	9,221,852	2,766,555	8,200,851	2,460,255
Lease Liability	6,872,427	2,061,728	4,190,347	1,257,104
Tax losses (Note 25.3.1)	4,083,567	1,225,070	3,923,723	1,177,117
	20,177,846	**6,053,354**	**16,314,921**	**4,894,476**
Net deferred tax Liabilities	-	-	-	-

As at 31st March,

25. Deferred taxation (Cont.)

25.3.1 Deferred tax asset arising from tax losses

Thomas Cook Lanka (Pvt) Ltd - The tax losses as at the reporting date was Rs.175,999,757/- (2024 : 87,760,074) resulting in a deferred tax asset of Rs.52,799,927/- as at the reporting date (2024: Rs.26,328,022). However, deferred tax asset has been recognized only up to the deferred tax liability amounting to Rs.1,225,070/- as at the reporting date (2024 : Rs.1,177,117) due to the uncertainty regarding the availability of future taxable profits against which the deferred tax asset would be utilized.

Luxe Asia (Pvt) Ltd - As at the reporting date the temporary difference arising from tax losses was Rs. 113,210,909/- (2024: Rs 113,432,598/-) resulting in deferred tax assets of Rs. 33,963,273/- (2024: Rs. 34,029,779/-). However, deferred tax asset has not been recognized against this carried forward tax losses due to the uncertainty regarding the availability of future taxable profits against which the deferred tax asset could be utilized.

25.4 Impact due to corporate income tax rate

As provided for in LKAS 12 - Income taxes, deferred tax assets and liabilities should be measured at the tax rate that are expected to be applied in the period in which the asset will be realized or the liability will be settled, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the reporting date.

The Company applied tax rate of 30% for the computation of current tax and deferred tax computation for the year.

26. Long term loans from related parties

As at 31st March ,	Company		Group	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Opening Balance as at 1 April	137,627,318	78,861,473	137,627,318	78,861,473
Interest Expense during the year (Note 9)	8,909,226	8,373,199	8,909,226	8,373,199
Loan obtained during the year (Note 26.1)	52,292,741	57,950,000	52,292,741	57,950,000
Exchange (gain) / loss	(2,201,200)	(7,557,354)	(2,201,200)	(7,557,354)
Long term loans from related parties	**196,628,084**	**137,627,318**	**196,628,084**	**137,627,318**

26.1 The parent company, Thomas Cook India Limited has granted a total amount equivalent to USD 591,605/- (equivalent to Rs. 175,320,485.26) in 5 phases mainly as a financial assistance to temporary meets its cash flow mismatches due to continuous impact the Company is having due to various circumstances in Sri Lanka. The loan is required to be repaid on demand and interest accrued at market rate the at the point the loans were granted.

During the year, Thomas Cook India Limited provided a loan amounting to USD 176,605 (equivalent to Rs. 52,292,740.50) to the Company as part of the agreed funding arrangement.

27. Convertible Cumulative Redeemable Preference Shares Liability

Balance at the beginning of the year	-	-	-	-
Share issue during the year	46,113,777	-	46,113,777	-
Finance cost during the year (Note 9)	5,329,600	-	5,329,600	-
Dividend payable during the year	(5,302,500)	-	(5,302,500)	-
Balance at the end of the year	46,140,877	-	46,140,877	-

Company issued 5,000,000 convertible cumulative redeemable preference shares to Thomas Cook India Limited on the date of 25 June 2024 for Rs.10 per share at a dividend rate of 14.14% per annum,accruing on a daily basis. The conversion right will be excersised within period of 20 years from the issuance of the shares at the conversion rate of 3:1. Considering the terms and conditions of the instrument, the liability element is calculated as the present value of future dividend cash flows discounted at market rate of 15.41%. The equity element is calculated as any residual value.

28. Amount due to related companies

Thomas Cook India Limited (Note 28.1)	178,950,959	173,358,045	178,950,959	173,358,045
SOTC Travel Limited	3,041,257	2,205,904	3,041,257	2,205,904
	181,992,216	**175,563,949**	**181,992,216**	**175,563,949**

28.1 This account primarily comprises amounts payable to Thomas Cook India Limited, mainly relating to subscription fees for software services such as SAP and Mudra. It also includes the allocation of Group Resource Costs incurred by the parent company, Thomas Cook India Limited, on behalf of Thomas Cook Lanka (Pvt) Ltd. The increase in the balance compared to the previous year is mainly attributable to the rise in software subscription charges during the year.

29. Lease Liability

Balance at the beginning of the year	4,190,347	3,495,742	4,190,347	3,495,742
Additions during the year	6,415,448	4,006,585	6,415,448	4,006,585
Interest expense for the year (Note 09)	446,283	943,576	446,283	943,576
Payments during the year	(4,179,651)	(4,255,556)	(4,179,651)	(4,255,556)
Balance as at 31 March.	**6,872,427**	**4,190,347**	**6,872,427**	**4,190,347**
Payable after one year	3,504,589	4,067,874	3,504,589	4,067,874
Payable within one year	3,367,838	122,473	3,367,838	122,473
	6,872,427	**4,190,347**	**6,872,427**	**4,190,347**

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate as at the lease granted date. The Company has entered in to a new agreement for KCC and OGF in where their counters are located and it has recorded under additions during the year.

As at 31st March,	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.

29. Lease Liability (Cont.)

29.1. Right-of-use assets

Right-of-use assets related to leased properties are presented as property, plant and equipment.

Balance at the beginning of the year	4,193,839	3,719,299	4,193,839	3,719,299
Additions during the year (Note 13)	6,539,559	4,006,585	6,539,559	4,006,585
Depreciation for the year (Note 13)	(3,637,384)	(3,532,045)	(3,637,384)	(3,532,045)
Balance as at 31 March,	**7,096,014**	**4,193,839**	**7,096,014**	**4,193,839**

29.2. Amounts recognized in profit or loss

For the year ended 31 March 2025 - Leases under SLFRS 16

Interest on lease liabilities	446,283	943,576	446,283	943,576
Depreciation of right-of-use assets	3,637,384	3,532,045	3,637,384	3,532,045
	4,083,667	4,475,621	4,083,667	4,475,621
Expenses relating to short-term	245,360,623	184,188,414	245,360,623	184,188,414
	249,444,290	**188,664,035**	**249,444,290**	**188,664,035**

For the year ended 31 March 2025 – Operating leases under LKAS 17

Lease expense	245,360,623	184,188,414	245,360,623	184,188,414

29.2.1 Amounts recognized in statement of cash flows

The Company has classified

- cash payments for the principal portion of lease payments as financing activities;
- cash payments for the interest portion as operating activities consistent with the presentation of interest payments chosen by the Company
- short-term lease payments and payments for leases of low-value assets as operating activities.

The Company has not restated the comparative information.

30. Loans and Borrowings

Balance at the beginning of the year	-	-	-	3,150,993
Loans obtained during the year	-	-	-	-
Interest expense for the year	-	-	-	87,968
Repayment made during the year	-	-	-	(3,238,961)
Balance at the end of the year	-	-	-	-
Payable after one year	-	-	-	-
Payable within one year	-	-	-	-
	-	-	-	-

31. Trade and other payables

Trade payable	-	-	9,390,632	9,390,920
Advance received from customers (Note 31.1)	-	-	64,323,590	64,323,590
Other payables (Note 31.2)	7,282,413	7,592,854	27,289,325	11,110,403
Dividend payable (Note 31.3)	5,302,500	-	5,302,500	-
	12,584,913	**7,592,854**	**106,306,047**	**84,824,912**

31.1. In 2021, Rs. 62,968,048/- has been received as advances from customers for future tours for Subsidiary Luxe Asia. However, due to the COVID-19 pandemic, the tours were not completed as at 31 March 2021 and hence it was recognised as a liability under Other payables. This balance was Rs. 64,323,590/- as at 31 March 2025.The said opening balance could not be verified for accuracy, completeness, and existence due to inadequate supporting documentation.

31.2. The increment of other payables in Group figure is due to that a provision was recognised under "Other Payables" following the hearing held on 30 May 2025, where Luxe Asia submitted a Bank Draft of Rs. 17,624,165/- to the Court of Appeal as settlement for Case No. CA (Writ) Appeal 95/2022. The case related to an order by the Commissioner General of Labour directing the Company to pay compensation to nineteen employees. As the matter was concluded with the withdrawal of the application, the provision has been recognised in the financial statements of Luxe Asia for the year ended 31 March 2025 as an adjusting subsequent event in accordance with LKAS 10.

31.3. The Company has recognized a dividend payable amounting to Rs. 5,302,500 in respect of the Convertible Cumulative Redeemable Preference Shares issued during the year (Note 23) .

For the year ended 31st March,

32. Related party transactions

The Group carried out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24 - Related Party Disclosures. The details of which are given below.

32.1 Key Management Personnel (KMP)

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Company/Group directly or indirectly.

Thomas Cook India Limited, being the parent company, the Board of Directors of the Company have been classified as KMP as they have the authority and responsibility for planning, directing, and controlling the activities of the entity directly or indirectly. Emoluments paid to key management personnel (Board of Directors) are as follow.

Key Management Personnel compensation

	Company		Group	
For the year ended	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Short term employee benefits	NIL	NIL	NIL	NIL
Post employment benefits	NIL	NIL	NIL	NIL

32.2 Transactions with the Related companies

Company

Name of the Company	Relationship	Nature of the transaction	Transaction Amount 2025 Rs.	Transaction Amount 2024 Rs.
Thomas Cook India Limited	Parent Company	License fee – SAP and Mudra	5,683,434	6,368,203
		Loan granted	52,292,741	57,224,903
		Management consultancy fee	-	17,199,881
		Recovery of board management	82,639	-
		Group resource cost	7,610,594	7,935,287
Luxe Asia (Pvt) Limited	Subsidiary	Container rent	944,000	1,503,281
		Reimbursement of expenses	448,220	18,289,724
		Professional fee	1,646,440	2,117,371
		Other expenses	43,235	-
		Storage fee	165,914	148,477
Sita World Travels Limited	Associate	Professional fee	306,265	287,815
		Other expenses	12,634	-
SOTC Travel Limited	Affiliate Entity	Group resource cost	957,894	868,879

Group

Name of the Company	Relationship	Nature of the transaction	Transaction Amount 2025 Rs.	Transaction Amount 2024 Rs.
Thomas Cook India Limited	Parent Company	License fee – SAP and Mudra	5,683,434	7,585,014
		Management consultancy fee	-	17,199,881
		Loan granted	52,292,741	57,224,903
		Recovery of board management	82,639	-
		Group resource cost	7,610,594	7,935,287
SOTC Travel Limited	Affiliate entity	Group resource cost	957,894	1,403,106
Sita World Travels Limited	Associate	Professional fee	306,265	287,815
		Other expenses	12,634	-

The Parent Company, Thomas Cook India Limited has provided a comfort letter dated XX July 2025, confirming their attention to continue to provide financial and other support necessary for Luxe Asia (Pvt) Ltd to continue in business operations and meet its liabilities in the foreseeable future. Further, the Thomas Cook India Pvt Ltd has acknowledged that there are no current plans for payables to be called for a minimum period of 12 months from the date of signing the 31 March 2025 financial statements, however, should they be called within the 12 months period referred to above, payments will be only be required to the extent that they do not impact the affiliate's ability to meet its financial obligations as and when they fall due and payable.

Amounts due from and due to related entities as at reporting date are disclosed under Notes 18,26 and 28 to the Financial Statements respectively.

For the year ended 31st March,

33 Fair Values of Financial Instruments

33.1 Fair value of financial instruments carried at amortized cost

The following table shows the carrying amounts and fair values of financial assets and financial liabilities of the Company/Group.

As at 31 March 2025	Company		Group	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Other investments	137,795,437	137,795,437	137,795,437	137,795,437
Amount due from related companies	-	-	-	-
Trade and other receivables	13,901,760	13,901,760	13,901,760	13,901,760
Prepayments	5,327,164	5,327,164	5,327,164	5,327,164
Cash and cash equivalents	98,769,929	98,769,929	99,247,170	99,247,170
	255,794,290	**255,794,290**	**256,271,531**	**256,271,531**
Financial liabilities				
Amount due to related companies	181,992,216	181,992,216	181,992,216	181,992,216
Trade and other payables	12,584,913	12,584,913	106,306,047	106,306,047
Bank overdraft	51,181,609	51,181,609	51,181,609	51,181,609
	245,758,738	**245,758,738**	**339,479,872**	**339,479,872**

As at 31 March 2024	Company		Group	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets				
Other investments	124,595,045	124,595,045	124,595,045	124,595,045
Amount due from related companies	-	-	-	-
Trade and other receivables	3,347,708	3,347,708	3,347,708	3,347,708
Prepayments	3,988,149	3,988,149	3,988,149	3,988,149
Cash and cash equivalents	102,345,602	102,345,602	102,860,387	102,860,387
	234,276,504	**234,276,504**	**234,791,289**	**234,791,289**
Financial liabilities				
Amount due to related companies	175,563,949	175,563,949	175,563,949	175,563,949
Trade and other payables	7,592,854	7,592,854	84,824,912	84,824,912
Bank overdraft	47,338,932	47,338,932	47,338,932	47,338,932
	230,495,735	**230,495,735**	**307,727,793**	**307,727,793**

For the year ended 31st March 2025,

34. Financial risk management

34.1 Overview

The Company/Group has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Liquidity risk
3. Market risk
4. Operational risk.

34.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company/Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

For the year ended 31st March,

34. Financial risk management (Cont.)

34.2 Risk management framework (Cont.)

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

34.3 Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Group's receivable from customers and other investments.

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk, particularly in the currently deteriorating economic circumstances. However, geographically there is no concentration of credit risk.

The Management Committee has established a credit policy under which each new customer is analyze individual for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management Committee; these limits are reviewed quarterly. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

Cash and cash equivalents

The Group held cash and equivalents in the form of cash at bank. Hence the Group is exposed to risk that such counterparties fail meet to the contractual obligation.

The Group minimize the credit risk by monitoring the creditworthiness of the counterparty periodically.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

For the year ended 31st March	Company		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Other investments - Non current assets (Note 17)	-	21,386,575	-	21,386,575
Trade and other receivables (Note 20)	13,901,760	3,347,708	13,901,760	3,347,708
Amount due from related companies (Note 18)	-	-	-	-
Other investments - Current assets (Note 17)	137,795,437	103,208,470	137,795,437	103,208,470
Cash and cash equivalents (Note 21)	98,769,929	102,345,602	99,247,170	102,860,387
	250,467,126	**230,288,355**	**250,944,367**	**230,803,140**

34.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses standard costing to cost its services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

For the year ended 31st March,

34. Financial risk management (Cont.)

34.4 Liquidity risk (Cont.)

Exposure to liquidity risk

The table below summarizes the maturity profile of the financial liabilities as at the end of the reporting year based on contractual undiscounted payments.

Company

		Contractual cash flows		
As at 31st March 2025	**Carrying amount**	**Up to 3 months**	**3-12 months**	**More than a year**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Amount due to related companies	181,992,216	-	181,992,216	-
Trade and other payables	12,584,913	12,584,913	-	-
Lease Liability	6,872,427	934,042	2,433,797	3,058,259
Bank overdraft	51,181,609	51,181,609	-	-
	252,631,165	**64,700,564**	**184,426,013**	**3,058,259**
As at 31st March 2024				
Amount due to related companies	175,563,949	-	175,563,949	-
Trade and other payables	7,592,854	7,592,854	-	-
Lease Liability	4,190,347	458,081	1,374,242	1,663,419
Bank overdraft	47,338,932	47,338,932	-	-
	234,686,082	**55,389,867**	**176,938,191**	**1,663,419**

Group

		Contractual cash flows		
As at 31st March 2025	**Carrying amount**	**Up to 3 months**	**3-12 months**	**More than a year**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Amount due to related companies	181,992,216	-	181,992,216	-
Trade and other payables	106,306,047	106,306,047	-	-
Lease Liability	6,872,427	934,042	2,433,797	3,058,259
Bank overdraft	51,181,609	51,181,609	-	-
	346,352,299	**158,421,698**	**184,426,013**	**3,058,259**
As at 31st March 2024				
Amount due to related companies	175,563,949	-	175,563,949	-
Trade and other payables	84,824,912	84,824,912	-	-
Lease Liability	4,190,347	458,081	1,374,242	1,663,419
Bank overdraft	47,338,932	47,338,932	-	-
	311,918,140	**132,621,925**	**176,938,191**	**1,663,419**

Management of liquidity risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's policy is to hold cash and undrawn overdraft facilities at a level sufficient to ensure that the Group has available funds to meet its liabilities.

Liquidity reserves

As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising of mainly cash and cash equivalents which can be readily sold to meet liquidity requirements

	Company		Group	
For the year ended 31st March	**2025**	**2024**	**2025**	**2024**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Cash and cash equivalents	98,769,929	102,345,602	99,247,170	102,860,387
Other investments	137,795,437	124,595,045	137,795,437	124,595,045
	236,565,366	**226,940,647**	**237,042,607**	**227,455,432**

For the year ended 31st March,

34. Financial risk management (Cont.)

34.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

34.5.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates . As protection against exchange rate fluctuations, the Group backs its commitments in local currency. The Group has minimised invested or borrowed in foreign currencies. The Group does not use any derivative financial instruments to hedge the risk. The currency risk attached to financial instruments is minimal as it represents local currency.

34.5.2 Exposure to currency risk

The following significant exchange rates were applied during the year.

	Average rate		Reporting date spot rate	
As at 31 March,	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
USD	297.76	318.04	296.35	301.18
EURO	319.26	344.92	319.86	326.03
INR	3.52	3.84	3.46	3.61

34.5.3 Interest rate risk

Interest rate risk is the risk to the Group's earnings and economic value of equity ("EVE") arising from adverse movements in interest rates

34.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance when this is effective.

Compliance with Group standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Board of Directors and senior management of the Group.

35. Events occurring after the reporting date

Company

No circumstances have arisen since the reporting date which would require adjustments to or disclosure in the financial statements.

Group

Labour compensation relates to Case No. CA (Writ) Appeal 95/2022 filed by the Company in the Court of Appeal, challenging the order issued by the Commissioner General of Labour on 31 December 2021 under reference No. TEL//14/2021, which directed the Company to pay Rs. 20,249,098/- as compensation to nineteen employees. At the hearing held on 30 May 2025, the Company submitted a Bank Draft amounting to Rs. 17,624,165/- to the Court of Appeal. As the terms of the settlement were fulfilled, the Court permitted the withdrawal of the application, and the matter is now considered closed. Accordingly, the related settlement amounting to Rs.17,624,165/- made subsequent to reporting date has been appropriately recognised in the financial statements of the Group for the year ended 31 March 2025 as an adjusting event The said amount has been reported under Administration expense in the profit or loss.

36. Capital commitments

As disclosed in Note 17.1, the Group/Company have been pledged fixed deposits for the purpose of obtaining banking facilities, comprising of Overdraft facility and other pecuniary Aid, Assistance

There were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date

37. Contingent liabilities

There have been no material contingent liabilities outstanding as at the reporting date.

For the year ended 31st March,

38 Litigation and claim

Company

There were no pending litigation or claims as at the reporting date.

Group

The following cases have been filed against the Company or claims have been made in reconvention. No provision is made in the financial statements for the following litigations.

- Luxe Asia (Private) Limited is the Petitioner in Case No. CA (Writ) Appeal 94/2022 in the Court of Appeal, appealing against the order of the Commissioner General of Labour dated 07th February 2022, under reference No.TEU/C/94/2020, which held that the company is to pay a sum of SLR 3,765,684 as compensation to the seven employees named Randika Tharmasiri Dissanayake, Nivanthika Lakmali, Roshen Mary Shilanka Dias, Nipunika Shirunki Fernando, Arshak Akeel Irfaan, Suraj Kanishka Fernando, and Mohomed Shakir Hussain Zaneena Farveen.On the last hearing, dated 07th August 2025, the petitioner company supported the matter and refixed for further support and parties are negotiating for a settlement.

- Luxe Asia (Private) Limited is the Applicant in a Labour Tribunal Litigation regarding the complaint of salary deductions of ex-employees of Luxe Asia (Private) Limited under bearing reference No. CS/COA/B/01/63/22. As per the Order dated 16th March 2023, the Commissioner General of Labour ordered to repay all the salary deductions made for the period complained of including salary deduction made with the consent of employees.
  Against this order, Luxe Asia (Private) Limited requested a discussion with the Commissioner General of Labour and still awaiting a response. However, since CA Application 95 of 2022 (19 employees) stands settled as an out-of-court settlement, as part of it, the parties are negotiating for a conclusion of the same.

39. Directors Assessment on Going Concern

The Group and Company have incurred a net loss of Rs.119,172,649/- and Rs.101,945,197/- respectively for the year ended 31 March 2025 (2024 Group- Rs.7,527,768/-, Company - Rs.33,213,719/-), and as of that date the Group's and Company's accumulated loss was Rs.429,503,326/- and Rs.336,127,109/- (2024 Group- Rs.310,589,870/-, Company- Rs.234,441,105/-). Further, as at 31 March 2025, Group's current liabilities exceeded its current assets by Rs. 82,333,810/- (2024 –Rs.93,234,674/-) and Group's and Company's total liabilities exceeded its total assets by Rs.317,937,323/- and Rs.224,561,106/-, resulting a negative equity position. The Company is also facing a serious loss of capital situation under Section 220 of the Companies Act No.07 of 2007.

Notwithstanding this, the financial statements have been prepared on a going concern basis due to reliance of letter of support, dated XX XX 2025 provided by the Directors of the immediate parent company, Thomas Cook India Limited. Through this letter of support immediate parent company confirms that they will be providing the financial support and assistance as may be required to ensure that the Group/Company can meet its obligations as and when they fall due and payable for a period of at least 12 months from the date of signing these financial statements. Further, the Thomas Cook India (Pvt) Ltd has acknowledged that there are no current plans for payables to be called for a minimum period of 12 months from the date of signing the 31 March 2025 financial statements, however, should they be called within the 12 months period referred to above, payments will be only be required to the extent that they do not impact the company's ability to meet its financial obligations as and when they fall due and payable.

Accordingly, the Board of Directors has a reasonable confidence level that the Group and Company have adequate resources to continue in operation for at least the next 12 months and that the going concern basis of accounting remains appropriate.

40. Directors responsibility for financial statements

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with Sri Lanka

Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and the Companies Act No. 7 of 2007.

LUXE ASIA (PVT) LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March,	Note	2025 Rs.	2024 Rs.
Revenue	6	-	-
Cost of sales	7	-	-
Gross Profit / (Loss)		-	-
Other income	8	208,311	13,570,000
Administrative expenses		(19,783,807)	(9,339,785)
Profit/(Loss) from operations	9	**(19,575,496)**	**4,230,215**
Net finance expenses	10	(19,326)	(522,985)
Operating Profit/(Loss) before impairment losses		**(19,594,822)**	**3,707,230**
Write off of related party receivables	11	-	(93,000)
Profit/(Loss) before tax		**(19,594,822)**	**3,614,230**
Income tax expense	12	-	12,569
Profit/(Loss) for the year		**(19,594,822)**	**3,626,799**
Total comprehensive income for the year		**(19,594,822)**	**3,626,799**
Earnings/(Loss) per share	13	**(39.19)**	**7.25**

The notes to the Financial Statements form an integral part of these Financial Statements.

Figures in bracket indicate deductions.

LUXE ASIA (PVT) LTD
STATEMENT OF FINANCIAL POSITION

As at 31 March,	Note	2025 Rs.	2024 Rs.
ASSETS			
Property, plant & equipment	14	-	700,831
Intangible assets	15	-	-
Deferred tax assets	16	-	-
Total non-current assets		-	700,831
Amount due from related parties	17	-	-
Cash and cash equivalents	18	477,241	514,785
Total current assets		477,241	514,785
Total assets		477,241	1,215,616
EQUITY AND LIABILITIES			
Stated capital	19	5,000,000	5,000,000
Preference shares	19	25,000,000	25,000,000
Accumulated losses		(273,550,762)	(253,955,940)
Total equity		(243,550,762)	(223,955,940)
Liabilities			
Amount due to related party	20	150,158,541	147,807,173
Total non-current liabilities		150,158,541	147,807,173
Loans and Borrowings	21	-	-
Trade and other payables	22	93,736,850	77,231,771
Current taxation	23	132,612	132,612
Bank overdraft	18	-	-
Total current liabilities		93,869,462	77,364,383
Total liabilities		244,028,003	225,171,556
Total equity and liabilities		477,241	1,215,616

The notes to the Financial Statements form an integral part of these Financial Statements.

I certify that these Financial Statements are in compliance with the requirements of Companies Act No 7 of 2007.

.....
Shaju Nair A
Head - Foreign Exchange

The Directors are responsible for the preparation and the presentation of these Financial Statements.
Approved and signed for and on behalf of the Board;

.....
Debasis Nandy
Director

.....
Aravinda De Silva
Director

XX July 2025
Colombo.

LUXE ASIA (PVT) LTD
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2025,

	Stated capital	Preference shares	Accumulated Loss	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at 01st April 2023	5,000,000	25,000,000	(257,582,739)	(227,582,739)
Total comprehensive Income for the year				
Profit for the year	-	-	3,626,799	3,626,799
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	3,626,799	3,626,799
Balance as at 31st March 2024	5,000,000	25,000,000	(253,955,940)	(223,955,940)
Balance as at 01st April 2024	5,000,000	25,000,000	(253,955,940)	(223,955,940)
Total comprehensive Income for the year				
Loss for the year	-	-	(19,594,822)	(19,594,822)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(19,594,822)	(19,594,822)
Balance as at 31st March 2025	5,000,000	25,000,000	(273,550,762)	(243,550,762)

The notes to the Financial Statements form an integral part of these Financial Statements.
Figures in bracket indicate deductions.

LUXE ASIA (PVT) LTD
STATEMENT OF CASHFLOWS

For the year ended 31st March,

	2025 Rs.	2024 Rs.
Cash flow from operating activities		
Profit / (Loss) before tax	(19,594,822)	3,614,230
Adjustments for :		
Depreciation	479,142	708,385
Amortization	-	23,405
Write off of related party receivables	-	93,000
Gain on disposal of fixed assests	(208,311)	-
Interest Expense	-	498,138
Operating loss before working capital changes	**(19,323,991)**	**4,937,158**
(Increase) / Decrease in trade and other Receivables	-	36,329
(Increase) / Decrease in amounts due from related parties	-	-
Increase/ (Decrease) in amounts due to related parties	2,351,368	8,488,853
Increase/ (Decrease) in trade and other payables	16,505,079	(381,002)
Cash used in operations	**(467,544)**	**13,081,338**
Interest Paid	-	(410,170)
Net cash flows used in operating activities	**(467,544)**	**12,671,168**
Cash flows from investing activities		
Proceeds from disposal of fixed assests	430,000	-
Redemption of Short-term investment	-	500,000
Net cash generated from investing activities	**430,000**	**500,000**
Cash flows from financing activities		
Loan repayments during the year	-	(3,238,961)
Net cash used in financing activities	**-**	**(3,238,961)**
Net decrease in cash and cash equivalents	(37,544)	9,932,207
Cash and cash equivalents at the beginning of the year	514,785	(9,417,422)
Cash and cash equivalents at the end of the year (Note 18)	**477,241**	**514,785**

The Notes to the Financial Statements form an integral part of these Financial Statements.

For the year ended 31st March,

	2025 Rs.	2024 Rs.

6. Revenue

Outbound Sales	-	-
	-	-

6.1 The Company's revenue is derived from rendering a wide range of travel services. The revenue from rendering these services is recognized in the profit or loss at the time when the services are provided to the customer. This is generally the tour departure date.

The Company suspended its business operations in January 2022 due to a decline in the tourism sector, stemming from the impacts of the COVID outbreak and the subsequent economic crisis in the country. It has not recommenced operations since then and, consequently, has not generated any revenue during the year.

Timing of revenue recognition

Departure date at the point in time	-	-
	-	-

7. Cost of sales

Cost of Service supply	-	-
	-	-

The Company did not incur any cost of sales during the year, as business operations have remained suspended since January 2022. In the absence of any revenue-generating activities during the period, no transactions related to cost of sales were recorded.

8. Other income

Disposal Gain on PPE (Note 8.1)	208,311	-
Write back of RPT payable	-	13,570,000
	208,311	**13,570,000**

8.1 Given Luxe Asia Private Limited's dormant status and minimal business activity, all remaining assets were fully disposed during the period. As a result, the carrying value of these assets was reduced to zero. The gain arising from the disposal has been recognized under Other Income in the Company's financial statements.

9. Profit/(loss) from operations

Profit / (Loss) from operations is stated after charging all the expenses including the following.

Auditor's remuneration	365,000	352,000
General Expenses	3,399	39,666
Director Compensation (Note 9.1)	-	5,219,724
Labour Compensation (Note 9.2)	17,624,165	-
Depreciation (Note 14)	479,142	708,385
Amortization (Note 15)	-	23,405

9.1 Director compensation in the previous financial year included a settlement relating to a Labour Tribunal litigation concerning the termination and reinstatement with back wages of Director Mr. Chaminda Dias. The matter was settled on 27 June 2023, with Mr. Dias receiving a sum of Rs. 5,219,724/- as full and final settlement of all disputes between him and the respondent companies. No such compensation payments have been made to directors during the current financial year.

9.2 Labour compensation relates to Case No. CA (Writ) Appeal 95/2022 filed by the Company in the Court of Appeal, challenging the order issued by the Commissioner General of Labour on 31 December 2021 under reference No. TEU/14/2021, which directed the Company to pay Rs. 20,249,098/- as compensation to nineteen employees. At the hearing held on 30 May 2025, the Company submitted a Bank Draft amounting to Rs. 17,624,165/- to the Court of Appeal. As the terms of the settlement were fulfilled, the Court permitted the withdrawal of the application, and the matter is now considered closed. Accordingly, the related amount has been appropriately recognised in the financial statements for the year ended 31 March 2025 as an adjusting subsequent event.

For the year ended 31st March,

	2025 Rs.	2024 Rs.
10. Net finance expenses		
Finance expenses		
Exchange loss	(426)	(2,288)
Bank charges	(18,900)	(22,559)
Reversal of interest income	-	(22,371)
Interest on loan (Note 10.1)	-	(87,968)
OD interest (Note 10.2)	-	(387,799)
	(19,326)	**(522,985)**
Net finance expenses	**(19,326)**	**(522,985)**

10.1 This includes the interest expense for the loan obtained from Cargills Bank PLC. The Company has repaid all outstanding loans and closed all accounts with Cargills Bank PLC during previous year. Accordingly, there were no interest expenses incurred in relation to the loan facility during the current financial year.

Further, Thomas Cook Lanka (Pvt) Ltd confirmed in writing that they waive off any interest charges on the loan granted to Luxe Asia (Pvt) Ltd, effective from April 1, 2024. Consequently, the Company reversed the accrued interest on the loan that had been recorded as payable to Thomas Cook Lanka (Pvt) Ltd up to the balance sheet date (Refer Note 20.1.1).

10.2 The Company fully settled its outstanding overdraft balance with Cargills Bank PLC in July 2023. No overdraft facilities were utilized during the reporting period. Accordingly, no overdraft interest expense was incurred during the current year.

11. Write off of related party receivables		
Write off of the amount due from Sita World Travel Lanka	-	93,000
	-	**93,000**
12. Income tax expense		
Current tax expenses		
Current tax	-	-
Adjustment for over provision in relation to prior years	-	(12,569)
Deferred tax expense		
(Reversal) / origination of deferred tax liability (Note 16)	-	-
(Origination) / reversal of deferred tax asset (Note 16)	-	-
	-	-
	-	**(12,569)**
12.1 Reconciliation between Accounting Profit and Taxable Profit		
Accounting Profit/(Loss) Before Tax	(19,594,822)	3,614,230
Disallowable Expenses	20,024,822	731,791
Allowable expenses	(208,311)	(121,679)
Total statutory income from Business	**221,689**	**4,224,342**
Other sources of Income - Investment Income	-	-
Total statutory income	**221,689**	**4,224,342**
Less: Setting off against brought forward tax losses	(221,689)	**(4,224,342)**
Taxable Profit/(Loss)	-	-
Income tax expense for the year - 30%	-	-

12.2 Corporate income tax rate

As provided for in LKAS 12 - Income taxes, deferred tax assets and liabilities should be measured at the tax rate that are expected to be applied in the period in which the asset will be realized or the liability will be settled, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the reporting date.

The Company applied tax rate of 30% for the computation of current tax and deferred tax during the year.

For the year ended 31st March,

	2025 Rs.	2024 Rs.
12.3 Reconciliation of business tax losses		
Tax loss brought forward	113,432,598	145,643,874
Less : Tax losses claimed during the year	(221,689)	(4,224,342)
Tax loss expired during the year	-	(27,986,934)
Tax loss carried forward	**113,210,909**	**113,432,598**
12.3.1 Analysis of tax losses		
Tax losses incurred in 2022/23 (Expire in 2029/30)	18,429,208	18,429,208
Tax losses incurred in 2021/22 (Expire in 2028/29)	47,486,920	47,486,920
Tax losses incurred in 2020/21 (Expire in 2027/28)	24,654,498	24,654,498
Tax losses incurred in 2019/20 (Expire in 2026/27)	22,640,283	22,861,972
	113,210,909	113,432,598

13. Earnings/(loss) per share

Calculation of earning/(loss) per share is based on the profit/(loss) attributable to Ordinary Shareholders divided by the weighted average number of ordinary shares outstanding as at the reporting date.

Profit/(loss) for the year (Rs.)	(19,594,822)	3,626,799
Weighted average number of ordinary shares	500,000	500,000
Earnings/(loss) per share (Rs.)	(39.19)	7.25

14. Property, plant & equipment

	Motor Vehicles Rs.	Office Equipment Rs.	Technological Equipment Rs.	Furniture and fittings Rs.	Total 2025 Rs.	Total 2024 Rs.
Cost						
Balance as at 1 April	235,990	1,443,439	7,469,986	8,378,281	17,527,696	17,527,696
Additions during the year	-	-	-	-	-	-
Disposals during the year		(1,186,425)	-	(6,281,871)	(7,468,296)	-
Balance as at 31 March	**235,990**	**257,014**	**7,469,986**	**2,096,410**	**10,059,400**	**17,527,696**
Accumulated Depreciation						
Balance as at 1st April	235,990	1,407,444	7,469,986	7,713,445	16,826,865	16,118,480
Charge for the year	-	35,995	-	443,148	479,142	708,385
Disposals during the year	-	(1,186,425)	-	(6,060,182)	(7,246,607)	
Balance as at 31st March	**235,990**	**257,014**	**7,469,986**	**2,096,410**	**10,059,400**	**16,826,865**
Carrying amounts						
Balance as at 31 March 2025	-	-	-	-	-	
Balance as at 31 March 2024	-	**35,995**	-	**664,836**		**700,831**

As at 31st March,

	2025 Rs.	2024 Rs.
15. Intangible assets		
Cost		
Balance as at 1 April	3,057,321	3,057,321
Balance as at 31 March	**3,057,321**	**3,057,321**
Amortization		
Balance as at 1 April	3,057,321	3,033,916
Charge for the year	-	23,405
Balance as at 31 March	**3,057,321**	**3,057,321**
Currying value as at 31 March	-	-

16. Deferred Taxation

16.1 The Company has temporarily ceased business operations from January 2022. Considering the brought forwrd tax losses and the status of the current business operations, no deferred tax asset has been recognized on the Tax losses.

16.2 As at the reporting date the temporary difference arising from tax losses was Rs. 113,210,909/- (2024: Rs 113,432,598/-) resulting in deferred tax assets of Rs. 33,963,273/- (2024: Rs. 34,029,779/-). However, deferred tax asset has not been recognized against this carried forward tax losses due to the uncertainty regrding the availability of future taxable profits against which the deferred tax asset could be utilized.

As at 31st March,

	2025 Rs.	2024 Rs.
17. Amount due from related party		
Sita World Travel Lanka (Pvt) Limited (Note 17.1)	-	-
	-	-
17.1 Amount due from Sita World Travel Lanka (Pvt) Limited		
Balance as at 1 April	-	93,000
Loans granted during the year	-	-
Write off	-	(93,000)
	-	-
18. Cash and cash equivalents		
Cash in hand	-	18,220
Cash at bank	477,241	496,565
	477,241	514,785
Bank overdraft	-	-
Cash & cash equivalents for the purpose of statement of cash flow	477,241	514,785
19. Stated capital		
Issued and fully paid		
500,000 ordinary shares	5,000,000	5,000,000
2,500,000 preference shares	25,000,000	25,000,000
Total Shares	30,000,000	30,000,000

Name of shareholder	Share type	No. of shares	No. of share percentage
Thomas Cook Lanka (Private) Limited	Ordinary Shares	500,000	100%
Thomas Cook Lanka (Private) Limited	Preference Shares	2,500,000	-

20. Amount due to related party		
Thomas Cook Lanka (Private) Limited (Note 20.1)	150,158,541	147,807,173
Sita World Travel Lanka (Pvt) Limited (Note 20.2)	-	-
	150,158,541	147,807,173
Payable within one year	-	-
Payable after one year	150,158,541	147,807,173
	150,158,541	147,807,173
20.1 Amount due to Thomas Cook Lanka (Private) Limited		
Loans due to Thomas Cook Lanka (Private) Limited (Note 20.1.1)	136,059,637	133,708,269
Other Balances (Note 20.1.2)	14,098,904	14,098,904
	150,158,541	147,807,173
20.1.1 Movement of the loan payable to Thomas Cook Lanka (Private) Limited		
Opening balance as at 1 April	133,708,269	111,649,416
Loans obtained during the year	2,799,590	22,058,853
Settlement	(448,222)	-
Interest on loan	15,015,854	14,780,717
Write back of Interest on Loan (Note 20.1.1.1)	(15,015,854)	(14,780,717)
Closing balance as at 31 March	136,059,637	133,708,269

20.1.1.1 Thomas Cook Lanka (Pvt) Ltd confirmed in writing that they waive off any interest charges on the loan granted to Luxe Asia (Pvt) Ltd, effective from April 1, 2024. Consequently, the Company reversed the accrued interest on the loan that had been recorded as payable to Thomas Cook Lanka (Pvt) Ltd up to the balance sheet date.

20.1.2 Other balances due to Thomas Cook Lanka (Private) Limited mainly consist of Group Resource Cost (GRC). Since from the year 2023, Thomas Cook Lanka (Private) Limited has not allocated any Group Resource Cost to Luxe Asia as the Company has temporarily ceased its operations.

As at 31st March,

	2025 Rs.	2024 Rs.
20. Amount due to related party (Cont.)		
20.2 Movement of the loan payable to Sita World Travel Lanka (Private) Limited		
Opening balance as at 1 April	-	13,570,000
Write back of payable	-	(13,570,000)
Closing balance as at 31 March	-	-
21. Loans and borrowings		
Balance at the beginning of the year	-	3,150,993
Loans obtained during the year	-	-
Interest expense for the year	-	87,968
Repayment made during the year	-	(3,238,961)
Balance at the end of the year	-	-
Payable within one year	-	-
Payable after one year	-	-
	-	-

22. Trade and other payables

Trade payables	9,390,632	9,390,632
Advances received from customers (Note 22.1)	64,323,590	64,323,590
Other payable (Note 22.2)	20,022,628	3,517,549
	93,736,850	**77,231,771**

22.1 In 2021, Rs. 62,968,048/- has been received as advances from customers for future tours. However, due to the COVID-19 pandemic, the tours were not completed as at 31 March 2021 and hence it was recognised as a liability under Other payables. This balance was Rs. 64,323,590/- as at 31 March 2025.

22.2 A provision was recognised under "Other Payables" following the hearing held on 30 May 2025, where the Company submitted a Bank Draft of Rs. 17,624,165/- to the Court of Appeal as settlement for Case No. CA (Writ) Appeal 95/2022. The case related to an order by the Commissioner General of Labour directing the Company to pay compensation to nineteen employees. As the matter was concluded with the withdrawal of the application, the provision has been recognised in the financial statements for the year ended 31 March 2025 as an adjusting subsequent event in accordance with LKAS 10.

23. Current taxation

Balance at the beginning of the year	132,612	145,181
Provision for the year	-	-
Adjustment for over provision in relation to prior years	-	(12,569)
Balance at the end of the year	**132,612**	**132,612**

24. Related party transactions

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24 - *Related Party Disclosures* . The details of which are given below.

a) Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, the Key Management Personnel (KMP) are those having authority and responsibility for planning, directing, and controlling the activities of the entity. Accordingly, the Directors of the Company have been classified as KMP of the Company.

The Board of Directors of Thomas Cook Lanka (Pvt) Ltd and Thomas Cook (India) Limited, being the parent and intermediate parent company, have also been classified as KMP as they have the authority and responsibility for planning, directing and controlling the activities of the entity directly and indirectly.

Key management personnel compensation	2025 Rs	2024 Rs
Short Term Benefits	Nil	Nil
Post Employee Benefits	Nil	Nil

24. Related party transactions (Cont.)

b) Transactions with Related Entities

Name of the Related Party	Relationship	Nature of Transaction	Transaction Amount 2025 Rs.	Transaction Amount 2024 Rs.
Thomas Cook Lanka (Pvt) Ltd	Immediate Parent	Loans granted	2,799,590	22,058,853
		Settlement	(448,222)	-
		Interst on Loan Granted	15,015,854	14,780,717
		Write Back on interst on Loan Granted	(15,015,854)	(14,780,717)
Sita World Travel Lanka (Pvt) Ltd	Subsidiary of Ultimate Parent Company	Write-off of receivables	-	(93,000)
		Write back on loan payable	-	(13,570,000)

The Intermidiate Parent Company, Thomas Cook India Limited has provided a comfort letter dated XX July 2025, confirming their intention to continue to provide financial and other support necessary for Luxe Asia (Pvt) Ltd to continue in business operations and meet its liabilities in the foreseeable future.

Amounts due from and due to related entities as at reporting date are disclosed in the Note 17 and note 20 to the Financials Statements respectively.

25. Fair Values of Financial Instruments

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	2025		2024	
	Carrying Amount Rs.	Fair Value Rs.	Carrying Amount Rs.	Fair Value Rs.
Financial Assets				
Cash and cash equivalents	477,241	477,241	514,785	514,785
	477,241	**477,241**	**514,785**	**514,785**
Financial Liabilities				
Trade and other payables	93,736,850	93,736,850	77,231,771	77,231,771
Amount due to related party	150,158,541	150,158,541	147,807,173	147,807,173
	243,895,391	**243,895,391**	**225,038,944**	**225,038,944**

The methods and assumptions used to estimate the fair values of the financial instruments are as follows:

a) Cash and cash equivalents – The carrying amount of cash and cash equivalents approximate its fair value due to the relatively short maturity of the financial instruments.

b) Trade and other receivables/ Trade and other payables - The carrying amount of these financial assets and liabilities approximate its fair value due to the relatively short maturity of the financial instruments.

For the year ended 31st March 2025

26. Financial risk management

26.1 Introduction and Overview

The Company has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Liquidity risk
3. Market risk
4. Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout this financial statement.

26.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

26.3 Credit risk

'Credit risk' is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

26.3.1. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows;

As at 31st March	2025	2024
	Rs.	Rs.
Cash and cash equivalents	477,241	514,785
	477,241	514,785

26.4 Market risk

'Market' risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

26.4.1. Currency risk

'Currency risk' is the risk that the value of financial instruments will fluctuate due to changes on foreign exchange rates. The Company monitors the fluctuations in foreign currencies with appropriate strategies to minimize risk.

The Company is exposed to currency risk on transaction and settlements of transaction that are denominated in a currency other than the respective functional currencies of Company. The Company's transactions primarily in its functional currency (LKR). Therefore, the currency risk is minimul.

26.4.2. Interest rate risk

Interest rate risk is the risk to the Company's earnings and economic value of equity ("EVE") arising from adverse movements in interest rates.

26. Financial risk management (Cont.)

26.4 Market risk (Cont.)

26.4.3. Management of interest rate risk

The Company's investment decisions in interest bearing assets are controlled by the higher level authorities appointed by the Board of Directors and they are advised and guided only to invest in secured and regulated investment sources.

26.5 Liquidity risk

Liquidity risk' is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity analysis

The table below summarizes the maturity profile of the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments.

31 March 2025,	Carrying amount Rs.	6 months or less Rs.	6-12 months Rs.	More than 1 year Rs.
Trade and other payables	93,736,850	93,736,850	-	-
Amounts due to related party	150,158,541	-	-	150,158,541
Total liabilities	**243,895,391**	**93,736,850**	-	**150,158,541**

31 March 2024,	Carrying amount Rs.	6 months or less Rs.	6-12 months Rs.	More than 1 year Rs.
Trade and other payables	77,231,771	77,231,771	-	-
Amounts due to related party	147,807,173	-	-	147,807,173
Total liabilities	**225,038,944**	**77,231,771**	-	**147,807,173**

26.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for the reconciliation and monitoring of transactions.
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance when this is effective.

For the year ended 31st March 2025,

27. Events occurred after the reporting date

Labour compensation relates to Case No. CA (Writ) Appeal 95/2022 filed by the Company in the Court of Appeal, challenging the order issued by the Commissioner General of Labour on 31 December 2021 under reference No. TEU//14/2021, which directed the Company to pay Rs. 20,249,098/- as compensation to nineteen employees. At the hearing held on 30 May 2025, the Company submitted a Bank Draft amounting to Rs. 17,624,165/- to the Court of Appeal. As the terms of the settlement were fulfilled, the Court permitted the withdrawal of the application, and the matter is now considered closed. Accordingly, the related amount has been appropriately recognised in the financial statements for the year ended 31 March 2025 as an adjusting subsequent event.

Other than the matters described above, no circumstances have arisen since the reporting date that would require adjustments to, or disclosure in, the financial statements.

28. Comparative figures

when necessary the information has been restated to confirm with the current year's presentation and classification.

29. Capital commitments and contingent liabilities

There were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date. There have been no material contingent liabilities outstanding as at the reporting date.

30. Litigation and claim

The following cases have been filed against the Company or claims have been made in reconvention. No provision is made in the financial statements for the following litigations.

- The Company is the Petitioner in Case No. CA (Writ) Appeal 94/2022 in the Court of Appeal, appealing against the order of the Commissioner General of Labour dated 07th February 2022, under reference No.TEU/C/94/2020, which held that the company is to pay a sum of S1.R 3,765,684 as compensation to the seven employees named Randika Tharmasiri Dissanayake, Nivanthika Lakmali, Roshen Mary Shilanka Dias, Nipunika Shirunki Fernando, Arshak Akeel Irfaan, Suraj Kanishka Fernando, and Mohomed Shakir Hussain Zameena Farveen.On the last hearing, dated 07th August 2025, the petitioner company supported the matter and refixed for further support and parties are negotiating for a settlement.
- Luxe Asia (Private) Limited is the Applicant in a Labour Tribunal Litigation regarding the complaint of salary deductions of ex-employees of Luxe Asia (Private) Limited under bearing reference No. CS/COA/B/01/63/22. As per the Order dated 161h March 2023, the Commissioner General of Labour ordered to repay all the salary deductions made for the period complained of including salary deduction made with the consent of employees.
  Against this order, Luxe Asia (Private) Limited requested a discussion with the Commissioner General of Labour and still awaiting a response. However, since CA Applicention 95 of 2022 (19 employees) stands settled as an out-of-court settlement, as part of it, the parties are negotiating for a conclusion of the same.

31. Going concern

The Company has incurred a net loss of Rs. 19,594,822 /- for the year ended 31 March 2025 (2024 - Net profit Rs. 3,626,799/-), and as of that date the Company's accumulated loss was Rs. 273,550,762 /- (2024 - Rs. 253,955,940/-). Further the Company's current liabilities exceeded the current assets by Rs. 93,392,221 /- (2024 - Rs. 76,849,598 /-) and its total liabilities exceeded its total assets by Rs.234,550,762 /- (2024 - Rs.223,955,940 /-). The Company is also facing a serious loss of capital situation under Sec 220 of the Companies Act No.07 of 2007. The Company has temporarily ceased business operations due to the economic conditions prevailed subsequent to COVID 19 outbreak and economic crisis and its impact on Tourism related activities in the country. The intermediate parent company, Thomas Cook India Limited, has given a letter of comfort dated XX July 2025 confirming that they will be providing the support and assistant as may be required to ensure that the Company is able to enable the Company to meet its obligations as and when they fall due and payable for a period of at least 12 months from the date of signing these financial statements.

Although these conditions indicate the existence of material uncertainty and cast significant doubt on the Company's ability to continue as a going concern, based on the mitigating actions and the letter of support dated XX July 2025 given by the intermediate Parent Thomas Cook India Limited undertaking to provide financial assistance to the Company to ensure that it can pay its debts as and when they fall due and payable, the Board of Directors has assessed that there is no uncertainty regarding the settlements of external liabilities during the next 12 months from the date of authorizing these financial statements.

Accordingly, the Board of Directors has a reasonable confidence level that the Company has adequate resources to continue in operation for at least the next 12 months and that the going concern basis of accounting remains appropriate.

32. Board of Director's responsibility for financial reporting

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and the Companies Act No. 7 of 2007.

SITA WORLD TRAVEL LANKA (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2025 Rs.	2024 Rs.
Revenue	6	-	-
Cost of Sales		-	-
Gross Profit		-	-
Other Income	7	-	677,810
Administrative Expenses		(687,664)	(837,888)
Loss from Operations	8	**(687,664)**	**(160,078)**
Net Finance Income		-	-
Loss Before Tax		**(687,664)**	**(160,078)**
Income Tax Expense	9	-	-
Loss for the year		**(687,664)**	**(160,078)**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**(687,664)**	**(160,078)**
Loss Per Share	10	**(2.75)**	**(0.64)**

The notes to the Financial Statements form an integral part of these Financial Statements.

Figures in bracket indicate deductions.

SITA WORLD TRAVEL LANKA (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March,	Note	2025 Rs.	2024 Rs.
ASSETS			
Non-current assets			
Property, plant & equipment	11	-	-
Intangible assets	12	-	-
Deferred tax assets	17	-	-
Total non-current assets		-	-
Current assets			
Other receivables	13	56,052	-
Amounts due from related parties	14	-	-
Cash and cash equivalents	15	-	57,302
Total current assets		**56,052**	**57,302**
Total assets		**56,052**	**57,302**
EQUITY AND LIABILITIES			
Stated capital	16	2,500,000	2,500,000
Preference shares		43,100,238	43,100,238
Accumulated losses		(46,585,691)	(45,898,028)
Total equity		**(985,453)**	**(297,790)**
Non-current liabilities			
Deferred tax liabilities	17	-	-
		-	-
Current liabilities			
Other payables	18	656,728	290,300
Amounts due to related parties	19	318,959	-
Current taxation		64,792	64,792
Bank overdraft	15	1,027	-
Total current liabilities		**1,041,506**	**355,092**
Total liabilities		**1,041,506**	**355,092**
Total equity and liabilities		**56,052**	**57,302**

The annexed notes to the Financial Statements form an integral part of these Financial Statements.
It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

.....

Mr. Shaju Nair A
Head-Foregin Exchange

The Board Directors are responsible for the preparation and presentation of these Financial Statements
Approved and signed for and on behalf of the Board;

.....

Mr. Debasis Nandy
Director

.....

Mr. Aravinda De Silva
Director

SITA WORLD TRAVEL LANKA (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March,	Stated Capital	Preference Shares	Accumulated Loss	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at 01st April 2023	2,500,000	43,100,238	(45,737,950)	(137,712)
Total comprehensive income				
Loss for the year	-	-	(160,078)	(160,078)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	**(160,078)**	**(160,078)**
Balance as at 31st March 2024	**2,500,000**	**43,100,238**	**(45,898,028)**	**(297,790)**
Balance as at 01st April 2024	2,500,000	43,100,238	(45,898,028)	(297,790)
Total comprehensive income				
Loss for the year	-	-	(687,664)	(687,664)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	**(687,664)**	**(687,664)**
Balance as at 31st March 2025	**2,500,000**	**43,100,238**	**(46,585,691)**	**(985,453)**

The notes to the Financial Statements form an integral part of these Financial Statements.
Figures in bracket indicate deductions.

SITA WORLD TRAVEL LANKA (PRIVATE) LIMITED
STATEMENT OF CASHFLOWS

For the year ended 31 March,	2025 Rs.	2024 Rs.
Cash flows from operating activities		
Loss Before Tax	(687,664)	(160,078)
Adjustment for working capital changes:		
Decrease/(Increase) in Other Receivables	(56,052)	519,073
Increase in Other Payables	366,428	37,999
Increase/(Decrease) in Related Party Payables	318,959	(389,995)
Cash generated/(used in) operating activities	**629,335**	**167,077**
Net cash generated/(used in) from operating activities	**(58,329)**	**7,000**
Net cash used in investing activities	-	-
Net Cash used in Financing activities	-	-
Net Increase/(decrease) in cash and cash equivalents	**(58,329)**	**7,000**
Cash and cash equivalents as at beginning of the year	57,302	50,302
Cash and cash equivalents as at end of the year (Note 15)	**(1,027)**	**57,302**

The notes to the Financial Statements form an integral part of these Financial Statements.
Figures in bracket indicate deductions.

For the year ended 31 March,

	2025	2024
	Rs.	Rs.
6. Revenue		
Tours	-	-
	-	-

6.1 The Company has ceased its business operations from October 2018 and continues to remain dormant, Therefore the company has not generated any revenue during the year.

7. Other Income		
Write back of RPT payable	-	584,810
Write back of RPT payable	-	93,000
	-	677,810

8. Loss from Operations		
Loss from operations is stated after charging all the expenses including the following,		
Director Emoluments	-	-
Auditor's Remuneration	205,238	188,000
Legal & Professional Charges	451,744	79,500

9. Income Tax Expense		
Current Tax Expense		
Current tax	-	-
Deferred Tax Expense		
Reversal of deferred tax liability (Note 17.1)	-	-
Origination of deferred tax asset (Note 17.2)	-	-
	-	-
	-	-

9.1. Reconciliation between Accounting Loss and Taxable Loss		
Accounting loss before tax	(687,664)	(160,078)
Disallowable Expenses	687,664	160,078
Allowable expenses	-	-
Loss from business	-	-
Tax Loss for the year	-	-

9.2. Corporate Income Tax Rate

As provided for in LKAS 12 - Income taxes, deferred tax assets and liabilities should be measured at the tax rate that are expected to be applied in the period in which the asset will be realised or the liability will be settled, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the reporting date.

Accordingly the Company applied tax rate of 30% for the computation of current tax and deferred tax computation for the year.

9.3. Reconciliation of Business tax losses		
Tax Loss Brought Forward	12,265,309	20,781,969
Tax losses incurred during the year	-	-
Tax loss expired during the year	-	(8,516,660)
Tax Loss Carried Forward	12,265,309	12,265,309
9.3.1 Analysis of tax losses		
Tax lossess incurred in 2020/21 (Expire in 2027/28)	12,265,309	12,265,309
	12,265,309	12,265,309

For the year ended 31 March,

	2025	2024
10. Loss per share	**Rs.**	**Rs.**

Calculation of loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of ordinary shares outstanding as at the reporting date.

Loss attributable to the ordinary shareholder (Rs)	(687,664)	(160,078)
Weighted average number of ordinary shares (Note 16)	250,000	250,000
Loss per share (Rs.)	**(2.75)**	**(0.64)**

As at 31st March,

11. Property, Plant & Equipment

	Office Equipment	Computer Equipment	Furniture and Fixtures	Total 2025	Total 2024
	Rs.	Rs.	Rs.	Rs.	Rs.
Cost					
Balance at the beginning of the year	14,288	2,534,998	23,990	2,573,276	2,573,276
Balance at the end of the year	**14,288**	**2,534,998**	**23,990**	**2,573,276**	**2,573,276**
Accumulated depreciation					
Balance at the beginning of the year	14,288	2,534,998	23,990	2,573,276	2,573,276
Charge for the year	-	-	-	-	-
Balance at the end of the year	**14,288**	**2,534,998**	**23,990**	**2,573,276**	**2,573,276**
Carrying amounts					
As at 31st March 2025	-	-	-	-	
As at 31st March 2024	-	-	-		-

12. Intangible assets

Cost		
Balance at the beginning of the year	264,600	264,600
Additions	-	-
Balance at the end of the year	264,600	264,600
Amortization		
Balance at the beginning of the year	264,600	264,600
Charge for the year	-	-
Balance at the end of the year	264,600	264,600
Carrying value as at end of the year	-	-

13. Other Receivables

Prepayments	56,052	-
	56,052	-

Prepayment was made to the Inland Revenue Department (IRD) following a notice sent to the bank of Sita World Travel Lanka (Pvt) Ltd. The payment was actually intended for a liability owed by Sri Lanka Telecom and was mistakenly attributed by the IRD to Sita World Travel Lanka (Pvt) Ltd. As a result, the amount has been recorded as a prepayment and can be recovered against any future tax liabilities, as applicable.

14. Amounts due from Related Parties

Luxe Asia (Pvt) Ltd	-	13,570,000
Write off of related party receivable	-	(13,570,000)
	-	-

As at 31st March,

	2025 Rs.	2024 Rs.
15. Cash and cash equivalents		
Cash at bank	-	57,302
Bank Overdrafts	(1,027)	-
Cash & cash equivalents for the purpose of statement of cash flow	**(1,027)**	**57,302**
16. Stated capital		
Issued and fully paid		
250,000 ordinary shares	**2,500,000**	**2,500,000**
17. Deferred taxation		
Deferred tax liabilities (Note 17.1)	-	-
Deferred tax assets (Note 17.2)	-	-
	-	-
17.1. Deferred tax liabilities		
Balance at the beginning of the year	-	-
Reversal during the year (Note 9)	-	-
Balance at the end of the year	-	-
17.2 Deferred tax assets		
Balance at the beginning of the year	-	-
Origination during the year (Note 9)	-	-
Balance at the end of the year	-	-

17.3. As given in Note 1.2, the Company ceased business operations from October 2018 and continues to remain dormant. Considering the brought forward tax losses and the status of the current business operations, no deferred tax asset has been recognized on the Tax losses.

17.4. As at the reporting date the temporary difference arising from tax losses was Rs. 12,265,309(2024: Rs. 12,265,309) resulting in deferred tax assets of Rs. 3,679,593(2024: Rs 3,679,593). However, deferred tax asset has not been recognized against this carried forward tax losses due to the uncertainty regarding the availability of future taxable profits against which the deferred tax asset could be utilized.

18. Other payables		
Legal & Professional Payable	449,190	100,000
Stamp Duty	2,300	2,300
Audit Fee Payable	205,238	188,000
	656,728	**290,300**
19. Amounts due to Related Parties		
Thomas Cook Lanka (Pvt) Ltd (Note 19.1)	318,959	-
Luxe Asia (Pvt) Ltd (Note 19.2)	-	-
	318,959	**-**
19.1 Movement of the payable to Thomas Cook Lanka (Pvt) Limited		
Opening balance as at 1 April	-	296,995
Payable obtained during the year	318,959	287,815
Write back of payable	-	(584,810)
Closing balance as at 31 March	**318,959**	**-**
19.2 Movement of the payable to Luxe Asia (Pvt) Limited		
Opening balance as at 1 April	-	93,000
Payable obtained during the year	-	-
Write back of payable	-	(93,000)
Closing balance as at 31 March	-	-

For the year ended 31 March,

20. Related party transactions

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24 - *Related Party Disclosures* . The details of which are given below.

20.1 Transactions with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, the Key Management Personnel (KMP) are those having authority and responsibility for planning, directing, and controlling the activities of the entity. Accordingly, the Directors of the Company have been classified as KMP of the Company.

Being the Parent and ultimate undertaking, Travel Corporation India Ltd and Fairfax Financial Holdings Ltd, Canada, respectively as noted in Note 1.3, the Board of directors of those two companies have the authority and responsibility for planning, directing and controlling the activities of the entity directly and indirectly. Accordingly, the Board of Directors of those companies also have been classified as KMP.

The compensation paid to KMP's is as follows:

Key Management Personnel compensation	2025 (Rs)	2024 (Rs)
Short term employee benefits	Nil	Nil
Post employment benefits	Nil	Nil

20.2 Transactions with Related Entities

Name of the Related Party	Relationship	Nature of Transaction	Transaction Amount 2025 Rs.	Transaction Amount 2024 Rs.
Thomas Cook Lanka (Pvt) Ltd	Significant Influence	Fund transfer from TC Lanka	(16,000)	(15,000)
		Audit fee SITA Lanka	212,265	(193,315)
		Secretarial Fee SITA Lanka	54,000	(76,500)
		Legal fee SITA Lanka	9,454	(3,000)
		Labour charge	19,240	-
		Tax consultancy fee	40,000	-

Also refer Note 14 and 19 for the balance due from and due to related companies as at 31st March 2025.

21. Fair Values of Financial Instruments

21.1. Valuation of Financial Instruments Measured at Fair Value

The Company does not have any financial instruments which are measured at fair value.

21.2. Valuation of Financial Assets and Liabilities not Carried at Fair Value

Set out below is a comparison of the carrying amounts and fair values of the financial instruments of the Company which are not measured at fair value in the financial statements. These tables do not include non-financial assets and liabilities.

As at 31 March,

	2025		2024	
	Carrying Amount Rs.	Fair Value Rs.	Carrying Amount Rs.	Fair Value Rs.
Financial assets				
Cash & Cash Equivalents	-	-	57,302	57,302
	-	-	57,302	57,302

For the year ended 31 March,

21. Fair Values of Financial Instruments (Cont.)

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial liabilities				
Other Payables	656,728	656,728	290,300	290,300
Bank Overdrafts	1,027	1,027	-	-
	657,755	657,755	290,300	290,300

22. Financial risk management

22.1 Introduction and Overview

The Company has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Market risk
3. Liquidity risk
4. Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout this financial statement.

22.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

22.3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, related parties and cash and cash equivalents.

The Company trades only with creditworthy customers. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. Cash and cash equivalents and the short term deposits are held with bank which has good ratings based on Fitch ratings.

22.3.1 Credit risk exposure and managing the risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows.

As at 31st March

	2025	2024
	Rs.	Rs.
Cash & cash equivalents	-	57,302
	-	57,302

22.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity analysis

The table below summarizes the maturity profile of the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments.

For the year ended,

22. Financial risk management (Cont.)

22.4 Liquidity risk (Cont.)

As at 31 March 2025	Carrying amount (Rs.)	Cash flows (Rs.) Within 6 months	More than a year
Non- derivative Financial Liabilities			
Other payables	656,728	656,728	-
Amounts due to related parties	318,959	318,959	-
	975,687	975,687	-

As at 31 March 2024	Carrying amount (Rs.)	Cash flows (Rs.) Within 6 months	More than a year
Non- derivative Financial Liabilities			
Other payables	290,300	290,300	-
	290,300	290,300	-

22.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

22.5.1 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes on foreign exchange rates. The Company monitors the fluctuations in foreign currencies with appropriate strategies to minimize risk.

The Company is exposed to currency risk on transaction and settlements of transaction that are denominated in a currency other than the respective functional currencies of Company. The Company's transactions primarily in its functional currency(LKR). Therefore, the currency risk is minimul.

22.5.2 Interest rate risk

Interest rate risk is the risk to the Company's earnings and economic value of equity ("EVE") arising from adverse movements in interest rates.

Management of interest rate risk

The Company's investment decisions in interest bearing assets are controlled by the higher level authorities appointed by the Board of Directors and they are advised and guided only to invest in secured and regulated investment sources.

22.5.3 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified requirements for the reporting of operational losses and proposed
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance when this is effective.

For the year ended 31 March 2025,

22. Financial risk management (Cont.)

Compliance with Company standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Board of Directors and senior management of the Company.

23. Capital commitments and contingent liabilities

There were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date. There have been no material contingent liabilities outstanding as at the reporting date.

24. Comparative Figures

Where necessary the information has been restated to conform the current year presentation and classification

25. Events occurring after reporting date

No circumstances have arisen since the reporting date which would require adjustments to be disclose in the financial statements.

26. Litigation and claims

There are no outstanding actual, pending of threatened litigation or claims during the period

27. Going concern

The Company has incurred a net loss of Rs. 687,664/- for the year ended 31 March 2025 (2024- Loss of Rs 160,078/-) and as of that date the Company's accumulated losses amounted to Rs. 46,585,691 (2024 - Rs 45,898,028 /-). Further, the Company had ceased business operations from October 2018. Accordingly, the Company has not generated revenue in relation to commercial operations and remained dormant as at reporting date.

Although these conditions indicate the existence of material uncertainty and cast significant doubt on the Company's ability to continue as a going concern, based on the mitigating actions and the letter of support dated XX XX 2025 given by the intermediate Parent Thomas Cook India Limited undertaking to provide financial assistance to the Company to ensure that it can pay its debts as and when they fall due and payable, the Board of Directors has assessed that there is no uncertainty regarding the settlements of external liabilities during the next 12 months from the date of authorizing these financial statements. Further, the Company's ability to continue as a going concern is as the management has decided to continue with the Company due to matters relating to Trademark. The Board of directors are of the view that the Company will continue as a going concern legal entity. Accordingly, these financial statements have been prepared on a going concern basis.

Accordingly, the Board of Directors has a reasonable confidence level that the Company has adequate resources to continue in operation for at least the next 12 months and that the going concern basis of accounting remains appropriate.

28. Board of Directors' responsibility for financial reporting

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and the Companies Act No. 7 of 2007.

Travel Corporation (India) Limited

Balance sheet

as at 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

		Note	31 March 2025	31 March 2024
I.	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	*2*	126.01	91.82
	(b) Right of use asset	*2*	35.85	74.05
	(c) Other intangible assets	*3*	2.55	0.90
	(d) Intangible asset under development	*3*	172.93	137.10
	(e) Financial assets :			
	(i) Investments	*4*	15.65	15.65
	(ii) Other non-current financial assets	*5*	3.64	44.34
	(f) Deferred tax assets (net)	*6*	299.15	351.61
	(g) Income tax assets	*7*	44.28	21.92
	(h) Other non-current assets	*8*	0.01	0.05
	Total non-current assets		**700.07**	**737.44**
2	**Current assets**			
	(a) Financial assets :			
	(i) Trade receivables	*9*	518.23	424.03
	(ii) Cash and cash equivalents	*10(a)*	798.42	362.50
	(iii) Bank balances other than cash and cash equivalents above	*10(b)*	32.48	145.17
	(iv) Other current financial assets	*11*	79.12	17.48
	(b) Other current assets	*12*	463.40	294.59
	Total current assets		**1,891.65**	**1,243.77**
	TOTAL ASSETS		**2,591.72**	**1,981.21**
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	*13*	0.10	0.10
	(b) Other equity			
	(i) Instruments entirely equity in nature	*14*	1,990.19	1,990.19
	(ii) Reserves and surplus	*14*	(2,197.33)	(2,363.29)
	Total equity		**(207.04)**	**(373.00)**
2	**Non-current liabilities**			
	(a) Financial liabilities:			
	(i) Lease liability	*15*	12.13	28.01
	(b) Provisions	*16*	44.82	24.34
	Total non-current liabilities		**56.95**	**52.35**
3	**Current liabilities**			
	(a) Financial liabilities :			
	(i) Short-term borrowings	*17*	610.60	690.60
	(ii) Lease liability	*18*	28.21	50.56
	(iii) Trade payables			
	1.Dues of micro enterprises and small enterprises	*33*	5.08	0.21
	2.Dues of creditors other than micro, small and medium enterprises	*19*	1,467.74	1,076.19
	(iv) Other financial liabilities	*20*	245.73	179.71
	(b) Other current liabilities	*21*	379.01	300.28
	(c) Short-term provisions	*22*	5.44	4.31
	Total current liabilities		**2,741.81**	**2,301.86**
	Total liabilities		**2,798.76**	**2,354.21**
	TOTAL EQUITY AND LIABILITIES		**2,591.72**	**1,981.21**

Material accounting policies

The notes from 1 to 47 form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kaushal Mehta
Partner
Membership No: 118321
Mumbai

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH2001PLC131693]

TRAVEL CORPORATION (INDIA) LIMITED Tower A, Delta Square, M.G. Road, Sector-25, GURGAON-122001

Dipak Deva
Managing Director
[DIN:02030005]
Gurugram
06-May-2025

Madhavan Menon
Director
[DIN No: 00008542]
Gurugram
06-May-2025

Sanjay Shroff
Chief Financial Officer
Gurugram
06-May-2025

S S K Sastry Garimella
Company Secretary
Gurugram
06-May-2025

Travel Corporation (India) Limited

Statement of profit and loss

for the year ended 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

		Note	For the year ended 31 March 2025	For the year ended 31 March 2024
(1)	**Revenue**			
	(a) Revenue from operations	*23*	5,959.36	4,994.14
	(b) Other income	*24*	178.54	60.51
	Total income		**6,137.90**	**5,054.65**
(2)	**Expenses**			
	(a) Cost of tours	*25*	4,861.08	4,138.26
	(b) Employee benefits expense	*26*	621.55	516.16
	(c) Finance costs	*27*	75.31	85.81
	(d) Depreciation and amortization expenses	*2,3*	90.15	80.42
	(e) Other expenses	*29*	258.15	213.15
	Total expenses		**5,906.24**	**5,033.80**
(3)	**Profit before tax**		**231.66**	**20.85**
(4)	**Tax expense:**			
	(a) Current tax	*6*	-	-
	(b) Deferred tax	*6*	55.79	6.14
(5)	**Profit after tax**		**175.87**	**14.71**
(6)	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plan		(13.24)	(4.22)
	(b) Income tax expense on remeasurement benefit of defined benefit plans		3.33	1.06
	Other comprehensive (loss) (net of tax)		**(9.91)**	**(3.16)**
(7)	**Total comprehensive income for the year**		**165.96**	**11.55**
(8)	**Earnings per equity share (in absolute)**			
	(i) Basic	*31*	17,587.00	1,471.00
	(ii) Diluted	*31*	0.88	0.07

Material accounting policies

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As per our report of even date attached.

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Travel Corporation (India) Limited

Statement of cash flows

for the year ended 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from operating activities:		
Profit before tax	231.66	20.85
Adjustments for:		
Depreciation of Property, plant and equipment	37.59	29.64
Amortisation of intangible assets	0.94	0.96
Depreciation of ROU asset	51.62	49.82
Profit on sale of property, plant and equipment	(16.51)	(0.09)
Profit on sale of ROU asset	-	(2.39)
Unclaimed credit balances no longer required, written back	(0.06)	-
Excess provision no longer requried, written back	(38.03)	(23.52)
Bad debts and Provision for doubtful debts and advances	5.25	(3.51)
Net unrealised foreign exchange differences	(12.48)	(10.67)
Expenses on employees stock options schemes (net)	-	3.29
Interest expense on ROU lease liability including finance lease	6.35	9.92
Interest income on deposits and investments	(13.68)	(6.62)
Interest income - others	(3.44)	(3.17)
Interest expense	64.72	69.68
Dividend income from subsidiary	(88.20)	-
	225.73	**134.19**
Working capital Changes		
(Increase) in trade and other receivables	(99.56)	(152.01)
(Increase) in other assets	(168.77)	(87.18)
(Increase) in Other Financial assets	(20.42)	(5.31)
Increase in trade & other payables, other financial liabilities and current liabilities	548.91	477.98
Increase in provisions and employee benefits	8.37	6.66
Net cash flow from operations after working capiat adjustments	**494.26**	**374.33**
Income tax paid	(22.36)	(4.81)
Net cash flows generated from operating activities	**471.90**	**369.52**
Cash flows from investing activities:		
Acquisition of property, plant and equipment and intangible assets	(118.17)	(71.42)
Proceeds from sale of property, plant and equipment and ROU Assets	24.48	2.86
Acquisition of investment in fixed deposit	(32.48)	(45.00)
Proceeds from disposal/redemption of investment in fixed deposit	145.17	-
Interest received on deposits and investments	16.38	3.39
Dividend income from subsidiary	88.20	-
Investment in Associates	-	(1.60)
Net cash flows generated from / (used in) investing activities	**123.58**	**(111.77)**
Cash flows from financing activities:		
Repayment of borrowings	(80.00)	-
Repayment of lease liability (Principal Amount)	(51.42)	(44.75)
Repayment of lease liability (Finance Charges)	(6.35)	(9.92)
Finance charges on borrowings	(29.33)	(7.23)
Net cash flow (used in) financing activities	**(167.10)**	**(61.90)**
Net increase in cash and cash equivalents	**428.38**	**195.85**
Cash and cash equivalents at the beginning of the period	362.50	155.83
Exchange difference on translation of foreign currency cash and cash equivalents	7.54	10.82
Cash and cash equivalents at the end of the year	**798.42**	**362.50**

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25

Travel Corporation (India) Limited

Statement of cash flows

for the year ended 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Note:		
(a) Components of cash and cash equivalents :		
Cash on hand	10.28	4.78
Balances with scheduled banks		
-- Current Account	84.23	156.09
-- EEFC Account	144.86	101.63
-- Deposit Account (with original maturity of 3 months or less)	559.05	100.00
	798.42	**362.50**

(b) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) 7- " Cash Flow Statements".

Material accounting policies

The notes from 1 to 47 form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kaushal Mehta
Partner
Membership No: 118321
Mumbai

For and on behalf of the Board of Directors of
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Travel Corporation (India) Limited

Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

(a) Equity share capital

	31 March 2025		31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	10,000	0.10	10,000	0.10
Changes in equity share capital during the year [refer Note 13]	-	-	-	-
At the end of the year	**10,000**	**0.10**	**10,000**	**0.10**

(b) Other equity

Particulars	Retained earning	Employee share option outstanding	Capital Reserve	Other comprehensive income/ (loss) (Remeasurements of the net defined benefit plans)	Optionally Convertible Non-Cumulative Preference shares	Total other equity
Balance at 31 March 2023	**(828.34)**	**71.39**	**(1,633.29)**	**12.11**	**1,990.19**	**(387.94)**
Profit for the year	14.71	-	-	-	-	14.71
Other comprehensive (loss), net of tax	-	-	-	(3.16)	-	(3.16)
Share-based payments [Note 40]	-	3.29	-	-	-	3.29
Shares issued during the year	-	-	-	-	-	-
Dividend paid out of Profits (Including dividend distribution tax)	-	-	-	-	-	-
Balance at 31 March 2024	**(813.63)**	**74.68**	**(1,633.29)**	**8.95**	**1,990.19**	**(373.10)**
Profit for the year	175.87	-	-	-	-	175.87
Other comprehensive income, net of tax	-	-	-	(9.91)	-	(9.91)
Share-based payments [Note 40]	-	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-
Dividend paid out of Profits (Including dividend distribution tax)	-	-	-	-	-	-
Balance at 31 March 2025	**(637.76)**	**74.68**	**(1,633.29)**	**(0.96)**	**1,990.19**	**(207.14)**

Material accounting policies

The notes from 1 to 47 form an integral part of the financial statements
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kaushal Mehta
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For and on behalf of the Board of Directors of
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Gurugram
06-May-2025

Travel Corporation (India) Limited

Notes to Standalone Financial Statements

for the year ended 31st March 2025

(Currency: Indian Rupees in Millions unless otherwise stated)

General Information

Travel Corporation (India) Limited is engaged in Travel and Tourism business and working as Travel agent and Tour operator. The Company mainly operates in Inbound Tours. The Company is wholly owned by Thomas Cook (India) Limited (100 %).

1 (A) Material accounting policies

1.1 Basis of preparation

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with rule 4 of the Companies (India Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March 2025.

As per the Notification No. G.S.R. 742 (E) dated 27 July 2016, the company has availed exemption from preparing the Consolidated Financial Statement under Rules 6 of the Companies (Accounts) Rules 2014.

(b) Historical cost convention

Standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities – measured at fair value,
- defined benefit plans – defined benefit obligation less plan assets measured at fair value, and
- share based payment – measured at fair value

The financial statements are prepared in Indian Rupees "(INR)" or "(Rs.)" which is also the Company's functional currency and all values are rounded off to nearest million ('000,000) except where otherwise indicated. Wherever the amount is represented as '0.00' ('zero') it construes a value less than ten thousand.

1.2 Foreign currency translation and transactions

(a) Functional and presentation currency

A Company's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.2 Foreign currency translation and transactions *(Continued)*

(b) Transactions and balances

(i) Initial recognition

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

(ii) Subsequent recognition

As at the reporting date, non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit and loss. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rate at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the statement of profit and loss.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement/ conversion at the FEDAI rates are recognised in the statement of profit and loss.

1.3 Revenue recognition

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts

(a) Income from Operations

The Company earns revenue from travel and related services.

Travel and related services
The Company earns revenue primarily from Travel and Tourism business and working as Travel agent and Tour operator in Inbound tours. Revenue from inbound tour packages are recognised on the completion of the performance obligation which is on the date of arrival of the tour.

Shopping Commission is recognised based on the commission rate contracted with shops on actual sale of merchandize to the tourist.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.3 Revenue recognition *(Continued)*

(a) Income from Operations *(Continued)*

Commission income (net) from hotel and other travel services such as, optional tours etc. are recognised at the time of providing the service.

Marketing fees and other incentive income are recognised when it is confirmed.

(b) Contract balances

(i) Contract Assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract Liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

TRAVEL CORPORATION (INDIA) LTD
Tower B,
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M.G. Road,
Sector-25
GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.4 Taxes on income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income' or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/ expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The company offsets the current tax assets as against the liability for provision for tax.

(b) Deferred Tax:

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred taxes on items classified under Other comprehensive income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.5 Leases

The company as a lessee

The company's lease asset classes primarily consist of leases for buildings and vehicles. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:
(1) the contract involves the use of an identified asset,
(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a "Right of Use" ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease, difference between security deposit given less its present value at the end of lease period and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any re-measurement of the lease liability.

ROU assets are depreciated from the commencement date on a straight line basis over the lease term or useful life of the underlying asset whichever is less.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the company changes its assessment to exercise an extension or a termination option.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.6 Impairment of assets

(a) Financial assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognised as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on I2-month ECL.

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TRAVEL CORPORATION INDIA LTD
Tower B,
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GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.6 Impairment of assets *(Continued)*

(b) Non-financial assets

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating-units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a cash generating unit (CGU) is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the statement of profit and loss and is not reversed in the subsequent period.

1.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cheques/ drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less than are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25, GURGAON-122001

1 (A) Material accounting policies *(Continued)*

1.8 Financial instruments

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the statement of profit and loss except for financial instruments carried at amortized cost, where transaction costs are adjusted in the amortized cost of the asset.

(ii) Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortized cost:

Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and are held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortized cost using the effective interest rate ('EIR') method, less impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. On de-recognition, gain or loss, if any, is recognised in the statement of profit and loss.

(b) Measured at fair value through other comprehensive income :

Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

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1 (A) Material accounting policies *(Continued)*

1.8 Financial instruments *(Continued)*

(a) Financial assets *(Continued)*

(ii) Subsequent measurement *(Continued)*

(c) Measured at fair value through profit or loss:
A financial asset not measured at either amortized cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value (except for investment in subsidiaries). Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(iii) Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 1.6. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss. Dividend from such investments is recognised in the Statement of profit and loss as other income when the Company's right to receive payment is established.

(iv) De-recognition

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Company has retained.

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1 (A) Material accounting policies *(Continued)*

1.8 Financial instruments *(Continued)*

(b) Financial liabilities

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities at FVTPL are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(c) Deferred financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value, with changes in fair value recognised in statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterpart.

1 (A) Material accounting policies *(Continued)*

1.10 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable- that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost are recognised in the statement of profit and loss.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II of the Companies Act 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

Depreciation method, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, as follows:

Assets	**Useful life**
Computer hardware	3 years
Computer servers and networks	6 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles (Finance Lease)	4 years
Vehicles (Other than finance lease)	8 years

Leasehold improvements are amortized over the period of the lease or useful life of the asset, whichever is less.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at the end of each financial year and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

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1 (A) Material accounting policies *(Continued)*

1.11 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

The carrying value of these intangible assets are reviewed at least annually for impairment and adjusted to the recoverable amount if required.

(i) Computer Software

Costs associated with maintaining software programs are recognised as an expense as incurred.

Development costs those are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use,
- management intends to complete the software and use or sell it,
- there is an ability to use or sell the software,
- it can be demonstrated how the software will generate probable future economic benefits,
- adequate technical, financial and other resources are available to complete the development and to use or sell the software, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Computer software
Amortization methods and periods

Asset	**Useful life**
Software (including software – Internally generated / developed)	4 years

Amortization is calculated using the straight-line method to allocate their cost over their estimated useful lives.

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1 (A) Material accounting policies *(Continued)*

1.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are de-recognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.13 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognised if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

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1 (A) Material accounting policies *(Continued)*

1.14 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive dividend is established.

Facility support income, group resource income, royalty income and management fees are recognised on accrual basis based on the terms of the agreement.

1.15 Employees share- based payments

Certain employees of the Company are granted rights to equity instruments of its Holding Company as consideration for the services provided to the Company. The estimated fair-values of the awards on the grant date, are recognized as an expense in Statement of Profit and Loss with a corresponding increase to Other Equity on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

1 (A) Material accounting policies *(Continued)*

1.16 Employee benefits

(a) Post-employment benefits:

(i) Defined contribution plans

The Company has defined contribution plan for post-employment benefit in the form of Superannuation scheme. Contributions to Superannuation scheme are charged to the statement of profit and loss as incurred. The contributions to Superannuation scheme are based on the premium contribution called for by Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement.

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment.

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

(b) Short term employee benefit

As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilized leaves necessarily lapse al the end of the calendar year. At reporting date the liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

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1 (A) Material accounting policies *(Continued)*

1.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

1.18 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-con tractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

1 (B) Critical Accounting Estimates and Judgements:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates and judgements are:

- Useful life of property, plant & equipment - Note 2
- Estimated useful life of intangible asset- Note 3
- Leases - Note 37
- Impairment of investment - Note 4
- Estimation of Defined Benefit Obligation- Note 36
- Recognition of deferred tax assets for carried forward unabsorbed depreciation/ loss - Note 6
- Recognition and measurement of provision and contingencies - Note 38
- Fair value of financial instruments - Note 32
- Impairment of trade receivables-Note 32
- Estimation of inputs for fair value of Share based payment instrument - Note 40

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Notes to Standalone Financial Statements

for the year ended 31st March 2025

(Currency: Indian Rupees in Millions unless otherwise stated)

1 (C) Current / Non-Current Classification

All assets and liabilities are classified into current and non-current:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realized within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded:
c) it is due to be settled within 12 months after the reporting date; or
d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current liabilities include current portion of non-current financial liabilities. All other liabilities ar classified as non-current.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current & non-current classification of assets and liabilities.

1 (D) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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Notes to the financial statements (Continued)

as at 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

2 Property, plant and equipment

Particulars	Computer hardware	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying value as at 31 Mar 2023	**34.29**	**87.65**	**152.85**	**32.16**	**306.95**
Add:Additions during the year	17.74	1.92	12.20	1.24	33.10
Less:Deletion during the year	27.33	5.34	-	2.28	34.95
Gross carrying value as at 31 Mar 2024	**24.70**	**84.23**	**165.05**	**31.12**	**305.10**
Add:Additions during the year	15.76	11.80	47.60	4.59	79.75
Less:Deletion during the year	7.02	0.15	66.87	0.89	74.93
Gross carrying value as at 31 Mar 2025	**33.44**	**95.88**	**145.78**	**34.82**	**309.92**
Accumulated depreciation as at 31 March 2023	**28.07**	**85.08**	**76.17**	**29.24**	**218.56**
Add:Depreciation charge during the year	4.53	1.54	21.85	1.72	29.64
Less:Depreciation on Deletion during the year	27.33	5.31	-	2.28	34.92
Accumulated depreciation as at 31 March 2024	**5.27**	**81.31**	**98.02**	**28.68**	**213.28**
Add:Depreciation charge during the year	11.20	3.19	21.92	1.28	37.59
Less:Depreciation on Deletion during the year	7.02	0.15	58.90	0.89	66.96
Accumulated depreciation as at 31 March 2025	**9.45**	**84.35**	**61.04**	**29.07**	**183.91**
Carrying value as at 31 March 2024	**19.43**	**2.92**	**67.03**	**2.44**	**91.82**
Carrying value as at 31 March 2025	**23.99**	**11.53**	**84.74**	**5.75**	**126.01**

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Notes to the financial statements *(Continued)*

as at 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

2 Right of use Asset

Particulars	ROU Assets - Building	ROU Assets - Vehicles	Total
Closing gross carrying amount as at 31 March 2023	**328.44**	**10.15**	**338.59**
Add:Additions during the year	2.84	-	2.84
Less:Deletion during the year	-	7.99	7.99
Closing gross carrying amount as at 31 March 2024	**331.28**	**2.16**	**333.44**
Add:Additions during the year	13.42	-	13.42
Less:Deletion during the year	-	-	-
Closing gross carrying amount as at 31 March 2025	**344.70**	**2.16**	**346.86**
Closing accumulated depreciation as at 31 March 2023	**209.64**	**7.57**	**217.21**
Add:Depreciation charge during the year	49.06	0.76	49.82
Less:Depreciation on Deletion during the year	-	7.64	7.64
Closing accumulated depreciation as at 31 March 2024	**258.70**	**0.69**	**259.39**
Add:Depreciation charge during the year	51.08	0.54	51.62
Less:Depreciation on Deletion during the year	-	-	-
Closing accumulated depreciation as at 31 March 2025	**309.78**	**1.23**	**311.01**
Net carrying amount as at 31 March 2024	**72.58**	**1.47**	**74.05**
Net carrying amount as at 31 March 2025	**34.92**	**0.93**	**35.85**

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(Currency : Indian Rupees in Millions unless otherwise stated)

3 Other intangible assets

Particulars	Computer Software
Gross carrying value as at 31 Mar 2023	**27.24**
Add:Additions during the year	0.18
Less:Deletion during the year	0.28
Gross carrying value as at 31 Mar 2024	**27.14**
Add:Additions during the year	2.59
Less:Deletion during the year	-
Gross carrying value as at 31 Mar 2025	**29.73**
Accumulated depreciation as at 31 March 2023	**25.56**
Add:Amortisation charge during the year	0.96
Less:Amortisation on Deletion during the year	0.28
Accumulated depreciation as at 31 March 2024	**26.24**
Add:Amortisation charge during the year	0.94
Less:Amortisation on Deletion during the year	-
Accumulated depreciation as at 31 March 2025	**27.18**
Carrying value as at 31 March 2024	**0.90**
Carrying value as at 31 March 2025	**2.55**

3 Intangible Asset under development

As at 31 March 2023	**98.96**
Add:Additions during the year	38.14
Less:Assets capitalised during the year	-
As at 31 March 2024	**137.10**
Add:Additions during the year	35.83
Less:Assets capitalised during the year	-
As at 31 March 2025	**172.93**

Ageing of Intangible Assets under development

Particulars	Amount in Intangible Assets under development for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at 31 March 2025					
(i) Projects in progress					
Project 1- Travart	35.83	38.14	38.23	60.73	172.93
(ii) Projects temporarily suspended	-	-	-	-	-
As at 31 March 2024					
(i) Projects in progress					
Project 1- Travart	38.14	38.23	47.27	13.46	137.10
(ii) Projects temporarily suspended	-	-	-	-	-

There has been a delay in the implementation of TRAVART project due to increase in scope which also resulted in increase in cost.
The budget for TRAVART has been increased from INR 171 mn to 230 mn.

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Notes to the financial statements *(Continued)*

as at 31 March 2025

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		31 March 2025	31 March 2024
4	**Investments**		
I.	**Investments in Equity instruments**		
	Unquoted investments *		
	Investment in subsidiaries:		
	5,00,351 (31 March 2024: 5,00,351) equity shares of Nepali Rs 100, fully paid up, of SITA World Travel (Nepal) Private Limited	4.25	4.25
	190,000 (31 March 2024: 190,000) equity shares of Sri Lankan Rs 10, fully paid up, of SITA World Travel Lanka (Pvt.) Limited (of these 40,000 equity shares were allotted for consideration other than cash)	0.92	0.92
	Less: Impairment loss	(0.92)	(0.92)
	Investment in Associate:		
	4,00,000 (31 March 2024: 4,00,000) Equity sahres of Sri Lankan Rs 10, fully paid up, of Tropiculture (Private) Ltd.	1.60	1.60
	Investment in Joint Venture:		
	980,000 (31 March 2024: 980,000) Equity shares of Rs. 10 each,fully paid up, of TCI Go Vacation india Private Limited.	9.80	9.80
II.	**Investments in Preference Shares**		
	Investment in subsidiary:		
	43,09,894 (31 March 2024: 43,09,894) Optionally Convertible Redeemable Preference share of Sri Lankan Rs 10 each, fully paid up, of SITA World Travel Lanka (Pvt.) Limited allotted for consideration other than cash	17.17	17.17
	Less: Impairment loss	(17.17)	(17.17)
		15.65	**15.65**
	*** Carried at cost**		
	Aggregate amount of unquoted investments (net of impairment)	15.65	15.65
	Aggregate amount of impairment of investments	18.09	18.09
5	**Other Non current Financial Assets**		
	Security deposits- (Unsecured, Considered Good)**	3.64	44.34
		3.64	**44.34**

** Financial asset carried at amortised cost

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6 Income taxes

	For the year ended 31 March 2025	For the year ended 31 March 2024
A. The major component of Income tax expenses are as under:		
(i) Income tax recognised in Statement of profit and loss		
Current tax		
In respect of current year	-	-
Deferred tax		
In respect of current year	55.79	6.14
Income Tax Expense recognised in Statement of profit and loss	**55.79**	**6.14**
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	(3.33)	(1.06)
Income tax (Credit) recognised in OCI	**(3.33)**	**(1.06)**
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit before tax	**231.66**	**20.85**
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	58.30	5.25
Tax effect of:		
ESOP	-	0.83
DTL on Unrealised gains of earlier years reversed	(2.69)	-
Others	(3.15)	(1.00)
Tax expense as per Statement of profit and loss	**52.46**	**5.08**

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*

as at 31 March 2025

(Currency : Indian Rupees in Millions unless otherwise stated)

6 Income taxes *(Continued)*

C. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

31 March 2025

	Opening 1 April 2024	Recognised in profit or loss	Recognised in OCI	Net	Closing 31 Mar 2025
Deferred tax asset					
Property, plant and equipment	21.19	(4.10)	-	(4.10)	17.09
ROU asset / liability	1.06	(0.02)	-	(0.02)	1.04
Employee benefits	9.33	9.64	3.33	12.97	22.30
Provisions	0.14	0.75	-	0.75	0.89
Disallowances under IT Act	2.79	(0.60)	-	(0.60)	2.19
Carry forward losses	317.75	(62.63)	-	(62.63)	255.12
Allowances under IT Act	0.71	(0.71)	-	(0.71)	-
Security Deposit	1.33	(0.81)	-	(0.81)	0.52
Unrealised Exchange Gain/loss	(2.69)	2.69	-	2.69	-
Deferred tax assets / (liabilities)	351.61	(55.79)	3.33	(52.46)	299.15
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-
Deferred tax assets / (liabilities)	**351.61**	**(55.79)**	**3.33**	**(52.46)**	**299.15**

31 March 2024

	Opening 1 April 2023	Recognised in profit or loss	Recognised in OCI	Net	Closing 31 Mar 2024
Deferred tax asset					
Property, plant and equipment	23.11	(1.92)	-	(1.92)	21.19
ROU asset / liability	(0.27)	1.33	-	1.33	1.06
Employee benefits	2.83	5.44	1.06	6.50	9.33
Provisions	1.26	(1.12)	-	(1.12)	0.14
Disallowances under IT Act	3.12	(0.33)	-	(0.33)	2.79
Carry forward losses	325.23	(7.48)	-	(7.48)	317.75
Allowances under IT Act	1.41	(0.70)	-	(0.70)	0.71
Security Deposit	-	1.33	-	1.33	1.33
Unrealised Exchange Gain/loss	-	(2.69)	-	(2.69)	(2.69)
Deferred tax assets / (liabilities)	356.69	(6.14)	1.06	(5.08)	351.61
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-
Deferred tax assets / (liabilities)	**356.69**	**(6.14)**	**1.06**	**(5.08)**	**351.61**

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(Currency : Indian Rupees in Millions unless otherwise stated)

		31 March 2025	31 March 2024
7	**Income tax assets**		
	Advance tax [Net of provision for income tax Rs. 121.12 mn] [31st Mar 2024 Rs. 121.12 mn]	44.28	21.92
		44.28	**21.92**
8	**Other non-current assets**		
	Prepaid expenses	0.01	0.05
		0.01	**0.05**
9	**Trade receivables**		
	Trade receivables - (Unsecured, Considered Good)	518.23	424.03
	Trade receivables which have significant increase in Credit Risk	3.41	0.07
		521.64	424.10
	Less: Allowance for doubtful trade receivable	(3.41)	(0.07)
		518.23	**424.03**
	Trade receivables includes :		
	Dues from related party [For terms and conditions relating to related party receivables, refer Note 42]	10.84	30.62

Ageing schedule

Particulars	Unbilled	Less than 6 months	Outstanding for following periods from invoice date: 6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2025							
(i) Undisputed Trade receivable							
(a) considered good	21.33	496.88	0.02	-	-	-	518.23
(b) Significant increase in credit risk	-	-	-	3.41	-	-	3.41
31 March 2024							
(i) Undisputed Trade receivable							
(a) considered good	7.00	412.25	4.20	0.58	-	-	424.03
(b) Significant increase in credit risk	-	-	-	0.07	-	-	0.07

10(a)	**Cash & Cash Equivalents**		
	Balances with banks :		
	-In current Accounts	84.23	156.09
	-In EEFC Accounts	144.86	101.63
	-Deposit Accounts (with original maturity of 3 months or less)	559.05	100.00
	Cash on hand	10.28	4.78
		798.42	**362.50**
10(b)	**Bank balances other than cash and cash equivalents above**		
	Bank deposit (with original maturity of more than 3 months but less than 12 months)	32.48	145.17
		32.48	**145.17**
11	**Other current financial assets**		
	Security deposits - (Unsecured, Considered Good)	46.76	0.27
	Interest accrued but not due on fixed deposits with banks	1.46	4.16
	Other receivable - (Unsecured, Considered Good)	30.90	13.05
	Other receivable - credit impaired	0.10	-
	Less: Other receivable - Provision for doubtful receivables	(0.10)	-
		79.12	**17.48**
12	**Other current assets**		
	Prepaid expenses	18.46	10.14
	Balances with Government Authorities	32.11	38.69
	Advance to vendors - (Unsecured, Considered Good)	368.02	236.03
	Advance expenses	42.87	8.53
	Staff advances- (Unsecured, Considered Good)	1.94	1.20
		463.40	**294.59**
	Advance to vendors includes :		
	Dues from related party [refer Note 42] [For terms and conditions relating to related party, refer Note 42]	-	0.45
	Staff Advances includes :		
	Dues from related party [refer Note 42] [For terms and conditions relating to related party, refer Note 42]	0.01	0.20

TRAVEL CORPORATION (INDIA) LTD. Tower B, Della Square, M.G. Road, Sector-25, GURGAON-122001

(Currency : Indian Rupees in Millions unless otherwise stated)

13 Share capital

	31 March 2025	31 March 2024
Equity share capital		
Authorised :		
10,000 (31 March 2024: 10,000) equity Shares of Rs. 10 each	**0.10**	0.10
Issued, subscribed and paid up:		
10,000 (31 March 2024: 10,000) equity Shares of Rs. 10 each	**0.10**	0.10
	0.10	0.10

i Reconciliation of number of equity shares outstanding at the beginning and end of the year:

Equity share :

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
At the commencement of the year	**10,000**	**0.10**	10,000	0.10
Less: Changes during the year	**-**	**-**	-	-
Outstanding at the end of the year	**10,000**	**0.10**	10,000	0.10

ii Rights attached to Equity shares

The Company has only one class of Equity Shares with voting rights having a par value of Rs 10/- each per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, if any proposed by the Board will be paid subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the Equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

iii Equity Shares held by holding company / ultimate holding company / subsidiaries of holding company

Equity share	31-Mar-2025		31-Mar-2024	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
Equity shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company')	**10,000**	**0.10**	10,000	0.10
	10,000	**0.10**	**10,000**	**0.10**

iv Shareholders holding more than 5% shares in the company is set out below:

Equity share	31-Mar-2025		31-Mar-2024	
	No. of Shares	**No of shares %**	No. of Shares	No of shares %
Equity shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	**10,000**	**100.00%**	10,000	100.00%

TRAVEL CORPORATION (INDIA) LTD. Tower D, Della Square, M.G. Road, Sector-25 GURGAON-122001

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14 Other equity

(a) Instruments entirely equity in nature

Preference shares :

i Authorised :

	31 March 2025	31 March 2024
300,000,000 (31 March 2024: 300,000,000) 0.01% Non-Cumulative, Optionally Convertible Redeemable Preference shares of Rs 10 each	**3,000.00**	3,000.00
Issued and subscribed and paid up:		
199,019,396 (31 March 2024 : 199,019,396) 0.01% Non-Cumulative, Optionally Convertible Redeemable Preference shares of Rs 10 each, fully paid up	**1,990.19**	1,990.19
	1,990.19	1,990.19

ii Reconciliation of number of Preference shares outstanding at the beginning and end of the year :

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
At the commencement of the year	**19,90,19,396**	**1,990.19**	19,90,19,396	1,990.19
Add: Changes made during the year	**-**	**-**	-	-
Outstanding at the end of the year	**19,90,19,396**	**1,990.19**	19,90,19,396	1,990.19

iii Rights attached to Preference shares

Preference shares outstanding at the end of 20 years shall be converted into equity shares as per the conversion ratio of one preference shares of Rs. 10 each into one equity share of Rs. 10 each. Failing this, preference shares shall be converted into equity shares by the Company on 11-12-2039. The holders of these shares are entitled to non-cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders. where dividend is not declared in respect of a financial year in the case of non-cumulative preference shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the Preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

iv Preference Shares held by holding company

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
Preference shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company')	**19,90,19,396**	**1,990.19**	19,90,19,396	1,990.19
	19,90,19,396	**1,990.19**	19,90,19,396	1,990.19

v Shareholders holding more than 5% shares in the company is set out below:

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**No of shares %**	No. of Shares	No of shares %
Preference shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	**19,90,19,396**	**100.00%**	19,90,19,396	100.00%

TRAVEL CORPORATION (INDIA) LTD. Tower 2, Delta Square, M.G. Road, Sector-25, GURGAON-122001

(Currency : Indian Rupees in Millions unless otherwise stated)

vi Aggregate Number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash:

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**No of shares %**	No. of Shares	No of shares %
Preference shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	**19,90,19,396**	**100.00%**	19,90,19,396	100.00%

vii Movement of instruments entirely equity in nature

	31-Mar-2025		31-Mar-2024	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
Balance at the beginning of the year	**19,90,19,396**	**1,990.19**	19,90,19,396	1,990.19
Add: Issued during the year	-	-		
Less: Redeemed during the year	-	-	-	-
Closing Balance	**19,90,19,396**	**1,990.19**	**19,90,19,396**	**1,990.19**

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14 Other equity

	31 March 2025	31 March 2024
(ii) Reserves and surplus:		
Retained earnings		
At the commencement of the year	(813.63)	(828.34)
Add: Profit for the year	175.87	14.71
At the end of the year	**(637.76)**	**(813.63)**
Other comprehensive income:		
At the commencement of the year	8.95	12.11
Add:Other comprehensive (loss) for the year	(9.91)	(3.16)
At the end of the year	**(0.96)**	**8.95**
Employee share option outstanding		
At the commencement of the year	74.68	71.39
Add: share based payments	-	3.29
At the end of the year	**74.68**	**74.68**
Capital reserve		
At the commencement of the year	(1,633.29)	(1,633.29)
Add:Adjustment on account of merger	-	-
At the end of the year	**(1,633.29)**	**(1,633.29)**
Total Reserve & Surplus	**(2,197.33)**	**(2,363.29)**

Nature and purpose of reserves

i.Retained earnings

Retained earnings are the profits of the Company earned till date net of appropriations.

ii.Employee share option outstanding

The share option outstanding account is used to recognised the grant date fair value of options issued to employees under the Employee stock option plan. This includes options issued to the employees of the company by Holding Company.

iii. Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the company's equity instruments to capital reserve. Capital reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

(Currency : Indian Rupees in Millions unless otherwise stated)

		31 March 2025	31 March 2024
15	**Lease liability**		
	Long term maturities of right of use lease liability (including finance lease) [refer Note 37]	12.13	28.01
		12.13	**28.01**
16	**Provisions**		
	Provision for employee benefits		
	Gratuity [refer Note 36]	44.82	24.34
		44.82	**24.34**
17	**Short-term borrowings**		
	-Loans and advances from related parties Loan availed from Thomas Cook India Limited, Holding company to meet its general corporate purpose and working capital requirement. Loan is repayable on demand and can be renewed for a further period of 6 months/ 1 year with mutual consent. Loan carries a fixed interest rate and interest rate is calculated as per appropriate arm length analysis.	610.60	690.60
		610.60	**690.60**
18	**Lease liability**		
	Current maturities of right of use lease Liability (including finance lease) [refer Note 37]	28.21	50.56
		28.21	**50.56**
19	**Trade and other payables**		
	Due to micro, small and medium enterprises [refer Note 33]	5.08	0.21
	Due to others	1,467.74	1,076.19
		1,472.82	**1,076.40**
	Trade payables includes :		
	Dues to related party [refer Note 42]	91.99	68.07

	Outstanding for following periods from due date of payment					
	Unbilled	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
31 March 2025						
(i) MSME	-	5.08	-	-	-	5.08
(ii) Others	40.70	1,221.09	161.18	39.97	4.80	1,467.74
31 March 2024						
(i) MSME	-	0.21	-	-	-	0.21
(ii) Others	34.20	972.44	62.29	1.74	5.52	1,076.19

20	**Current - other financial liabilities**		
	Interest accrued and due on borrowings	196.22	160.83
	Accrued salary and benefits	46.62	16.05
	Other financial liability	2.89	2.83
		245.73	**179.71**
	Current - other financial liabilities includes:		
	Dues to related party [refer Note 42]	198.22	162.85
21	**Other current liabilities**		
	Customers' advances	305.41	209.51
	Statutory dues	73.60	90.77
		379.01	**300.28**
22	**Short-term provisions**		
	Provision for employee benefits:		
	Compensated absences	5.44	4.31
		5.44	**4.31**

(Currency : Indian Rupees in Millions unless otherwise stated)

		For the year ended 31 March 2025	For the year ended 31 March 2024
23	**Revenue from operations**		
(A)	**Sales and services**		
	Income from tours	5,818.18	4,867.75
	(A)	**5,818.18**	**4,867.75**
(B)	**Other operating revenue**		
	Commission income	97.07	97.05
	Marketing fees and other incentive income	5.46	4.43
	Unclaimed credit balances no longer required, written back*	0.06	0.00
	Excess provision written back	38.03	23.52
	Other miscellaneous operating income	0.56	1.39
	(B)	**141.18**	**126.39**
	(A+B)	**5,959.36**	**4,994.14**

(Refer Note 43 for IND AS 115 Disclosure)

* Unclaimed credit balances no longer required, written back is 0.0028 for the year ended 31 Mar 2024

24	**Other income**		
	Interest on deposits and investments	13.68	6.62
	Interest income - others	3.44	3.17
	Interest on tax refunds	-	0.34
	Dividend on equity shares - subsidiary	88.20	-
	Profit on sale of fixed assets (net)	16.51	0.09
	Profit on sale of ROU assets (net)	-	2.39
	Management fees income	12.38	11.25
	Facility support income	10.23	8.80
	Royalty and other income	12.73	6.99
	Exchange gain (net)	4.52	3.38
	Group Resource Income	9.27	7.90
	Input tax credit on GST	7.58	9.58
		178.54	**60.51**
25	**Cost of tours**	4,861.08	4,138.26
		4,861.08	**4,138.26**
26	**Employee benefits expense**		
	Salaries and other allowances	569.80	472.92
	Contribution to provident fund and other funds	21.54	18.04
	Compensated absences	1.12	1.31
	Gratuity [refer Note no. 36]	7.32	5.71
	Share-based payment to employees [refer Note no. 40]	-	2.04
	Employee stock expense [refer Note no. 40]	-	1.25
	Staff welfare	21.77	14.89
		621.55	**516.16**

(Currency : Indian Rupees in Millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
27 Finance costs		
Interest expense	64.72	69.68
Interest expense on ROU lease liability including finance lease [refer Note no. 37]	6.35	9.92
Other finance charges	4.24	6.21
	75.31	**85.81**
28 Depreciation and amortization expenses		
Depreciation and amortization expense	39.07	30.60
Depreciation and amortization expenses on ROU Asset	51.08	49.82
	90.15	**80.42**
29 Other expenses		
Legal and professional charges	111.72	93.50
Operational lease rentals	20.33	19.39
Travelling expenses	20.23	13.23
Advertisement and publicity	24.28	17.79
Repairs and maintenance – others	19.78	19.19
Electricity charges	4.38	3.44
Communication	6.15	5.61
Housekeeping charges	9.18	8.42
Rates and taxes	16.78	9.61
Insurance	3.70	4.09
Sales promotion	3.31	2.79
Director commission	2.00	2.00
Auditors' remuneration*	4.17	4.17
Security services	3.20	3.26
Printing and stationery	1.16	1.24
Provision for doubtful debts	3.44	(4.93)
Bad debts and advance written off	1.81	1.42
Miscellaneous expenses	2.53	8.93
	258.15	**213.15**
*** Auditor's remuneration (excluding taxes)**		
As auditor		
- Statutory audit	3.42	3.42
- Tax Audit	0.23	0.23
-Others		
In others Capacity		
-Certification	0.30	0.30
Out of pocket expenses	0.22	0.22
	4.17	**4.17**
30 Tax		
Current tax	-	-
Deferred tax	52.46	5.08
	52.46	**5.08**

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(Currency : Indian Rupees in Millions unless otherwise stated)

31 Earnings per share (EPS)

(In absolute)

	31 March 2025	31 March 2024
Profit after tax (A)	**17,58,70,000.00**	1,47,10,000.00
Number of equity shares		
Weighted average number of equity shares used as denominator in calculating Basic earning per share (B)	**10,000**	10,000
Add: Adjustment on account of Optionally Convertible Redeemable Non-Cumulative Preference shares #	**19,90,19,396**	19,90,19,396
Weighted average number of equity shares used as denominator in calculating diluted earning per share (C)	**19,90,29,396**	19,90,29,396
Basic and diluted earnings per share		
D. Basic earnings per share (A/B)	**17,587.00**	1,471.00
E. Diluted earnings per share (A/C)*	**0.88**	0.07

For the purpose of calculating equity shares outstanding and the weighted average number of equity shares for the year ended 31 March 2025 and 31 March 2024, the equity shares to be issued pursuant to the Scheme have been considered as outstanding from the beginning of the accounting year.

* The impact of conversion of compulsory convertible preference shares [in numbers 19,90,19,396] into equity shares has been considered, the effect is being dilutive.

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32 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

31 March 2025*	Carrying amount					Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Derivative instrument not in hedging relationship	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value									
Trade receivables	-	-	518.23	-	**518.23**	-	-	-	-
Cash and cash equivalents	-	-	798.42	-	**798.42**	-	-	-	-
Bank balances other than cash and cash equivalents abo	-	-	32.48	-	**32.48**	-	-	-	-
Other financial assets									
- Security Deposit	-	-	50.39	-	**50.39**	-	**50.39**	-	**50.39**
- Others	-	-	32.37	-	**32.37**	-	-	-	-
	-	-	**1,431.89**	-	**1,431.89**	-	**50.39**	-	**50.39**
Financial liabilities not measured at fair value									
Trade payables	-	-	1,472.82	-	**1,472.82**	-	-	-	-
Short Term Borrowing	-	-	610.60	-	**610.60**	-	-	-	-
Other financial liabilities									
- Non-current	-	-	12.13	-	**12.13**	-	-	-	-
- Current	-	-	273.94	-	**273.94**	-	-	-	-
Total financial liabilities	-	-	**2,369.49**	-	**2,369.49**	-	-	-	-

*Excludes investment in subsidiaries and Joint Venture are being carried at cost (net of impairment) amounting INR 15.65 mn

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2025 approximate the fair value because of their short term nature.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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(Currency : Indian Rupees in Millions unless otherwise stated)

32 Financial instruments – Fair values and risk management *(Continued)*

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

31 March 2024*	Carrying amount					Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Derivative instrument not in hedging relationship	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value									
Trade receivables	-	-	424.03	-	**424.03**	-	-	-	-
Cash and cash equivalents	-	-	362.50	-	**362.50**	-	-	-	-
Bank balances other than cash and cash equivalents abo	-	-	145.17	-	**145.17**	-	-	-	-
Other financial assets									
- Security Deposit	-	-	44.61	-	**44.61**	-	44.61	-	44.61
- Others	-	-	17.21	-	**17.21**	-	-	-	-
	-	-	**993.52**	-	**993.52**	-	44.61	-	44.61
Financial liabilities not measured at fair value									
Trade payables	-	-	1,076.40	-	**1,076.40**	-	-	-	-
Short Term Borrowing	-	-	690.60	-	**690.60**	-	-	-	-
Other financial liabilities									
- Non-current	-	-	28.01	-	**28.01**	-	-	-	-
- Current	-	-	230.27	-	**230.27**	-	-	-	-
Total financial liabilities	-	-	**2,025.28**	-	**2,025.28**	-	-	-	-

*Excludes investment in subsidiaries and Joint Venture are being carried at cost (net of impairment) amounting INR 15.65 mn
Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2024 approximate the fair value because of their short term nature.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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(Currency : Indian Rupees in Millions unless otherwise stated)

32 Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values

Valuation techniques and significant unobservable inputs
The following tables show the valuation techniques used in measuring Level 1,Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Leases & Security Deposit	Discount rates to fair value of financial assets and liabilities at amortised cost is based on general lending rate.

Transfers between Levels

There were no transfers in either direction in any of the reporting periods.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The board oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the board.

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32 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities(primarily trade receivables).

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk is limited due to the fact that the customer base is large.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness. Credit limits are established for each customer on annual basis. Any sales exceeding those limits require approval from the Risk Management Committee.

The company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Movement in impairment on trade receivables	**31 March 2025**	31 March 2024
Balance at the beginning of the year	**0.07**	5.00
Changes in loss allowance	**3.41**	(4.93)
Bad debt written off	**0.07**	-
Balance at the end of the year	**3.41**	0.07

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32 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company's principal source of liquidity are cash and cash equivalents; bank overdraft and the cash flow that is generated from operations.As of 31 March 2025 company have negative working capital of INR 850.16 mn including cash and cash equivalent of INR 798.42 mn ; other bank balance of INR 32.48 mn and current investment of Rs Nil. As of 31 March 2024 company have negative working capital of INR 1,058.09 mn including cash and cash equivalent of INR 362.50 mn ; other bank balance of INR 145.17 mn and current investment of Rs Nil. The Company has obtained support letter from its holding company to meet it's working capital requirement, Hence the Company does not perceive any liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Contractual cash flows					
31 March 2025	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities	-	-	-	-	-	-	-
ROU Lease Obligation (including finance lease)	**40.34**	**43.59**	**25.22**	**4.31**	**3.34**	**7.47**	**3.25**
Short Term Borrowing	**610.60**	**610.60**	**610.60**	-	-	-	-
Trade and other payables	**1,467.74**	**1,467.74**	**1,467.74**	-	-	-	-
Trade payables due to micro, small and medium enterprises	**5.08**	**5.08**	**5.08**	-	-	-	-
Other financial liabilities	**245.73**	**245.73**	**245.73**	-	-	-	-

		Contractual cash flows					
31 March 2024	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities	-	-	-	-	-	-	-
ROU Lease Obligation (including finance lease)	78.57	82.49	27.09	27.91	26.91	0.58	-
Short Term Borrowing	690.60	690.60	690.60	-	-	-	-
Trade and other payables	1,076.19	1,076.19	1,076.19	-	-	-	-
Trade payables due to micro, small and medium enterprises	0.21	0.21	0.21	-	-	-	-
Other financial liabilities	179.71	179.71	179.71	-	-	-	-

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(Currency : Indian Rupees in Millions unless otherwise stated)

32 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of other payables in foreign currency. The functional currency of the Company is Indian Rupee.

Exposure to currency risk (Exposure in dfferent currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

	31 March 2025 LKR	31 March 2025 AUD	31 March 2025 USD	31 March 2025 EUR	31 March 2025 JPY	31 March 2025 GBP
Financial assets						
Cash and cash equivalents	**0.01**	**-**	**120.81**	**22.50**	**2.66**	**3.61**
Trade receivables and advance to vendors	**-**	**0.01**	**337.75**	**32.35**	**5.81**	**49.37**
	0.01	**0.01**	**458.56**	**54.85**	**8.47**	**52.98**
Financial liabilities						
Trade payables and advance from customers	**-**	**0.01**	**204.43**	**58.33**	**0.22**	**7.05**
	-	**0.01**	**204.43**	**58.33**	**0.22**	**7.05**
Net exposure in INR	**0.01**	**-**	**254.13**	**(3.48)**	**8.25**	**45.93**

	31 March 2024 LKR	31 March 2024 AUD	31 March 2024 USD	31 March 2024 EUR	31 March 2024 JPY	31 March 2024 GBP
Financial assets						
Cash and cash equivalents*	0.00*	-	67.39	17.57	1.13	15.92
Trade receivables and advance to vendors	-	0.11	263.82	28.06	5.71	39.95
	0.00*	0.11	331.21	45.63	6.84	55.87
Financial liabilities						
Trade payables and advance from customers	-	-	144.81	25.31	0.19	3.11
	-	-	144.81	25.31	0.19	3.11
Net exposure in INR	0.00*	0.11	186.40	20.32	6.65	52.76

* Cash and cash equivalents is 0.0048 as on 31st March 2024 for LKR.

The following significant exchange rates have been applied during the year.

	Average rate		Year-end spot rate	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
LKR	**0.28**	0.26	**0.29**	0.28
AUD	**55.14**	54.75	**53.81**	54.11
USD	**84.57**	82.93	**85.48**	83.41
EUR	**91.09**	89.74	**92.09**	89.88
JPY	**0.56**	0.57	**0.57**	0.55
GBP	**108.98**	104.06	**110.70**	105.03

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32 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2025 and 31 March 2024 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

Effect in INR	**Profit or loss**		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2025				
1% movement				
USD	**2.54**	**(2.54)**	-	-
EUR	**(0.03)**	**0.03**	-	-
JPY	**0.08**	**(0.08)**	-	-
GBP	**0.46**	**(0.46)**	-	-
	3.05	**(3.05)**	-	-

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
1% movement				
USD	1.86	(1.86)	-	-
EUR	0.20	(0.20)	-	-
JPY	0.07	(0.07)	-	-
GBP	0.53	(0.53)	-	-
	2.16	(2.16)	-	-

Interest rate risk

The Company's investments are primarily in fixed rate interest bearing investments / loans. Hence, the company is not significantly exposed to interest rate risk.

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33 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, following are the details of dues to Micro and Small Enterprises:

Particulars	31 March 2025	31 March 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	**5.08**	0.21
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

34 Segment reporting

The Company is in the business of providing travel and related services to its corporate customers which is considered by management as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

35 Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity – retained profit, other reserves, share capital, share premium

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to return excess liquidity to shareholders by distributing dividends in future periods.

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36 Employee benefits

A. The Company contributes to the following post-employment benefit plans in India.

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance Corporation, Labour Welfare Fund and National Pension Scheme which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue.

Amount contributed to defined contribution plan and recognised as an expense in the Statement of profit and loss are as under:

Particulars	31 March 2025	31 March 2024
Employer's contribution to provident fund	**20.02**	17.02
Employee's State Insurance Corporation*	**0.00***	0.03
Labour welfare fund	**0.21**	0.18
NPS Contribution	**1.30**	0.81
Total	**21.54**	18.04

*Employee's State Insurance Corporation amounts to INR 0.0042 mn in FY 2024-25

(ii) Short Term Employee Benefits:

Leave obligations - compensated absences

Effective 1 January 2017 there has been a change in the Leave Policy as a part of a Group alignment initiative. As per the new leave policy, every employee will be allotted 30 days of leave in the first week of January. No leaves can be carried forward to the next year whereby, the leave balance left unutilized on 31 December shall lapse. During the year, a sum aggregating to INR 1.12 mn [31 March 2024: INR 1.31 mn] has been recognised as an expense in the Statement of profit and loss.

(iii) Defined Benefit Plan:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act,1972 or as per the Company's scheme, whichever is more beneficial.

In respect of certain employees, the Company has defined benefit plan for other long-term employee benefit in the form of provident fund. Provident fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31 March 2025	31 March 2024
Gratuity		
Net defined benefit asset	**43.19**	44.57
Net defined benefit liability	**88.01**	68.91
Net defined benefit (asset) / liability	**44.82**	24.34

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36 Employee benefits *(Continued)*

B. Movement in net defined benefit (asset)/ liability- Gratuity

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024	**31 March 2025**	31 March 2024
Opening balance	**68.91**	60.28	**44.57**	45.52	**24.34**	14.76
Included in profit or loss						
Current service cost	**5.67**	4.73	-	-	**5.67**	4.73
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	**4.37**	4.29	**2.72**	3.31	**1.65**	0.98
Settlements / benefits paid	-	-	-	-	-	-
	10.04	9.02	**2.72**	3.31	**7.32**	5.71
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain) arising from:	-	-	-	-	-	-
Amount not recognised due to asset limit	-	-	-	-	-	-
Demographic assumptions	**0.18**	(1.34)	-	-	**0.18**	(1.34)
Financial assumptions	**11.74**	1.05	-	-	**11.74**	1.05
Experience adjustment	**1.84**	4.17	-	-	**1.84**	4.17
Effect of asset ceiling	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	**0.52**	(0.35)	**(0.52)**	0.35
	13.76	3.88	**0.52**	(0.35)	**13.24**	4.23
Other						
Contributions paid by the employer	-	-	**0.08**	0.36	**(0.08)**	(0.36)
Liabilities assumed / (settled)	-	-	-	-	-	-
Benefits paid	**(4.70)**	(4.27)	**(4.70)**	(4.27)	-	-
	(4.70)	(4.27)	**(4.62)**	(3.91)	**(0.08)**	(0.36)
Closing balance	**88.01**	68.91	**43.19**	44.57	**44.82**	24.34
Represented by						
Net defined benefit asset					43.19	44.57
Net defined benefit liability					88.01	68.91
Net Movement					**44.82**	**24.34**

C. Plan assets- Gratuity

Plan assets comprise the following

	31 March 2025	31 March 2024
Investment in Gratuity Fund	**43.19**	**44.57**
	43.19	**44.57**

The major categories of plans assets for gratuity are as follows:

	31 March 2025				31 March 2024			
	Quoted	**Unquoted**	**Total**	**in %**	Quoted	Unquoted	Total	in %
Insurer (LIC) Managed Funds	-	**43.19**	**43.19**	**100%**	**0%**	44.57	44.57	100%

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36 Employee benefits *(Continued)*

D. Defined benefit obligations- Gratuity

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	31 March 2025	31 March 2024
Discount rate	**6.80%**	7.20%
Salary escalation rate	**7.50%**	6.00%
Mortality rate	**IALM (2012-14) Ult**	IALM (2012-14) Ult

Employee Attrition Rate	**31 March 2025**	31 March 2024
Age 21-30	**6.40%**	5.70%
Age 31-40	**7.90%**	6.23%
Age 41-50	**2.73%**	2.27%
Age 50 and above	**0.73%**	0.40%

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as above.

ii. Sensitivity analysis- Gratuity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2025	
	Increase	**Decrease**
Discount rate (0.5% movement)	**(3.35)**	**3.59**
Future salary growth (0.5% movement)	**3.56**	**(3.35)**

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

iii. Risk exposure for gratuity

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

a) **Asset volatility -** The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.

b) **Salary growth & Demographic assumptions -** The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

c) Majority of the plan assets consist of Insurer (LIC) managed funds which offers the best return over the long term with an acceptable level of risk. The plan asset mix is in compliance with the requirements of the respective local regulations.

Defined benefit liability and employer contributions for gratuity

Expected contribution to post employment benefit plans for the year ending March 31, 2026 is INR 3.00 mn. The weighted average duration of the defined benefit obligation is 7.89 years (Previous year 7.73 years).The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2025 - Post Employment Obligations	**17.34**	**2.88**	**14.93**	**134.90**	**170.05**
March 31, 2024 - Post Employment Obligations	16.55	3.89	12.20	104.38	137.02

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37 Leases

a. *As Lessee:*

Property, plant and equipment' comprises owned and leased assets that do not meet the definition of investment property.

i) Right-of-use assets

	31 March 2025	31 March 2024
Opening Balance (A)	74.05	121.38
Additions during the year(B)	13.42	2.84
Disposal/ transfer during the year (C)	-	0.35
Depreciation charge for the year (D)	51.62	49.82
Closing Balance (A+B-C-D)	35.85	74.05

Right-of-use assets are mainly office premises and vehicles taken on lease.

ii) Lease liabilities

The following is the movement in the lease liabilities:

	31 March 2025	31 March 2024
Opening Balance (A)	78.57	121.10
Additions during the year(B)	13.20	2.22
Disposal/ transfer during the year (C)	-	-
Interest on Lease Liabilities (D)	6.35	9.92
Payment of Lease Liabilities (E)	57.78	54.67
Closing Balance (A+B-C+D-E)	40.34	78.57

Lease liabilities included in the statement of financial position

	31 March 2025	31 March 2024
Current	28.21	50.56
Non Current	12.13	28.01
Total	40.34	78.57

Maturity analysis - contractual undiscounted cash flows

	31 March 2025	31 March 2024
Less than one year	29.53	55.00
One to five year	10.81	27.49
More than five years	3.25	-
Total undiscounted lease liabilities	43.59	82.49

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37 Leases *(Continued)*

iii) Amount recognized in Statement of Profit and Loss

	31 March 2025	31 March 2024
Interest on lease liabilities	6.35	9.92
Depreciation on right-of-use assets	51.62	49.82
Short-term leases and low value leases	20.33	19.39
	78.30	79.13

iv) Amount recognized in Statement of Cash Flow

	31 March 2025	31 March 2024
Repayment of lease liabilities	51.43	44.75
Finance cost paid towards lease liabilities	6.35	9.92
Total	57.78	54.67

v) New Leases

In the current year, ROU building Lease of INR 13.20 mn [INR 2.22 mn in FY 2023-24] and ROU Vehicle lease of Rs. Nil [Nil in FY 2023-24] have been undertaken.

vi) Extension options

The lease contracts of the company contain extension/renewal options which are exercisable only by the Company and not by the lessors. The Company includes in its lease term such extension/renewal options that the Company is reasonably certain to exercise. If the lease is extended beyond the renewal term, then the lease rentals will be mutually agreed between the parties based on the fair value of lease rent at the time of extension.

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38 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2025	31 March 2024
Contingent liabilities		
a. Service tax that may arise in respect of which the Service Tax Department is in appeal (in respect of some earlier years, appeals covering the same issues have been decided in favor of the Company by the appellate authorities)	**159.93**	159.93

b. The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Management has accounted for the liability for the period from date of the SC order to 31 March 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

Capital Commitment:
The company has outstanding capital commitments as on 31st march 2025 against Capex purchase orders amounting to INR 0.10 mn (31st March 2024 : INR 5.80 mn).

Code of Social Security, 2020
The Indian Parliament has approved the code on Social Security, 2020 which would impact the contribution by the company towards provident fund and gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The company is in the process of carrying out the evauation and will give appropriate impact in standalone financial statements in the period in which code becomes effective and the related rules to determine the financial impact are published.

39 Corporate social responsibility

As per the provisions of the Companies Act, 2013, every company having:

a. net worth of rupees five hundred crore or more, or
b. turnover of rupees one thousand crore or more, or
c. net profit of rupees five crore

is required to be spend 2% of the average net profits calculated as per section 198 of the Companies Act, 2013 during the three immediately preceding financial years towards CSR.

Since the Company satisfies the above parameters in FY 2024-25 & FY 2023-24. However, due to negative average profit of last three financial years, the company is not required to spend any amount towards CSR. Pursuant to this, CSR obligation of the Company for the FY 2024-25 & FY 2023-24 is Nil.

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(Currency : Indian Rupees in Millions unless otherwise stated)

40 Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

Thomas Cook India Limited, the parent company has granted Employee Stock Options to the Company's employees under various plans. Under these plans, the holder of the vested options are entitled to purchase the shares of the holding company at exercise price prescribed in the plans at the respective date of grant of the options.

The key terms and conditions related to the grants under these plans are as follows; All options are to be settled by the delivery of shares after completion of vesting period.

Plan	Grant date	No. of options	Exercise price (in absolute)	Vesting period	Expiry Period
GT25AUG2015	25-Aug-15	10,000	165.92	3 years	1-Aug-28
GT07NOV2016	7-Nov-16	4,65,594	1.00	4 years	1-Nov-40
GT13JUN2018	13-Jun-18	2,18,900	137.93	3 years	10-Jun-31
GT05OCT2018	5-Oct-18	39,989	1.00	5 years	20-Sep-43

Share options outstanding at the end of the year have the following expiry date and exercise prices

Plan	Expiry Period	Exercise price (in absolute)	Mar 31, 2025 Share Options	Mar 31, 2024 Share Options
GT25AUG2015	1-Aug-28	165.92	6,800	6,800
GT07NOV2016	1-Nov-40	1.00	-	19,676
GT13JUN2018	10-Jun-31	137.93	1,12,250	1,72,600
GT05OCT2018	20-Sep-43	1.00	-	-
Weighted average remaining contractual life of options outstanding at end of year			6.03 Years	8.03 Years

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

ii. Modification of share based payment schemes:

The Thomas Cook India Limited (TCIL) in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited (Quess). The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019. The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.

As a part of the composite scheme, Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.

The employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL

In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price. The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments. The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19. The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

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40 Share-based payment arrangements: *(Continued)*

C. Reconciliation of outstanding share options

The number of share options under the share option programmes were as follows.

Thomas Cook ESOP Sch	GT25AUG2015	Number of options 31 March 2025	Number of options 31 March 2024
Options outstanding as at the beginning of the year		6,800	6,800
Add: Options granted during the year		-	-
Less: Options lapsed during the year			
Less: Options exercised during the year		-	-
Options outstanding as at the year end		6,800	6,800

Thomas Cook ESOP Sch	GT07NOV2016	Number of options 31 March 2025	Number of options 31 March 2024
Options outstanding as at the beginning of the year		19,676	19,676
Add: Options granted during the year		-	-
Less: Options lapsed during the year		-	-
Less: Options exercised during the year		19,676	-
Options outstanding as at the year end		-	19,676

Thomas Cook ESOP Sch	GT13JUN2018	Number of options 31 March 2025	Number of options 31 March 2024
Options outstanding as at the beginning of the year		1,72,600	1,88,900
Add: Options granted during the year		-	-
Less: Options lapsed during the year		-	8,150
Less: Options exercised during the year		60,350	8,150
Options outstanding as at the year end		1,12,250	1,72,600

Thomas Cook ESOP Sch	GT05OCT2018	Number of options 31 March 2025	Number of options 31 March 2024
Options outstanding as at the beginning of the year		-	39,989
Add: Options granted during the year		-	-
Less: Options lapsed during the year		-	-
Less: Options exercised during the year		-	39,989
Options outstanding as at the year end		-	-

D. Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment related transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	31 March 2025	31 March 2024
Employee ESOP expenses	-	2.04
Employee Stock Expenses	-	1.25

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(Currency : Indian Rupees in Millions unless otherwise stated)

41 Analytical Ratios

Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.69	0.54	28%	The change is on account of increase in business in current year as compared to last year. The Receivables have increased at a higher percentage than Payables.
Debt- Equity Ratio	Debt consists of borrowings and lease liabilities	Total Equity	(3.14)	(2.06)	52%	The change is on account of repayemnt of 8 Cr. Loan causes reduction in all-over debt. Further, due to profit in current year Total equity has also improved.
Debt Service Coverage ratio	Profit / (loss) before interest, depreciation and amortization but after taxes	Borrowings principal payments, interest and lease payments	2.14	3.20	33%	On account of better profits, we have more repayment in the current year (100 mn to the holding company). Due to which the ratio declines.
Return on Equity ratio	Profit/ (loss) after taxes	Average Total Equity = (Opening total equity + closing total equity)/2	(0.61)	(0.04)	1468%	The profits have increased significantly. However, average equity is still negative on account of accumulated losses
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	Company is in the business of operating Tour Services and no inventory is maintained. Hence ratio is not calculated.
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable = (Opening Trade Receivable + Closing Trade Receivable)/2	12.35	14.02	12%	No Major variation
Trade Payable Turnover Ratio	Cost of Services and Other expenses	Average Trade Payables = (Opening Trade Payable + Closing Trade Payable)/2	4.02	4.99	20%	No Major variation
Net Capital Turnover Ratio	Revenue from Operations	Average Working capital = (Opening Net Current assets + Closing Net Current assets)/2	(6.25)	(4.77)	31%	Ratio has improved because the revenue has increased significantly in current year. However, the average working capital is in negative for current as well as previous year.
Net Profit ratio*	Profit/ (loss) after taxes	Revenue from Operations	0.03	0.00*	902%	Net profit has increased significantly in current year. Thus, a little better profitability in terms of revenue.
Return on Capital Employed	Profit/ (loss) before interest and taxes	Capital Employed = Tangible net worth + Total borrowings + Lease liabilities	(1.48)	(0.29)	419%	In current year, company has earned profit. However, the capital employed is still negative which makes such variance.
Return on Investment	Income generated from invested funds in market	Average invested funds in market = (Opening funds invested in market + Closing funds invested in market)/2	NA	NA	NA	Not applicable, due to no such investment.

*Net Profit ratio is 0.0029 for the year ended 31 March 2024.

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(Currency : Indian Rupees in Millions unless otherwise stated)

42 Related party transactions

(A) Names of related parties with whom control exists

Name of the parties	Relationships
Thomas Cook (India) Limited	Parent Company of Travel Corporation (India) Limited
Fairfax Financial Holdings Limited	Ultimate Parent Company, Canada

(B) Subsidiaries with whom transactions have taken place during the year

Name of the parties	Relationships
SITA World Travel Lanka (Pvt) Limited	Subsidiary of the Company
SITA World Travel Nepal Private Limited	Subsidiary of the Company

(C) Fellow Subsidiaries with whom transactions have taken place during the year

Name of the parties	Relationships
SOTC Travel Limited	Fellow subsidiary of the Company
Sterling Holiday Resorts Limited	Fellow subsidiary of the Company
Sterling Holiday (Ooty) Limited	Fellow subsidiary of the Company
Sterling Holiday Ltd (Darjeeling)	Fellow subsidiary of the Company
Sterling Holiday Ltd (Fernhill)	Fellow subsidiary of the Company
Sterling Holiday Ltd (Elkhill)	Fellow subsidiary of the Company
Sterling Holiday Ltd (Kodaikanal)	Fellow subsidiary of the Company

(D) Associates with whom transactions have taken place during the year

Name of the parties	Relationships
TCI Go Vacation India Private Limited	Associate of the Company
Tropiculture (Private) Limited	Associate of the Company

(E) Other related parties with whom transactions have taken place during the year

Name of the parties	Relationships
Luxe Asia Private Limited	Other related party
Allsec Technologies Ltd.	Other related party
Quess Corp Limited	Other related party
TC Tours Limited	Other related party
National Collateral Management Services Limited	Other related party
Asian Trail Holdings Ltd [ATH]	Other related party
Asian Trail Ltd	Other related party
Horizon Travel Services LLC	Other related party
Desert Adventures Tourism LLC	Other related party
Private Safaris (East Africa) Ltd	Other related party
Kuoni Private Safaris (Pty.) Ltd	Other related party
Travel Circle International Ltd	Other related party
Digiphoto Entertainment Imaging LLC	Other related party

(F) Key Management Personnel

Name of the parties	Name of the key management personnel
Managing Director	Mr. Dipak Deva
Chief Financial Officer	Mr. Sanjay Shroff
Chief Operating Officer	Mr. Vineet Mahendru
Company Secretary	Mr. S S K Sastry Garimella

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(Currency : Indian Rupees in Millions unless otherwise stated)

42 Related party transactions *(Continued)*

(G) Related parties with whom transactions have taken place during the year

Particulars	Year	Holding Company	Subsidiary	Fellow subsidiaries	Associate	Other Related Party	Key Management Personnel	Total
Sale of services	**2025**	**56.30**	-	**0.27**	**13.30**	**3.86**	-	**73.73**
	2024	31.86	-	-	10.97	104.95	-	147.78
Purchase of services/ (Reversal of purchase)	**2025**	**-**	**148.35**	**5.85**	**69.12**	**0.29**	**-**	**223.61**
	2024	-	113.71	58.05	-	0.63	-	172.39
Facility Support Income & Management Fees	**2025**	**-**	**-**	**-**	**22.61**	**-**	**-**	**22.61**
	2024	-	-	-	20.05	-	-	20.05
ESOP and Stock Expense Charge	**2025**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2024	3.28	-	-	-	-	-	3.28
Rent charges	**2025**	**2.68**	-	-	-	-	-	**2.68**
	2024	2.43	-	-	-	-	-	2.43
Corporate guarantee fees /(Income)	**2025**	**0.02**	**-**	**-**	**-**	**-**	**-**	**0.02**
	2024	0.01	-	-	-	-	-	0.01
Royalty Income	**2025**	**-**	12.72	**-**	**-**	**-**	**-**	**12.72**
	2024	-	6.99	-	-	-	-	6.99
Reversal of Royalty Income	**2025**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2024	-	7.50	-	-	-	-	7.50
Dividend Income	**2025**	**-**	**-**	**-**	**88.20**	**-**	**-**	**88.20**
	2024	-	-	-	-	-	-	-
Expenses reimbursed	**2025**	**6.23**	**-**	**4.78**	**-**	**-**	**-**	**11.01**
	2024	7.31	-	3.24	-	-	-	10.55
Expenses Recovered	**2025**	**-**	**0.41**	**-**	**-**	**0.08**	**-**	**0.49**
	2024	-	-	0.09	-	0.16	-	0.25
Management Consultancy Service Income	**2025**	**0.67**	-	**0.54**	**-**	**8.17**	**-**	**9.38**
	2024	1.97	-	-	-	5.83	-	7.80
Management Consultancy Service Expense	**2025**	**43.09**	-	**2.53**	**-**	**-**	**-**	**45.62**
	2024	36.91	-	-	-	-	-	36.91
Loan taken	**2025**	**(100.00)**	-	-	**-**	**-**	**-**	**(100.00)**
	2024	-	-	-	-	-	-	-
Interest charge on Loan Availed	**2025**	**61.54**	-	-	**-**	**-**	**-**	**61.54**
	2024	69.39	-	-	-	-	-	69.39
Salaries and other employee benefits to KMP's	**2025**	-	**-**	-	-	-	**91.29**	**91.29**
	2024	-	-	-	-	-	91.91	91.91
Commission and other benefits to non-executive / independent directors	**2025**	**-**	**-**	**-**	**-**	**-**	**3.00**	**3.00**
	2024	-	-	-	-	-	3.10	3.10

(H) Related party transactions

Particulars	Year	Holding Company	Subsidiary	Fellow Subsidiaries	Associate	Other Related Party	Key Management Personnel	Total
Balance as at 31 March								
Receivable	**2025**	**-**	**4.36**	**-**	**4.01**	**2.47**	**0.01**	**10.85**
	2024	-	2.68	-	3.37	25.02	0.20	31.27
Payables	**2025**	**846.22**	**48.54**	**2.62**	**0.84**	**0.59**	**-**	**898.81**
	2024	875.47	36.37	8.66	0.41	0.59	0.02	921.52

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(Currency : Indian Rupees in Millions unless otherwise stated)

42 Related party transactions *(Continued)*

(I) Related party transactions:

Particulars	Holding Company	2025	2024
Sale of Services	Thomas Cook (India) Limited	**56.30**	31.86
ESOP and Stock Expense Charge	Thomas Cook (India) Limited	**-**	3.28
Rent Charges	Thomas Cook (India) Limited	**2.68**	2.43
Corporate guarantee fees	Thomas Cook (India) Limited	**0.02**	0.01
Expenses reimbursed	Thomas Cook (India) Limited	**6.23**	7.31
Management Consultancy Service Income	Thomas Cook (India) Limited	**0.67**	1.97
Management Consultancy Service Expense	Thomas Cook (India) Limited	**43.09**	36.91
Loan taken (net of repayment)*	Thomas Cook (India) Limited	**(100.00)***	-
Interest charge on Loan Availed	Thomas Cook (India) Limited	**61.54**	69.39
Payables:			
Loan Payable	Thomas Cook (India) Limited	**610.60**	690.60
Interest Payable	Thomas Cook (India) Limited	**196.22**	160.83
Trade Payable	Thomas Cook (India) Limited	**39.40**	24.04

* No new loan taken during the year. However, company has repaid loan amounting INR 80 mn to Thomas Cook (India) Limited during the current year. Further, the company has also paid INR 20 mn against the accrued interest on the said loan.

(J) Related party transactions:

Particulars	Subsidiaries	2025	2024
Purchases of services	SITA World Travel Nepal Private Limited	**148.35**	113.71
Royalty Income	SITA World Travel Nepal Private Limited	**12.72**	6.99
Reversal of Royalty Income	SITA World Travel Nepal Private Limited	**-**	7.50
Expenses recovered	SITA World Travel Nepal Private Limited	**0.41**	-
Receivable:			
Royalty income Receivable	SITA World Travel Nepal Private Limited	**4.36**	2.68
Payable:			
Trade Payable	SITA World Travel Nepal Private Limited	**48.54**	36.37

(K) Related party transactions:

Particulars	Fellow Subsidiaries	2025	2024
Sale of Services	SOTC Travel Limited	0.27	-
Management Consultancy Service Income	SOTC Travel Limited	0.54	-
Management Consultancy Service Expense	SOTC Travel Limited	2.53	-
Purchases of services	Sterling Holiday Resort Ltd.	**4.24**	0.53
	Sterling Holiday Ltd (Darjeeling)	**-**	0.10
	Sterling Holiday Ltd (Fernhill)	**0.02**	0.02
	Sterling Holiday Ltd (Elkhill)	**-**	0.03
	Sterling Holiday Ltd (Kodaikanal).	**0.01**	-
	SOTC Travel Limited	**3.80**	59.30
Credit note against services received	SOTC Travel Limited	**2.22**	1.94
Expenses reimbursed	SOTC Travel Limited	**4.78**	3.24
Expenses recovered	SOTC Travel Limited	**-**	0.09
Payable:			
Trade Payable	Sterling Holiday Resort Ltd.	**1.58**	0.07
	Sterling Holiday Resorts Limited-Fernhill*	**-**	(0.00)
	SOTC Travel Limited	**1.04**	8.60

*Payable to Sterling Holiday Resort Limited - Fernhill is (0.0004) as on 31 March 2024.

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(Currency : Indian Rupees in Millions unless otherwise stated)

42 Related party transactions *(Continued)*

(L) Related party transactions

Particulars	Associate	2025	2024
Sale of Services	TCI Go Vacation Private Limited	**13.30**	10.97
Purchases of services	Tropiculture (Private) Limited	**69.12**	39.78
Facility Support Income & Management Fees	TCI Go Vacation Private Limited	**22.61**	20.05
Dividend Income	TCI Go Vacation Private Limited	**88.20**	-
Receivables:			
Trade Receivable	TCI Go Vacation Private Limited	**4.01**	3.37
Payable:			
Trade Payables	TCI Go Vacation Private Limited	**-**	0.41
	Tropiculture (Private) Limited	**0.84**	-

(M) Related party transactions

Particulars	Other related party	2025	2024
Sale of Services	TC Tours Limited	**1.92**	104.95
	Asian Trail Ltd	**0.58**	-
	Desert Adventures Tourism LLC	**0.34**	-
	Private Safaris (East Africa) Ltd	**0.21**	-
	Kuoni Private Safaris (Pty.) Ltd	**0.30**	-
	Travel Circle International Ltd	**0.21**	-
	Digiphoto Entertainment Imaging LLC	**0.30**	-
Purchases of services	Quess Corp Limited	**0.29**	0.20
	Allsec Technologies Ltd.	**-**	0.42
Management Consultancy Service Income	TC Tours Limited	**1.50**	1.30
	Asian Trail Holdings Ltd [ATH]	**-**	0.03
	Asian Trail Ltd	**4.34**	4.40
	Horizon Travel Services LLC	**-**	0.03
	Desert Adventures Tourism LLC	**2.33**	0.03
	Private Safaris (East Africa) Ltd	**-**	0.03
	Kuoni Private Safaris (Pty.) Ltd	**-**	0.03
	Travel Circle International Ltd	**-**	0.01
Expense Recovered	TC Tours Limited	**0.08**	-
	Allsec Technologies Ltd.	**-**	0.02
	Asian Trails (Vietnam) Company Limited	**-**	0.14
Receivables:			
Trade Receivable	TC Tours Limited	**1.01**	23.08
	Asian Trail Holdings Ltd [ATH]	**-**	0.13
	Asian Trail Ltd	**0.54**	1.37
	Desert Adventures Tourism LLC	**0.92**	-
Payables:			
Advance to Vendors	TC Tours Limited	**-**	0.45
Trade Payable	Asian Trails (Vietnam) Company Limited	**-**	0.14
	Quess Corp Limited	**0.16**	0.02
	Allsec Technologies Ltd.	**0.43**	0.43

(N) Transactions with key management personnel

Particulars	2025	2024
Salaries and other employee benefits to KMP's	**91.29**	91.91
Commission and other benefits to non-executive/independent directors	**3.00**	3.10
Receivables:		
Employee Advance Receivable	**0.01**	0.20
Payables:		
Employee Payable*	**0.00***	0.02

*Employeet Payable amounts to INR 0.0038 mn as at 31 March 2025.

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(Currency : Indian Rupees in Millions unless otherwise stated)

43 Ind AS 115 'Revenue from Contracts with Customers'

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss

Revenue from operations:
Revenue from contract with customers

Particulars	31 March 2025	31 March 2024
-Travel and tour related services	**5,920.71**	4,969.23
	5,920.71	4,969.23

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by reportable segment:

Revenue based on product and services:
Revenue from contract with customers

Particulars	31 March 2025	31 March 2024
-Travel and tour related services	**5,920.71**	4,969.23
	5,920.71	4,969.23

iii) Contract balance

(a)Contract Assets :

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The contract assets primarily relate to the unbilled revenue from customers for which revenue has been recognized based on the performance obligation / services delivered, however billing of same is yet to be done.

Changes in contract assets are as follows

Particulars	31 March 2025	31 March 2024
Balance at the beginning of the year	**7.00**	4.24
Revenue recognised during the year	**5,818.18**	4,867.75
Invoices raised during the year	**(5,803.85)**	(4,864.99)
Balance at the end of the year	**21.33**	7.00

(b)Contract liabilities :

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards In-bound tour packages. Revenue from inbound tour packages are recognized on the completion of the performance obligation which is on the date of arrival of the tour.

Advance from contract with customers

Particulars	31 March 2025	31 March 2024
-Advance collected from customers	**305.41**	209.51
	305.41	209.51

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON

(Currency : Indian Rupees in Millions unless otherwise stated)

44 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not undertaken any transaction with struck off companies during the year.

(vii) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961

45 Struck Off Companies

The below are the details for the transactions undertaken by the Company with the struck off companies under Section 248 of the Companies Act, 2013

Name of Struck off Company	Nature of transactions with Struck off Company	Transaction during the year March 31, 2025	Balance Outstanding March 31, 2025	Transaction during the year March 31, 2024	Balance Outstanding March 31, 2024	Relationship
NA	NA	-	-	-	-	NA

46 On 30th December 2024, the Company detected a cyber-incident. The Company immediately disconnected the network and isolated all servers in line with the protocols defined to contain the spread of the malware. Since then, Company along with Information Technology security experts have completed a full check of all its systems to scan and remove all malware and affected files to prevent any future recurrence. All Information Technology applications and infrastructure are restored and running with enhanced security features and entire business operation back to normal. The cyber incident neither had any material financial impact on the company at present, nor expected to have any material financial impact in the future.

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

47 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

Material accounting policies
The notes from 1 to 47 form an integral part of the financial statements
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kaushal Mehta
Partner
Membership No: 118321
Mumbai

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH2001PLC131693]

Dipak Deva
Managing Director
[DIN:02030005]
Gurugram
06-May-2025

Madhavan Menon
Director
[DIN No: 00008542]
Gurugram
06-May-2025

Sanjay Shroff
Chief Financial Officer
Gurugram
06-May-2025

S S K Sastry Garimella
Company Secretary
Gurugram
06-May-2025

Financial Statement

JARDIN TRAVEL SOLUTIONS LIMITED

FY 2024-25

G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

1206, SUPER NOVA-ASTRALIS, SECTOR 94, NOIDA 201 301, INDIA

PHONE : (91-120) 4142955

INDEPENDENT AUDITOR'S REPORT

To the Members of Jardin Travel Solutions Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Jardin Travel Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 'Code of Ethics'. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 26 to the standalone financial statements, which indicates that the Company incurred a net loss of Rs. 802.9 thousand during the year ended March 31, 2025 and as of that date it has accumulated losses of Rs. 14569.2 thousand and Company's liabilities exceeded its total assets by Rs. 4569.12 thousand. These events or conditions as set forth in Note 26, indicate that material uncertainty exists that may cast material doubt on the Company's ability to continue as a going concern. However, Note 26 further states that the Company's holding company-Thomas Cook (India) Limited have committed to provide the necessary level of support to the Company to meet its liabilities and to continue as a going concern.

Our opinion on the Standalone Financial Statements is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Management and the Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in report of board of directors but does not include the Standalone Financial Statements and auditor's report thereon. The above referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other Information included in the company's annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action necessitated by the circumstances and the applicable laws and regulations

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Management and the Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast material doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and material audit findings, including any material deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss, (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS, under section 133 of the Act, read with specified Companies (Indian Accounting Standards) Rules 2015, as amended;

   e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the company; and

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material misstatement;

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination which include test check, the Company has used an accounting software for maintaining it books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for direct changes to the database level from April 1 2024, to January 21, 2025 for maintaining general ledgers. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Except as above as well as audit trail for direct changes at database level for the previous financial year, the Company has preserved the audit trail in accordance with statutory record retention requirements.

For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Abhishek Singh
Partner
Membership No. 407549
UDIN: 25407549BMOVND5172

Place: Noida
Date: 23rd June 2025

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Annexure A to the Independent Auditor's Report on Standalone Financial Statements of Jardin Travel Solutions Limited

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the Company on Standalone Financial Statements for the year ended March 31, 2025:

I (a) A. The Company does not have any Property, Plant and Equipment, therefore reporting under the clause 3(i)(a)(A) of the Order, regarding maintenance of records of Property, Plant and Equipment not applicable to the Company;

B. The Company did not have any intangible assets, therefore reporting under the clause 3(i)(a)(B) of the Order, regarding maintenance of records of intangible assets not applicable to the Company;

(b) The company does not have any Property, Plant and Equipment. Therefore, the question of reporting under paragraph 3(i)(b) of the Order relating to physical verification of Property, Plant and Equipment does not arise;

(c) The Company does not hold any immovable properties and the properties where the Company is lessee. Accordingly, the reporting under clause 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable to the Company;

(d) The Company does not have any property, plant and equipment (including Right of Use assets) and intangible assets during the year, therefore the question of revaluation of the same does not arise under clause 3(i)(d) of the Order;

(e) According to the information and explanations given to us and on the basis of our examination of records, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder;

ii (a) The Company did not have any inventories of finished goods, stores, spare parts and raw materials, therefore reporting under the clause 3(ii)(a) of the Order is not applicable to the Company;

(b) During the year under audit, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company;

iii (a) to (f) During the year under audit, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, therefore reporting under the clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company;

iv Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. In such circumstances, reporting under the clause 3(iv) of the Order is not applicable to the Company;

v In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

vi The Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for services rendered by the Company;

vii (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as income tax, goods and services tax, and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2025, for a period of more than six months from the date they became payable;

(b) In our opinion and according to the information and explanations given to us, there are no dues payable by the Company on account of any dispute in case of statutory dues referred to in sub-clause(a) above as on March 31, 2025

viii According to the information and explanation provided to us, there are no transactions that are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under clause 3(viii) of the Order is not applicable to the Company;

ix (a) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings including interest thereon, if any, to any lender;

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or any other lender;

(c) The Company has not taken any terms loan. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company;

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements, the Company has not used any funds raised on short-term basis for long term purposes;

(e) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) The company has not raised loans during the year on the pledge of securities. Accordingly, the reporting under clause 3(ix) (f) is not applicable.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company;

(b) The Company did not have made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, therefore, reporting under clause 3(x)(b) of the Order is not applicable to the Company;

xi (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, the whistle blower policies is not mandated for the company under the Act, therefore reporting under the clause 3(xi)(c) of the Order is not applicable to the Company;

xii In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company;

xiii In our opinion, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further provision of Section 177 of the Act is not applicable to the Company;

xiv The Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act;

xv In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;

xvi. (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934;

(b) In our opinion and on the basis of our audit procedure, the Ccompany has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

(c) In our opinion, according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;

(d) In our opinion, according to the information and explanations provided to us, the Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016;

xvii The Company has incurred cash losses of Rs. 802.9 thousand in the current year and there were cash losses of Rs. 1003.3 thousand in the immediately preceding financial year;

G. M. KAPADIA & CO. NOIDA Chartered Accountants

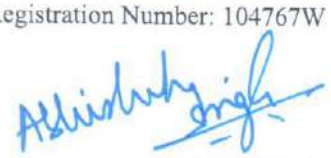
xviii There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company;

xix In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, management has represented and as stated in the Note 26 to the financial statements, the Company has obtained financial support letter from its Holding Company to meet Company's obligation towards third parties;

xx In our opinion and based on our examination, the Company is not required to comply with section 135(5) of the Act.

xxi The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statement. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

For G.M. Kapadia & Co.
Chartered Accountants
Firm's Registration Number: 104767W



Abhishek Singh
Partner
Membership Number: 407549
UDIN: 25407549BMOVND5172

Place: Noida
Date: 23rd June 2025

Annexure B to the Independent Auditor's Report

Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the Company, on standalone financial statement for the year ended March 31, 2025

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Jardin Travel Solutions Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financials statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involved performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G.M. Kapadia & Co.
Chartered Accountants
Firm's Registration Number: 104767W

Abhishek Singh
Partner
Membership Number: 407549
UDIN: 25407549BMOVND5172

Place: Noida
Date: 23rd June 2025

Jardin Travel Solutions Limited
Balance Sheet as at March 31, 2025
(All amounts in Rs. Thousands,unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	-	-
(b) Deferred tax assets (net)	3	-	-
(c) Other tax assets	4	212.5	212.5
(d) Other non-current assets	5	-	-
Total non current assets		**212.5**	**212.5**
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	6	234.9	234.9
(ii) Cash and cash equivalents	7	17.1	120.2
(b) Other current assets	8	1,409.0	1,409.0
Total current assets		**1,661.0**	**1,764.1**
TOTAL ASSETS		**1,873.5**	**1,976.6**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	10,000.0	10,000.0
(b) Other equity	10	(14,569.2)	(13,766.3)
Total equity		**(4,569.2)**	**(3,766.3)**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	3,900.0	3,900.0
(ii) Trade payables	12	1,090.9	800.9
(iii) Other financial liabilities	13	1,375.8	994.5
(b) Other current liabilities	14	76.0	47.5
Total current liabilities		**6,442.7**	**5,742.9**
Total liabilities		**6,442.7**	**5,742.9**
TOTAL EQUITY AND LIABILITIES		**1,873.5**	**1,976.6**

Material accounting policies 1
The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

For and on behalf of the Board of Directors

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date: 23 June 2025
Place: Noida

Rajeev Kale
Director
DIN : 06775970

Date: 23 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN : 06809421

Date: 23 June 2025
Place: Mumbai

Jardin Travel Solutions Limited

Statement of Profit And Loss for the year ended March 31, 2025

(All amounts in Rs. Thousands,unless otherwise stated)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
(1) Revenue			
(a) Revenue from operations	15	-	-
(b) Other income	15(a)	-	7.0
Total income		**-**	**7.0**
(2) Expenses			
(a) Employee benefits expense	16	-	-
(b) Finance costs	17	383.0	355.9
(c) Depreciation and amortization expenses	2	-	-
(d) Other expenses	18	419.9	654.4
Total expenses		**802.9**	**1,010.3**
(3) Loss before tax		(802.9)	(1,003.3)
(4) Tax expense:			
(a) Current tax	3	-	-
(b) Short / (excess) tax provisions net for earlier years	3	-	-
Less : Mat credit entitlement	3		
Net current tax		-	-
(c) Deferred tax	3	-	-
(5) Loss after tax		**(802.9)**	**(1,003.3)**
(6) Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit liability (asset)		-	-
(ii) Income tax expense on remeasurements of defined benefit liability		-	-
Other comprehensive income (net of tax) (i-ii)		**-**	**-**
(7) Total comprehensive income for the year		**(802.9)**	**(1,003.3)**
(8) Earnings per equity share	19		
(i) Basic		(0.8)	(1.0)
(ii) Diluted		(0.8)	(1.0)

Material accounting policies 1

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Abhishek Singh
Partner
Membership No: 407549

Date: 23 June 2025
Place: Noida

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN : 06775970

Date: 23 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN : 06809421

Date: 23 June 2025
Place: Mumbai

Jardin Travel Solutions Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in Rs. Thousands,unless otherwise stated)

Statement of Cash Flows for the year ended March 31, 2025

Particulars	Note	For the year ended 31st Mar 2025	For the year ended 31st Mar 2024
A) Cash flow from operating activities			
Profit / (Loss) before income tax		(802.9)	(1,003.3)
Adjustments for:			
Interest Expense	17	383.0	355.9
		(419.9)	(647.4)
Change in operating assets and liabilities			
Increase /(Decrease) in Trade Payables	12	290.1	205.1
Increase /(Decrease) in Other current liabilities	13&14	26.7	11.0
(Increase) /Decrease in Financial assets	6	-	56.4
(Increase) /Decrease in Other current assets	8	(0.0)	100.9
Cash generated from operations		(103.1)	(274.0)
Income taxes (paid)/adjusted		-	24.4
Net Cash inflow/(outflow) from operations		(103.1)	(249.6)
B) Cash flow from investing activities:		-	-
Net cash inflow/(outflow) from investing activities		-	-
C) Cash flow from financing activities			
Loan taken / (repaid) to Holding Company	11	-	300.0
Interest paid		-	-
Net cash inflow/(outflow) from financing activities		-	300.0
Net (decrease)/increase in cash and Bank Balance		(103.1)	50.4
Add: Cash and bank balance at the beginning of the financial year/period	7	120.2	69.9
Cash and bank balance at the end of the year		17.1	120.2
Reconciliation of Cash Flow statements as per the cash flow statement			
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		17.1	120.2
Bank Overdrafts			
Balances as per statement of cash flows		17.1	120.2

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Acounts) Rules, 2015.
2. The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No: 104767W

G.M. KAPADIA & CO. NOIDA Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date: 23 June 2025
Place: Noida

For and on behalf of the Board of Directors of
Jradin Travel Solutions Ltd.

Rajeev Kale
Director
DIN : 05775970

Date: 23 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN : 06809421

Date: 23 June 2025
Place: Mumbai

Jardin Travel Solutions Limited
Notes to financial statements for the year ended March 31. 2025
(All amounts in Rs. Thousands.unless otherwise stated)

Statement of Changes in Equity (SOCIE)

(a) Equity share capital

	31st March 2025		31st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	1,000.0	10,000.0	1,000.0	10,000.0
Changes in equity share capital during the year	-	-	-	-
At the end of the year	1,000.0	10,000.0	1,000.0	10,000.0

(b) Other equity

	Other equity	Items of Other comprehensive income	Total
Particulars	Retained Earnings	Remeasurements of the net defined benefit Plans	attributable to equity shareholders
Balance at 1 April 2023	(12,763.0)	-	(12,763.0)
Profit /(Loss) for the year	(1,003.3)		(1,003.3)
Transfer to retained earnings	-		-
Other comprehensive income for the year	-		-
Total comprehensive income for the year	(1,003.3)	-	(1,003.3)
Balance at 31 Mar 2024	(13,766.3)	-	(13,766.3)
Profit /(Loss) for the year	(802.9)		(802.9)
Transfer to retained earnings	-	-	-
Other comprehensive income for the year	-		-
Total comprehensive income for the year	(802.9)	-	(802.9)
Balance at 31 Mar 2025	(14,569.2)	-	(14,569.2)

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Abhishek Singh
Partner
Membership No: 407549

Date: 23 June 2025
Place: Noida

G. M. KAPADIA & CO. * NOIDA * Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN : 06775970

Date: 23 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN : 06809421

Date: 23 June 2025
Place: Mumbai

Jardin Travel Solutions Limited

Notes to the financial statements

For the year ended 31 March 2025

1 Company overview

Jardin Travel Solutions Limited (the Company) is incorporated on 1st September 2015 as a public company limited by shares under the provisions of Companies Act, 2013. The Company is incorporated as Tour operator (Destination management) & back end information technology service provider. The Company is mainly engaged in the business of providing back end information technology services. Pursuant to the Composite Scheme of Arrangement and Amalgamation amongst TC Forex Services Limited (Formerly known as Tata Capital Forex Limited), TC Travel Services Limited (Formerly known as TC Travel and Services Limited), SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited), Travel Corporation (India) Limited (TCI), Quess Corp Limited and Thomas Cook (India) Limited (TCIL) and their respective shareholders ('Composite Scheme of Arrangement and Amalgamation') effective from 25th November, 2019, Jardin Travel Solutions Limited has become direct wholly owned subsidiary of TCIL with effect from 25th November 2019.

1B Significant accounting policies

1B.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. In accordance with proviso to the Rule of the Companies (Accounts) Rules, 2014 the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The financial statements were authorized for issue by the Company's Board of Directors on 23rd June 2023

The financial statements are presented in Indian Rupees ('INR') or ('Rs') which is also the Company's functional currency and all values are rounded off to nearest thousand ('000) except where otherwise indicated.

1B.2 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS required the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of facts and circumstances as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying

G. M. KAPADIA & CO. NOIDA Chartered Accountants
Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes.

Note 20-Determining the amount of expected credit loss on financial assets (including trade receivables).

1B.2 Use of estimates

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statement is included in the following notes:

Note 24 - Measurement of defined benefit obligations: key actuarial assumptions;

Note 20-Impairment of financial assets,

1B.3 Current / non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

1B.3 Current / non-current classification (Continued)

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities on net basis.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

1B.4 Property Plant and Equipment's

Measurement at recognition:

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance is charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation:

Depreciation is provided pro-rata to the period of use, under the straight line method, over the estimated useful lives of the assets. The Company believes that the existing useful lives represents the best useful estimated lives of the assets and are at the rates which corresponds to the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets	Estimated useful life (in years)
Office Building	60
Furniture & Fixtures	10
Office equipment's (including air conditioners)	5
Vehicles	8
Computers	3
Computer Servers/Network	6

Leasehold Improvements are amortized over the period of the lease or useful life of the asset whichever is lower.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1B.4 Property Plant and Equipment's (Continued)

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

1B.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principle market for the asset or liability, or
- In the absence of a particular market, in the most advantageous market for the asset or liability

The principle or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above.

1B.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Classification:

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement , a financial asset is classified as measured at

- Amortised Cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.6 Financial instruments (Continued)

i. Financial assets ***(Continued)***

De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.6 Financial instruments (Continued)

i. Financial assets *(Continued)*

Impairment of financial assets:

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., bank balance

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

ii. Financial liabilities

Classification:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.6 Financial instruments (Continued)

ii. Financial liabilities *(Continued)*

De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

1B.7 Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

Revenue from providing back end information technology services related to "Passion software" is recognised as per the terms of the contract with customer on progressive basis as monthly accrual.

Revenue does not include taxes viz. service tax (ST) / goods and service tax (GST) collected on behalf of Government, since no economic benefit flowing to the Company.

1B.8 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the Company are broadly categorised in Employee benefit expenses, finance cost and other operating expenses. Employee benefit expenses majorly include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Finance Cost majorly include interest charges towards loan taken from Group Company. Other operating expenses majorly include legal and professional fees, IT Communication expenses, operating lease rentals, Security expenses and repairs & maintenance charges etc.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.9 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and bank balances. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

1B.10 Employee benefits

(a) Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, e.g. salaries, short term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount can be estimated reliably.

(b) Post-employment benefits

Defined contribution plan

The Company's provident fund contribution paid / payable under the recognised provident fund scheme and the employees' state insurance contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

1B Significant accounting policies*(Continued)*

1B.10 Employee benefits (Continued)

(b) Post-employment benefits (Continued)

Defined benefit plan

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. The benefits are discounted to determine its present value.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation by an independent actuary at each balance sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligations under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date. When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset) taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit and loss.

1B Significant accounting policies *(Continued)*

1B.11 Foreign currency transactions

Foreign currency transactions are recorded into Indian rupees using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates prevailing on the balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited / charged to the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of the transactions. Non-monetary foreign currency items are carried at historical cost. A foreign currency monetary item is classified as long-term if it has original maturity of one year or more.

1B.12 Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

1B.12 Taxation (Continued)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases).

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

Jardin Travel Solutions Limited

Notes to the financial statements

For the year ended 31 March 2025

1B Significant accounting policies*(Continued)*

1B.13 Earnings per share ('EPS')

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

1B.14 Provisions and Contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed, unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1B.15 Application of New Indian Accounting Standards

All the Ind AS issued under section 133 of the Companies Act 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standard) Rules,2015 (as amended) till the financial statement approved have been considered in preparation of these financial statements.

Jardin Travel Solutions Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in Rs. Thousands.unless otherwise stated)

2 Property, plant and equipment

Particulars	Computer Hardware
Gross carrying value as of 31 March 2023	5,746.8
Additions during the year	-
Disposals during the year	5,746.8
Gross carrying value as of 31 March 2024	-
Additions during the year	-
Disposals during the year	-
Gross carrying value as of 31 March 2025	-
Closing accumulated depreciation as of 31 March 2023	5,746.8
Depreciation charge during the year	-
Disposals during the year	(5,746.8)
Closing accumulated depreciation as of 31 March 2024	-
Depreciation charge during the year	-
Disposals during the year	-
Closing accumulated depreciation as of 31 March 2025	-
Carrying value as of 31 March 2024	-
Carrying value as of 31 March 2025	-

Note : Above assets are discarded.

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3 Income taxes

	For the year ended 31 March 2025	For the year ended 31 March 2024
A. The major component of Income tax expenses are as under:		
(i) Income tax recognised in Statement of profit and loss		
Current tax		
In respect of current year		
In respect of earlier years		
Deferred tax		
In respect of current year	-	-
Income Tax expense recognised in Statement of profit and loss	-	-
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	-	-
Income tax expense recognised in OCI	-	-
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit/(Loss) before tax	(802.9)	(1,003.3)
Tax using the Company's domestic tax rate*	-	-
Tax effect of:		
Others	-	-
Tax expense as per Statement of profit and loss	-	-

Note:
As per Ind AS 12, deferred tax assets have not been recognized on deductible temporary differences and tax losses due to the absence of reasonable certainty of sufficient future taxable profits. The position will be reviewed at each reporting date

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Jardin Travel Solutions Limited

4 Other tax assets

Particulars	31st March 2025	31st March 2024
Advance tax	212.5	212.5
Total tax assets	**212.5**	**212.5**

5 Other non-current assets

Particulars	31st March 2025	31st March 2024
Advance paid to gratuity fund	-	-
Total Other non-current assets	-	-

6 Trade receivables

Particulars	31st March 2025	31st March 2024
Trade receivables	234.9	234.9
Less: Allowance for doubtful debts	-	-
Total recievables	**234.9**	**234.9**
Break up of Security Details		
'- Considered good	234.9	234.9
- Considered doubtful		
Total	**234.9**	**234.9**
Less Impairment loss		
Total Trade Recievables	**234.9**	**234.9**

Trade receivables Ageing Schedule
As at 31st March, 2025

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good					234.9	234.9
Undisputed Trade Receivables - Which have significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered Good						-
Disputed Trade Receivables - Which have significant increase in credit risk						-
Disputed Trade Receivables - Credit Impaired						-
Total	-	-	-	-	234.9	**234.9**

As at 31 March 2024

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good				234.9		234.9
Undisputed Trade Receivables - Which have significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered Good						-
Disputed Trade Receivables - Which have significant increase in credit risk						-
Disputed Trade Receivables - Credit Impaired						-
Total	-	-	-	234.9	-	**234.9**

7 Cash and cash equivalents

Particulars	31st March 2025	31st March 2024
Balance with banks :		
In current account	17.1	120.2
Total Cash and cash equivalents	**17.1**	**120.2**

8 Other current assets

Particulars	31st March 2025	31st March 2024
Balances with Government Authorities (Cenvat / Service tax credit receivable)	1,950.1	1,950.1
Less: Provision for ITC	(541.2)	(541.2)
Total Other current financial assets	**1,409.0**	**1,409.0**

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9 Equity share capital

Authorised equity share capital

Particulars	Number of shares	Amount
As at April 1, 2023	1,000,000	10,000.0
Increase during the year	-	-
As at March 31, 2024	1,000,000	10,000.0
Increase during the year	-	-
As at March 31, 2025	**1,000,000**	**10,000.0**

(i) Movement in Equity Share Capital (Issued, Subscribed and Fully Paid up)

Particulars	Number of shares	Equity Share Capital (par value)
As at April 1, 2023	1,000,000	10,000.0
Add: No of Shares issued during the year	-	-
As at March 31, 2024	1,000,000	10,000.0
Add: No of Shares issued during the year	-	-
As at March 31, 2025	**1,000,000**	**10,000.0**

Terms and rights attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution to secured creditors if any, of all preferential amounts, in proportion to their shareholding.

(ii) Shares of the company held by Holding Company

Category of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of Holding	Number of shares	% of Holding
Thomas Cook India Limited (Holding company) & its nominees	**1,000,000**	**100.0**	**1,000,000**	**100.0**

(iii) Details of Shareholders holding 5% or more shares in the Company

Category of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of Holding	Number of shares	% of Holding
Thomas Cook India Limited (Holding company) & its nominees	**1,000,000**	**100.0**	**1,000,000**	**100.0**

Pursuant to the the Composite Scheme of Arrangement and Amalgamation amongst TC Forex Services Limited (Formerly known as Tata Capital Forex Limited), TC Travel Services Limited (Formerly known as TC Travel and Services Limited), SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited), Travel Corporation (India) Limited, Quess Corp Limited and Thomas Cook (India) Limited (TCIL) and their respective shareholders ('Composite Scheme of Arrangement and Amalgamation') effective from 25th November, 2019, Jardin Travel Solutions Limited has become direct wholly owned subsidiary of TCIL.

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Notes to financial statements for the year ended March 31, 2025

(All amounts in Rs. Thousands,unless otherwise stated)

10 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings	(14,569.2)	(13,766.3)
Total reserves and surplus	**(14,569.2)**	**(13,766.3)**

Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	(13,766.3)	(12,762.9)
Net Profit/(loss) for the year	(803.0)	(1,003.3)
Other comprehensive income for the year	-	-
Closing Balance	**(14,569.2)**	**(13,766.3)**

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11 Borrowings

Particulars	31st March 2025	31st March 2024
Unsecured		
-Loans and advances from related parties (ICD)	3,900.0	3,900.0
Total Borrowings	**3,900.0**	**3,900.0**

Terms of repayment:

ICD has been given for the tenure of 6 months and renewable for the similar term if unpaid. Further disbursement was received from holding company Thomas Cook India Limited on Nov 2023. Interest rate for FY 2024-25 is 9.00% whereas for FY 2023-24 is 9.55%

12 Trade payables

Particulars	31st March 2025	31st March 2024
Due to micro, small and medium enterprises (Refer note 21)	-	-
Due to others	1,090.9	800.9
Total Trade and other payables	**1,090.9**	**800.9**

Trade Payable Ageing Schedule

As at 31st March, 2025

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises					
Total outstanding dues of creditors other than micro enterprises and small enterprises	290.1	205.1	259.8	336	1,090.9
Disputed dues of micro enterprises and small enterprises					
Disputed dues of creditors other than micro enterprises and small enterprises					
Total Trade Payables	**290.1**	**205.1**	259.8	336	**1,090.9**

As at 31st March, 2024

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises					
Total outstanding dues of creditors other than micro enterprises and small enterprises	205.1	259.8	336.0		800.9
Disputed dues of micro enterprises and small enterprises					
Disputed dues of creditors other than micro enterprises and small enterprises					
Total Trade Payables	**205.1**	**259.8**	336.0	-	**800.9**

13 Current - other financial liabilities

Particulars	31st March 2025	31st March 2024
Other financial liability	1,375.8	994.5
Total Current - other financial liabilities	**1,375.8**	**994.5**

14 Other current liabilities

Particulars	31st March 2025	31st March 2024
Statutory dues	76.0	47.5
Total Other current liabilities	**76.0**	**47.5**

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15 **Revenue from operations**

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
Sales and services		
Income from IT Software	-	-
Income From Chargeback or Call Centre	-	-
TOTAL	-	-

15(a) **Other income**

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
Sales and services		
Unclaimed credit balances no longer required, written back	-	-
Exchange gain (net)	-	7.0
Miscellaneous Income	-	-
TOTAL	-	7.0

16 **Employee benefit expense**

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
Salaries and other allowances	-	-
Contribution to provident fund and other funds	-	-
Gratuity	-	-
Staff welfare	-	-
TOTAL	-	-

17 **Finance costs**

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
Interest expenses	381.3	354.9
Other finance charges	1.7	1.0
TOTAL	383.0	355.9

18 **Other expenses**

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
Legal and professional charges	89.0	315.0
Repairs and maintenance – others	2.5	2.5
Auditors' remuneration	120.0	120.0
Rates and taxes	-	28.2
Rent	208.4	188.6
TOTAL	419.9	654.4

Auditor's Remuneration

Particulars	For the year ended 31 March 2025	For the year ended 31st March 2024
As auditor		
- Statutory audit	120.0	120.0
TOTAL	120.0	120.0

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Notes to financial statements for the year ended March 31, 2025
(All amounts in Rs. Thousands,unless otherwise stated)

19 Earnings per share (EPS)

Particulars	31st March 2025	31st March 2024
A. Net Profit/(Loss) for the year	(802.9)	(1,003.3)
B. Weighted average number of equity shares outstanding during the year	1,000,000	1,000,000
C. Weighted average number of preference shares outstanding during the year	-	-
D. Basic earnings per share (A/B)	(0.80)	(1.00)
E. Diluted earnings per share (A/B+C)	(0.80)	(1.00)

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20 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

31 March 2025	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at Fair value								
Investment in Mutual Funds	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	-	-	234.9	234.9	-	-	-	-
Cash and cash equivalents	-	-	17.1	17.1	-	-	-	-
Other financial assets								
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	-	252.0	252.0	-	-	-	-
Financial liabilities measured at Fair value								
Derivative Liability	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	1,090.9	1,090.9	-	-	-	-
Borrowings	-	-	3,900.0	3,900.0	-	3,900.0	-	3,900.0
Other financial liabilities								
- Current	-	-	1,375.8	1,375.8	-	-	-	-
Total financial liabilities	-	-	6,366.7	6,366.7	-	3,900.0	-	3,900.0

31 March 2024	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at Fair value								
Investment in Mutual Funds	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	-	-	234.9	234.9	-	-	-	-
Cash and cash equivalents	-	-	120.2	120.2	-	-	-	-
Other financial assets								-
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	-	355.1	355.1	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	800.9	800.9	-	-	-	-
Borrowings	-	-	3,900.0	3,900.0	-	3,900.0	-	3,900.0
Other financial liabilities								
- Current	-	-	994	994	-	-	-	-
Total financial liabilities	-	-	5,695.4	5,695.4	-	3,900.0	-	3,900.0

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20 Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets,and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable inputs.

c) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Transfers between Levels

There were no transfers in either direction in any of the reporting periods.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Liquidity risk ;
- Credit risk ; and
- Currency risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has an outstanding bank borrowings of Rs Nil. As of March 2025, the company has working capital of Rs (4,781.6) including cash and cash equivalents of Rs. 17.2 and current investments of Rs Nil. As of March 2024 company had working capital of Rs (3,978.8) including cash and cash equivalent of Rs. 120.2 and current investement of Rs NIL. The Company does not perceive any liquidity risk on support from holding Company.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Contractual cash flows					
31 March 2025	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Loans and advances from related parties	3,900.0	3,900.0	3,900.0	-	-		-
Trade and other payables	1,090.9	1,090.9	1,090.9	-	-	-	-
Other financial liabilities	1,375.8	1,375.8	1,375.8	-	-	-	-

		Contractual cash flows					
31 March 2024	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Loans and advances from related parties	3,900.0	3,900.0	3,900.0	-	-		-
Trade and other payables	800.9	800.9	800.9	-	-	-	-
Other financial liabilities	994.5	994.5	994.5	-	-	-	-

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20 Financial instruments – Fair values and risk management (Continued)

C. Financial risk management *(Continued)*

iii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customer operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Movement in impairement on trade receivables	31st March 2025	31st March 2024
Balance at the beginning of the year	-	-
Impairment	-	-
Balance at the end of the year	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 17.2 as at 31 March 2025 (Rs. 120.2 as at 31 March 2024).

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

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20 Financial instruments – Fair values and risk management *(Continued)*

C Financial risk management

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

v. Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee.

Exposure to currency risk (Exposure in dfferent currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

Particulars	31 March 2025 USD	31 March 2025 EUR	31 March 2025 JPY	31 March 2025 GBP
Financial assets				
Trade and other receivables	-	-	-	-
Total	-	-	-	-
Net exposure in respective currencies	-	-	-	-

Particulars	31 March 2024 USD	31 March 2024 EUR	31 March 2024 JPY	31 March 2024 GBP
Financial assets				
Trade and other receivables	-	-	-	-
Total	-	-	-	-
Net exposure in respective currencies	-	-	-	-

v. Currency risk *(Continued)*

Exposure to currency risk (Exposure in dfferent currencies converted to functional currency) *(Continued)*

The following significant exchange rates have been applied during the year.

Particulars	Average rate		Year-end spot rate	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
USD	-	82.8	-	83.4

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2025 and 31 March 2024 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

Particulars	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
1% movement				
USD	-	-	-	-
	-	-	-	-

Particulars	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
1% movement				
USD	-	-	-	-
	-	-	-	-

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21 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, following are the details of dues to Micro and Small Enterprises:

Particulars	31 March 2025	31 March 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

22 Segment reporting

The Company is in the business of providing IT Software services to its customers which is considered by management as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system.

23 Capital management

The Company's objectives when managing capital (consisting of equity capital and unremitted profit in the financial statements) are to safeguard its ability to continue as a going concern, so it can continue to provide services for the related entities and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or change the capital structure, the Company may adjust the amount of profits for remittance to holding company, return equity capital, or require holding company to infuse additional capital to support its operations.

There are no externally imposed capital requirements on the Company.

The Company has not proposed any Dividend for the year ended March 31, 2025 and March 31, 2024.

24 Employee benefits

Company has transferred all its employees to its holding company Thomas Cook (India) Ltd in May 2021.

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25 Transfer pricing

The company has no international or domestic transactions requiring compliance under Transfer Pricing regulations.

26 Going Concern Assumption

As at March 31, 2025, company has not started its commercial operations. The company has incurred a net loss of Rs 802.9 thousand during the year ended March 31,2025 and as of the date has accumulated losses of Rs. 14,569.2 thousand and companies liabilities exceeded its total asset by Rs. 4,569.1 thousand.

The Company is a 100% subsidiary of Thomas Cook (India) Limited, which has undertook to provide sufficient financial support to the company to carry on business without curtailment of operations for the period of at least 12 months from the date of signing of the audit report i.e. June 18, 2025 by written support letter.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

27 Related party transactions

(A) Names of related parties by whom control exists

Name of the parties	Relationships
Thomas Cook (India) Limited	Holding Company

(B) Key Management Personnel

Name of the parties	Name of the key management personnel
Directors of the Company	Amit Madhan* Rajeev Kale* Abraham Alapatt*

(C) Related parties with whom transactions have taken place during the year

Particulars	Year	Ultimate holding Company/ Holding Company	Fellow Subsidary	Other Related Party	Total
Sale of services	2025	-	-	-	-
	2024	-	-	-	-
Purchase of services	2025	208.4	-	-	208.4
	2024	188.6	-	-	188.6
Loan Taken	2025	-	-	-	-
	2024	300.0	-	-	300.0
Loan Repaid	2025	-	-	-	-
	2024	-	-	-	-
Interest on loan taken	2025	381.3	-	-	381.3
	2024	354.9	-	-	354.9

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

27 **Related party transactions** *(Continued)*

(D)

Particulars	Year	Holding Company	Fellow Subsidary	Other Related Party	Total
Balance as at 31 March					
Receivable	**2025**	**234.5**	-	-	**234.5**
	2024	234.5	-		234.5
Payables	**2025**	**5,688.5**	-	-	**5,688.5**
	2024	5,098.8	-	-	5,098.8

(E)

Particulars	Holding Company	2025	2024
Sale of Servies	Thomas Cook (India) Limited	-	-
Purchase of Servies	Thomas Cook (India) Limited	**208.4**	188.6
Interest on loan taken	Thomas Cook (India) Limited	**381.3**	354.9
Transactions during the year:			
Loan Repaid	Thomas Cook (India) Limited	-	-
Loan Taken	Thomas Cook (India) Limited	-	300.0
Balance as at 31 March			
Net Receivable	Thomas Cook (India) Limited	**234.5**	234.5
Payables:			
Loan Payable	Thomas Cook (India) Limited	**3,900.0**	3,900.0
Interest payable on Loan	Thomas Cook (India) Limited	**1,375.8**	994.5
Other Payable	Thomas Cook (India) Limited	**412.8**	204.3

* These KMPs have not drawn any remuneration from the company during the year.

G. M. KAPADIA & CO. NOIDA Chartered Accountants

Jardin Travel Solutions Limited

28 Ratio Analysis

Sr. No.	Financial performance ratios	Numerator	Denominator	31st March 2025	31st March 2024	Variance in %	Reasons
1	Current ratio (in times)	Total Current Assets	Total Current Liabilities	0.3	0.3	-16.1%	
2	Debt equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	-0.9	-1.0	-17.6%	
3	Debt service coverage ratio (in times)	Profit / (Loss) before interest, after tax and Depreciation and amortisation	Borrowings principal payments, Interest and lease payment	NA **	NA **	NA **	
4	Return on Net Worth (RONW) or Return on Equity (ROE) (in percentage)	Profit / (Loss) after tax	Average total equity = (Opening total equity + Closing total equity)/2	NA **	NA **	NA **	
5	Trade receivable turnover (in times)	Revenue from operations	Average trade receivables = (Opening trade receivable + Closing trade receivable)/2	-	-	-	
6	Trade payable turnover ratio (in times)	Cost of services	Average trade payable = (Opening trade payable + Closing trade payable)/2	-	-	-	
7	Net Capital turnover ratio (in times)	Revenue from operations	Average working capital = (Opening net current assets + Closing net current assets)/2***	-	-	-	
8	Net Profit Ratio (in percentage)	Profit / (Loss) after tax	Revenue from operations	-	-	-	
9	Return on capital employed (in percentage)	Profit / (Loss) before interest and tax	Closing capital employed = Tangible net worth# + Total borrowings + lease liabilities	NA **	NA **	NA **	
10	Return on investment (in percentage) ##	Income Generated from invested funds in market	Average invested funds in market = (Opening funds invested in market + Closing funds invested in market)/2	NA	NA	NA	

** Since the company has incurred losses.

*** Net current assets = Total current assets - Total current liability

Tangible net worth = Total net worth - Intangible assets (including intangible asset under development and goodwill).

29 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company, for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961

30 Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards provident fund and gratuity. The effective date from which the changes are applicabe is yet to be notified and the rules for quantifying the financial impact are yet to be framed. As the Company do not have any employees on its payroll, there will be no financial impact on the Company.

31 Regrouping

The figures for the previous periods have been regrouped/ rearranged wherever necessary to confirm to the current period classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

32 Disclosure under sec 115BAA in The Income Tax act , 1961

In view of insertion of new Section 115 BAA in the Income Tax Act, 1961, as introduced by the Government of India, vide Taxation (Amendment) Ordinance, 2019 dated 20th of September 2019, domestic companies have been given an option to pay tax at reduced rate of 22%, effective from financial year 2019-20 (assessment year 2020- 21) & onwards, subject to their adhering to certain conditions specified therein.

The Management of the company has not exercised such option till the 2022-23 (assessment year 2023- 24) and further it continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions, 2023-24 (assessment year 2024- 25) onwards and the Company has an option for the same till the filing of return of income for such year. Pending exercising of the option, the company has recognized the taxes on income for the year ended March 31, 2025 as per the earlier provisions.

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No: 104767W

Abhishek Singh
Partner
Membership No: 407549

Date: 23 June 2025
Place: Noida

G. M. KAPADIA & CO. * NOIDA * Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN : 06775970

Date: 23 June 2025
Place: Mumbai

Abraham Alapatt
Director
DIN : 06809421

Date: 23 June 2025
Place: Mumbai

S.A.R. ASSOCIATES
CHARTERED ACCOUNTANTS

Independent Auditor's Report

Sita World Travel (Nepal) Pvt. Ltd
Kathmandu
Nepal

Opinion
We have audited the financial statements of Sita World Travel (Nepal) Pvt. Ltd (the "Company"), which comprise the balance sheet as at March 31, 2025, and the income statement, statement of changes in equity, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at March 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting framework applicable to the holding company for the purpose of consolidation of financial statement.

Basis for opinion
We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Statements* section of our Report. We are independent of the Company in accordance with the *ICAN's Handbook of Code of Ethics for Professional Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of accounting and Restriction on Distribution and Use
Without modifying our opinion, we draw attention to clause B–Basis of Preparation of Financial Statements of schedule 18, which describes the basis of accounting. The financial statements are prepared to assist the company for the purpose of providing information to the holding company to enable it to prepare its consolidated Financial Statements. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for Sita World Travel (Nepal) Pvt. Ltd and its holding company and should not be distributed to or used by parties other than for Sita World Travel (Nepal) Pvt. Ltd and its holding company.

Responsibility of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the with the financial reporting framework applicable to the holding company for the purpose of consolidation of financial statement and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor' report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern,
- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by the management,

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

S.A.R. Associates Kathmandu Chartered Accountants

Sunir K. Dhungel
Managing Partner

Place: Kathmandu
Date: April 29, 2025

UDIN: 250514CA00109ZZ77w

SITA World Travel (Nepal) Pvt Ltd
Jwagal, Kupondole, Lalitpur

Balance Sheet
As at 31 March 2025

Amount in NPR

	Sch	As at 31 March 2025	As at 31 March 2024
EQUITY & LIABILITIES			
Equity			
Share capital	1	79,013,900	79,013,900
Reserves and surplus	2	112,006,245	74,297,622
Total Equity		**191,020,145**	**153,311,522**
Liabilites			
Current liabilities and Provisions			
Current liabilities	9	203,583,600	100,265,620
Provisions	10	2,104,954	1,833,209
Current tax liabilities (net)	11	17,144,074	12,472,285
Deferred tax liabilities	12	3,604,291	(2,531,493)
Lease Liabilities	17	597,200	3,848,900
Total Liabilities		**227,034,119**	**115,888,520**
Total Equity and Liabilites		**418,054,265**	**269,200,042**
ASSETS			
Non Current Assets			
Property, plant and equipment (net of depreciation)	3	43,662,357	37,090,599
ROU Assets	4	638,822	4,471,761
Total Non Current Assets		**44,301,178**	**41,562,360**
Current Assets			
Investments	5	60,000,000	15,000,000
Sundry debtors	6	159,600,989	95,709,589
Cash & bank balances	7	45,492,376	28,932,697
Other Financials Assets	7.1	84,178,705	83,563,705
Loans and advances	8	24,481,017	4,431,691
Total current assets		**373,753,087**	**227,637,682**
Total Assets		**418,054,265**	**269,200,042**
Contingent liabilities	18	300,371,862	300,371,862
Significant Accounting Policies and Other Explanatory Note	19		

(Schedule 1 to 10 and 16,17,18 & 19 form an integral part of this Balance Sheet)

As per our report of even date

Nirmal Nepal
Manager

Deenam Lamichhane
Senior General Manager

Sunir Kumar Dhungel
Managing Partner
S.A.R. Associates
Chartered Accountants

Sanjay Shroff
Director

Dipak Deva
Director

Date: 29.04.2025
Place: Lalitpur

SITA World Travel (Nepal) Pvt Ltd
Jwagal, Kupondole, Lalitpur

Income Statement
for the period 1 April 2024 to 31 March 2025

Amount in NPR

	Sch	Current Year	Previous Year
Income			
Sales & services (net)	13	108,517,857	73,175,193
Other business income	14	11,099,904	20,778,459
		119,617,761	**93,953,652**
Expenditure			
Personnel expenses	15	36,370,509	23,930,873
Administrative expenses	16	8,283,271	8,290,974
Profit from Operation		**74,963,981**	**61,731,805**
Depreciation and amortisition	3	12,615,762	10,363,218
Depreciation of Right of Use Lease Assets		3,832,939	3,776,613
Interest Exp Finance Lease		221,121	507,470
Foreign exchange (gain)/loss		(292,052)	(3,320,893)
Profit before Tax		**58,586,211**	**50,405,398**
Current tax		14,741,803	13,622,086
Deferred tax expense/(income)		6,135,785	2,288,279
Profit after tax for the year		**37,708,624**	**34,495,034**
Basic Earnings per share of face value of Rs 100		48	44
Diluted earnings per share of face value of Rs 100		48	44

Significant Accounting Policies and Other Explanatory Notes 19
Schedule 3, 12 to 15 ,18 & 19 forms an integral part of this Income Statement

As per our report of even date

Nirmal Nepal
Manager

Deenam Lamichhane
Senior General Manager

Sunir Kumar Dhungel
Managing Partner
S.A.R. Associates
Chartered Accountants

Sanjay Shroff
Director

Dipak Deva
Director

Date: 29.04.2025
Place: Lalitpur

SITA World Travel (Nepal) Pvt. Ltd.
Jwagal, Kupondole, Lalitpur

Cash Flow Statement
for the period 1 April 2024 to 31 March 2025

Amount in NPR

	Sch	Current Year	Previous Year
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (Loss) before taxation and extraordinary items		37,708,624	34,495,034
Adjustment for:			
Depreciation		12,615,762	10,363,218
Depreciation of Right of Use Lease Assets		3,832,939	3,776,613
Provisions for staff bonus		5,940,398	-
Interest income		(2,158,148)	(781,050)
Misc Income		(270,955)	(1,443,649)
Profit on sale of fixed assets		(2,663,432)	(6,686,572)
Creditors balance written off		(6,007,369)	(11,867,188)
Foreign Currency Fluctuation		(292,052)	(3,320,893)
Operating Profit before changes in working capital		**48,705,767**	**24,535,513**
Decrease/ (Increase) in current assets		(62,771,085)	14,065,008
Increase/ (Decrease) in current liabilities		120,020,673	8,826,525
Cash generated from operations		**105,955,355**	**47,427,046**
Payment from retirement benefit fund		271,745	(5,360,809)
Income tax paid		(20,877,587)	(3,772,173)
Payment of staff bonus		(5,940,398)	-
Net cash flows from operating activities		**79,409,115**	**38,294,064**
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
Interest received		1,926,358	609,988
(Purchase)/Adjustment of fixed assets/ investments		(19,187,526)	(1,408,162)
Proceeeds on sale of assets		2,663,432	(28,610,217)
(Increase)/Decrease of Investment in fixed deposit during the year		(45,000,000)	(15,000,000)
Net cash flows from investing activities		**(59,597,736)**	**(44,408,391)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares (except bonus shares)		-	-
Payments for the principal portion of the lease liability		(3,030,579)	(2,385,916)
Interest portion of the lease liability		(221,121)	(507,470)
Repayment of long-term loan		-	-
Dividend paid		-	-
Net cash flows from financing activities		**(3,251,700)**	**(2,893,386)**
Net increase/ (decrease) in cash (A+B+C)		**16,559,679**	**(9,007,713)**
Opening Cash and Cash Equivalents.		28,932,697	37,940,410
		45,492,376	**28,932,697**

Significant Accounting Policies and Other Explanatory Notes 18

Nirmal Nepal
Manager

Deenam Lamichhane
Senior General Manager

As per our report of even date

Sunir Kumar Dhungel
Managing Partner
S.A.R. Associates
Chartered Accountants

S.A.R. Associates Kathmandu Chartered Accountants

Sanjay Shroff
Director

Dipak Deva
Director

Date: 29.04.2025
Place: Lalitpur

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

SITA World Travel (Nepal) Pvt Ltd
Jwagal, Kupondole, Lalitpur

Statement of Changes in Equity
for the period 1 April 2024 to 31 March 2025

Amount in NPR

Particulars	Note	Share Capital	Accumulated Profit	Total
Balance at 31 March 2024		**79,013,900**	**74,297,622**	**153,311,522**
Changes in accounting policy		-	-	-
Restated balance at 31 March 2024		**79,013,900**	**74,297,622**	**153,311,522**
Currency translation differences		-	-	-
Net gains and losses not recognised in the income statement		-	-	-
Net profit for the period		-	37,708,624	37,708,624
Dividend		-	-	-
Issue of share capital		-	-	-
Balance at 31 March 2025		**79,013,900**	**112,006,245**	**191,020,145**

Significant Accounting Policies and Other Explanatory Notes 18

As per our report of even date

Nirmal Nepal
Manager

Deenam Lamichhane
Senior General Manager

Sunir Kumar Dhungel
Managing Partner
S.A.R. Associates
Chartered Accountants

Sanjay Shroff
Director

Dipak Deva
Director

Date: 29.04.2025
Place: Lalitpur

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates ★ Kathmandu ★ Chartered Accountants

Sita World Travel (Nepal) Pvt Ltd

Schedule 1 : Share Capital

	As at 31 March 2025 NPR	As at 31 March 2024 NPR
A. Authorised		
790139 (previous year 60,000) Equity shares of Rs 100 each	79,013,900	79,013,900
	79,013,900	**79,013,900**
B. Issued, subscribed and paid up		
790139 (previous year 22,500) Equity shares of Rs 100 each fully paid u	79,013,900	79,013,900
Of the above 5,00,000 equity shares of Rs 100 each fully paid up have been issued to Travel Corporation India Ltd. the parent company		
Total	**79,013,900**	**79,013,900**

Schedule 2: Reserves & surplus

Balance brought forward	74,297,622	120,606,708.00
Profit/(Loss) (Transferred from income statement)	-	-
Adjustment to Retained Earning	-	-
Less: Dividend payment		(80,804,120)
Profit/(Loss) (Transferred from income statement)	37,708,624	34,495,034
Total	**112,006,245**	**74,297,622**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

A.R. Associates Chartered Accountants

SITA World Travel (Nepal) Pvt Ltd

Schedule 3: Property, Plant and Equipment

Amount in NPR

	Cost				Accumulated Depreciation/Amortisation				Net Book Value	
	As at	Addition	Sales/	Total as at	As at	Charged for	Deduction/	Total as at	As at	As at
Particulars	**31 March 2024**	**during the year**	**adjustments**	**31 March 2025**	**31 March 2024**	**the year**	**Adjustment**	**31 March 2025**	**31 March 2025**	**31 March 2024**
Furniture and fixtures	3,899,038	199,425	-	4,098,463	3,735,515	184,037	-	3,919,552	178,911	163,523
Office equipment	5,385,469	640,532	506,560	5,519,441	4,871,106	340,858	506,560	4,705,404	814,037	514,363
Computers	4,072,087	586,375	-	4,658,462	908,634	1,392,930	-	2,301,564	2,356,898	3,163,453
Vehicles	69,609,583	17,744,071	5,468,484	81,885,170	36,522,777	10,638,734	5,468,484	41,693,027	40,192,143	33,086,806
Leasehold improvemen	2,869,165	17,123	17,124	2,869,164	2,706,718	59,202	17,124	2,748,796	120,368	162,447
Total	**85,835,343**	**19,187,526**	**5,992,168**	**99,030,701**	**48,744,749**	**12,615,762**	**5,992,168**	**55,368,344**	**43,662,357**	**37,090,592**
Previous year	**66,290,901**	**35,296,789**	**15,752,347**	**85,835,342**	**54,133,878**	**10,363,218**	**15,752,347**	**48,744,750**	**37,090,599**	**12,157,022**
Intangible Assets										
Computer software	280,500	-	-	280,500.00	280,500	(0)	-	280,500	-	-
Total	**280,500**	-	-	**280,500**	**280,500**	**(0)**	-	**280,500**	-	-
Previous year	**280,500**	-	-	**280,500**	**280,500**	**(0)**	-	**280,500**	-	-
Grand Total	**86,115,843**	**19,187,526**	**5,992,168**	**99,311,201**	**49,025,249**	**12,615,762**	**5,992,168**	**55,648,844**	**43,662,357**	**37,090,592**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A. Associates Chartered Accountants Kathmandu

SITA World Travel (Nepal) Pvt Ltd

		As at 31 March 2025 NPR	As at 31 March 2024 NPR
Schedule 4 : ROU Assets			
Cost			
As at 1 April 2024		17,727,968	16,319,806
Increase		-	1,408,162
Obligation		-	-
Transferable and reclassification		-	-
Decrease		-	-
	Total	**17,727,968**	**17,727,968**
Accumulated Depreciation			
As at 1 April 2024		13,256,207	9,479,594
Charge		3,832,939	3,776,613
Charge from retirement obligation		-	-
Transferable and reclassification		-	-
Decrease		-	-
	Total	**17,089,146**	**13,256,207**
Net Block		**638,822**	**4,471,761**

S.A.R. Associates * Chartered Accountants * Kathmandu

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

		As at 31 March 2025 NPR	As at 31 March 2024 NPR
Schedule 5 : Investments			
Fixed deposit with NMB Bank Ltd.		60,000,000	15,000,000
Fixed deposit with Nepal SBI Bank Ltd. - NPR		-	-
Fixed deposit with Nepal SBI Bank Ltd. - USD		-	-
	Total	**60,000,000**	**15,000,000**
Schedule 6 : Sundry Debtors			
A) Debts outstanding over six months			
- considered good		-	-
- considered doubtful			
B) Other debts			
- considered good		159,600,989	95,709,590
		159,600,989	**95,709,590**
Less: Provision for doubtful debts			
	Total	**159,600,989**	**95,709,590**
Schedule 7 : Cash and Bank Balances			
Cash in Hand		1,012,403	412,319
Bank Balances			
Current account balances		11,634,554	11,881,713
Foreign currency account balance		32,845,418	16,638,664
	Total	**45,492,376**	**28,932,697**
Schedule 7.1 : Other Financials Assets			
Deposit against income tax appeal		82,097,519	82,097,519
Deposits (receivables)		2,081,186	1,466,186
	Total	**84,178,705**	**83,563,705**
Schedule 8 : Loans and advances			
Advance for expenses		20,089,097	5,550,124
Advance corporate tax		-	-
VAT receivables		(11,238,880)	(7,857,837)
Prepaid expenses		15,227,948	6,568,342
Accrued Interest on Fixed Deposit		402,852	171,062
		24,481,017	**4,431,691**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates Kathmandu Chartered Accountants

SITA World Travel (Nepal) Pvt Ltd

	As at 31 March 2025 NPR	As at 31 March 2024 NPR
Schedule 9 : Current Liabilities		
Received from client in advance	68,227,527	21,303,379
Sundry creditors	4,376,079	5,966,941
TDS payable	2,381,824	1,294,497
Providend Fund payable	248,488	202,548
Dividend payable	109,355	109,355
Other liabilities	128,240,327	71,388,900
Total	**203,583,600**	**100,265,620**
Schedule 10 : Provisions		
Provision for gratuity	202,612	215,240
Provision for leave encashment	1,902,342	1,617,969
Total	**2,104,954**	**1,833,209**
Schedule 11: Provisions		
Provision for income tax	17,144,074	12,472,285
Total	**17,144,074**	**12,472,285**
Schedule 12 : Deferred Tax Assets		
Arising on account of temporary difference in Retirement Benefits	526,239	458,302
Depreciation	(4,130,530)	2,073,194
Total	**(3,604,292)**	**2,531,496**

S.A.R. Associates Chartered Accountants

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

SITA World Travel (Nepal) Pvt Ltd

			Current year NPR		Previous year NPR
Schedule 13 : Sales and Services (Net of cost)					
A.	**Tours Income**		100,594,180		68,075,401
	Tours Income	513,317,214		346,271,201	
	Less: Cost of tours	(412,723,034)		(278,195,800)	
B.	**Coach Income**		7,923,677		5,099,792
	Coach Income	19,551,748		14,479,575	
	Less: Coach expenses	(11,628,071)		(9,379,783)	
	Total		**108,517,857**		**73,175,193**
Schedule 14 : Other income					
	Interest on fixed deposit		2,158,148		781,050
	Miscellaneous income		270,955		1,443,649
	Creditors written back (Provsion for tour)		6,007,369		11,867,188
	Profit on sale of assets		2,663,432		6,686,572
	Total		**11,099,904**		**20,778,459**
Schedule 15 : Personnel Expenses					
	Salary & wages		24,959,093		19,111,798
	Contribution to Provident Fund		1,375,197		1,053,706
	Retirement benefit Expenses		1,152,299		831,240
	Medical expenses		916,798		751,217
	Staff Bonus		5,940,398		1,083,905
	Staff welfare expenses		2,026,724		1,099,007
	Total		**36,370,509**		**23,930,873**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates Chartered Accountants

SITA World Travel (Nepal) Pvt Ltd

Schedule 16 : Administrative and selling expenses

	Current year NPR	Previous year NPR
Advertisement, publicity & sales promotion	221,975	84,900
Operational lease rentals	275,000	410,887
Communication	1,684,557	2,118,748
Travelling and conveyance	861,345	179,903
Bank charges	633,534	621,201
Legal and consultancy fees	342,498	638,137
Repairs and maintenance	286,360	410,592
Electricity and water	315,598	376,611
Printing and stationery	132,549	195,313
Security expenses	900,000	836,600
Insurance	502,337	435,679
Membership and subscription fees	68,866	65,115
Tax Audit Fee	182,447	190,025
Group audit fee	319,873	200,000
Audit expenses	9,990	23,540
CSR expenses	594,040	108,391
Rate & Taxes	852,687	-
Miscellaneous expenses	99,615	1,395,332
Total	**8,283,271**	**8,290,974**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates Kathmandu Chartered Accountants

SITA World Travel (Nepal) Pvt Ltd

		As at 31 March 2025 NPR	As at 31 March 2024 NPR
Schedule 17 : Lease Liabilities			
Office Building		597,200	3,848,900
	Total	**597,200**	**3,848,900**

Schedule 18 : Contingent liabilities

VAT matter FY 2069-70		23,857,699	23,857,699
VAT matter FY 2067-68 to FY 2071-72 Mangsir (except FY 2069-70)		82,425,607	82,425,607
Income Tax Matter FY 2071-72		1,050,092	1,050,092
VAT Matter FY 2071-72		2,756,622	2,756,622
Income Tax Matter FY 2072-73		178,843,382	178,843,382
VAT Matter FY 2072-73		5,185,464	5,185,464
VAT Matter FY 2074-75		534,392	534,392
Income Tax Matter Matter FY 2074-75		4,368,604	4,368,604
Unexpired Bank Gurantee		1,350,000	1,350,000
	Total	**300,371,862**	**300,371,862**

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates Chartered Accountants

SCHEDULE 19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

A. Company Background

SITA World Travel (Nepal) Pvt. Ltd, a joint venture company with Travel Corporation India Ltd. (then SOTC Travel Services Pvt. Ltd), is incorporated under the Company Act, 2063 in Nepal and providing travel and tour related services and money transfer services. Registered Office of the company is Jwagal-10, Lalitpur, Nepal.

Travel Corporation India Ltd. (then SOTC Travel Services Pvt. Ltd), a company incorporated under the laws of India, is holding 63.32% equity of the company.

B. Basis of Preparation of Financial Statements

1. Purpose of Financial Statements

These are special purpose financial statements which have been prepared for the purpose of inclusion in the consolidated financial statements of Travel Corporation India Ltd. (TCI). The financial statements have been prepared using an accounting framework applicable for the group consolidation purpose as set out in Note B.3.

2. Statement of Compliance

The financial statements as on 31st March 2025 and for the year then ended have been prepared in accordance with applicable General Accepted Accounting Principles (GAAP) and Nepal Accounting Standards as issued by Institute of Chartered Accountants of Nepal (ICAN), as applicable.

3. Basis of Preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements are presented in functional and presentation currency of the company i.e. Nepalese Rupee ("NPR") which is the currency of the primary economic environment in which the company operates.

C. Significant Accounting Policies

4. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of Value Added Taxes. The following specific criteria are used for recognition of revenue.

- **Sale of Services**

Sales from inbound services are recognized on the date of arrival of the tour in Nepal. Sales are stated net of Value Added Tax (VAT). Commission income and other travel services such as optional tours are recognized at the time of providing the service.

Interest on investment is recognized on accrual basis.

S.A.R. Associates Chartered Accountants

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

5. Use of Estimates

The preparation of the financial statements in conformity with GAAP and NAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet. Actual amount could differ from those estimates. Any differences from those estimates are recorded in the period in which they are identified.

6. Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the supply of services or for administrative purposes and are expected to use during more than one financial year.
Cost of an item of property, plant and equipment is recognized as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The cost of an item of property, plant and equipment comprises of purchase price and any costs that is directly attributable to bring the asset to the location and condition that is necessary for it to be capable for operating in the manner intended by the management.

Any subsequent cost incurred for the property, plant and equipment is recognized as an asset if it meets the recognition criteria. The cost that does not qualify as an asset is charged off in the Income Statement as repair and maintenance.

The carrying amount of an asset is derecognized at the time of disposal or when no future economic benefits are expected to flow from its use or disposal. The gain or losses arising from derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

The carrying amount of the property, plant and equipment is the amount at which an asset is recognized after deducting any accumulated depreciation.

7. Depreciation and Amortization

i. PPE are depreciated on a straight-line basis, based on the following estimates of their useful economic lives:

Description of Assets	Useful life (In Years)	Rate %
Furniture and Fixtures	5	20
Office Equipment	3	33.33
Vehicle	5	20
Computer and Computer Software	3	33.33

ii. Leasehold assets are amortized uniformly over the period of 3 years.
iii. Depreciation on addition of assets is charged from the next month from the date on which the assets are purchased / capitalized.
iv. Gains or losses arising from the disposal of fixed assets, if any, are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized or charged off in the Income Statement on the date of the disposal.
v. Each asset with a cost value of less than NPR 8,000 is fully depreciated in the year of purchase.

S.A.R. Associates Chartered Accountants

TRAVEL (NEPAL) PVT. LTD.

8. Retirement Benefits

a. Provident Fund

Contributions to provident fund are made monthly at the applicable rates, which is charged to revenue. Contributions to provident fund together with the employees' contributions are deposited with Citizen Investment Trust.

b. Gratuity

Gratuity payable to employees on termination/retirement of their services is provided on accrual basis and is deposited with Citizen Investment Trust.

c. Leave Encashment

Leave Encashment payable to employees on termination/retirement of their services is provided on accrual basis and is deposited with Citizen Investment Trust.

9. Trade and Other Receivables

Trade Receivables are stated at book value after making provisions for bad and doubtful debts.

Other receivables and dues from related parties are stated at book value less provisions for bad and doubtful debts.

10. Cash and Cash Equivalents

Cash and cash equivalent represent cash in hand and balance with commercial banks.

11. Foreign Currency Transactions

Foreign exchange transactions are recorded at the exchange rate prevailing at the date of transactions. Gain or loss arising on settlement is realized or charged in the Income Statement. Assets and liabilities in foreign currencies are reinstated at the exchange rate prevailing at the year-end and the exchange difference, if any, arising on such transaction is accounted for in the Income Statement as exchange fluctuation.

12. Technical Service Fee

Technical fee payable to Travel Corporation India Ltd. India calculated at Arm's length percentage to be as per the benchmarked analysis (currently estimated at 5%) of the gross total receipts of Transferee on account of services (excluding the entrance fees, special permits, visa fee, park fee, airfare and services provided in Bhutan and Tibet) provided by the Transferee, whether directly or indirectly, to the incoming tourists whether individually or in groups since 1st January 2006 onwards.

13. Income Taxes

Provision for current tax is made with reference to profit for the Financial Year based on the provisions of Income Tax Act, 2058.

Deferred Tax is recognized and provided for on timing differences between taxable income and accounting income subject to consideration of prudence.

Deferred tax assets are not recognized unless there is virtual/reasonable certainty that there will be sufficient future taxable income available to realize such assets.

S.A.R. Associates Kathmandu Chartered Accountants

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

D. Notes to the Financial Statements

1. Contingent Liabilities *(With reference to Schedule 17)*

There are contingent liabilities in respect of:

In NPR

S.N.	Particulars	31 March 2025	31 March 2024
1	VAT matter FY 2069-70	23,857,699	23,857,699
2	VAT matter FY 2067-68 to FY 2071-72 Mangsir (except FY 2069-70)	82,425,607	82,425,607
3	Income Tax Matter FY 2071-72	1,050,092	1,050,092
4	VAT Matter FY 2071-72	2,756,622	2,756,622
5	Income Tax Matter FY 2072-73	178,843,328	178,843,328
6	VAT Matter FY 2072-73	5,185,464	5,185,464
7	VAT Matter FY 2074-75	534,392	534,392
8	Income Tax Matter Matter FY 2074-75	4,368,604	4,368,604
9	Unexpired Bank Guarantee	1,350,000	1,350,000
	Total	**300,371,862**	**300,371,862**

2. Related Party

The parent company, Travel Corporation India Ltd. together with its subsidiaries holds 63.32% (previous year 63.32%) of the share capital of the Company.

- **Transaction with related party**

Particulars	Current year (NPR)	Previous year (NPR)
Sales during the period	237,318,790.37	181,948,221.04
Technical fee during the period	20,360,455.78	5,039,311.25
Receivables as on 31 March 25	78,537,672.44	58,110,230.86
Payables as on 31 March 2025 (Other than technical fee payable)	Nil	Nil

3. Provision for Taxation

Current Tax

Current tax has been provided for in the books as per the provisions of Income Tax Act 2058 and Rules thereon prevailing as on the year end.

Deferred Tax

Deferred tax is calculated on temporary differences between the book values of financial assets / liabilities and tax bases of assets/liabilities using an effective tax rate of 25.00%.

The items attributable to deferred tax assets and liabilities and their movement are as follows:

Particulars	Amount (NPR)
Fixed Assets	4,130,529.8
Retirement Fund	(526,238.5)
DTL as on March end 2025	3,604,291.31
DTA as on March end 2024	25,314,93.44
Movement During the Year	6,135,785

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

S.A.R. Associates Chartered Accountants

4. Disclosure for Leases

Lease has been presented recognizing the Right of Use asset for the lease rental for the office building considering 7% interest rate as the normal increment rate for the purpose effective from 1st April 2019 and related lease liability has been recognized accordingly.

5. Rounding Off

Figures in the Financial Statements are rounded off to the nearest rupee.

S.A.R. Associates Kathmandu Chartered Accountants

SITA WORLD TRAVEL (NEPAL) PVT. LTD.

SOTC Travel Limited

Balance Sheet

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	63.22	30.11
(b) Right of use assets	2.1	150.88	109.18
(c) Goodwill	2.3	26.85	26.85
(d) Other intangible assets	2.3	16.77	15.42
(e) Financial assets			
(i) Investments	3	884.93	884.93
(ii) Other financial assets	4	31.81	28.73
(f) Deferred tax assets (net)	5	239.05	320.99
(g) Income tax assets (net)	6	365.06	229.89
Total non-current assets		1,778.57	1,646.10
(2) Current assets			
(a) Financial assets			
(i) Investments	7	70.10	-
(ii) Trade receivables	8	470.09	466.38
(iii) Cash and cash equivalents	9	353.32	300.81
(iv) Bank balances other than cash and cash equivalents	10	-	-
(v) Other financial assets	11	218.93	211.99
(b) Other current assets	12	796.37	880.90
Total current assets		1,908.81	1,860.08
TOTAL ASSETS		3,687.38	3,506.18
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	0.10	0.10
(b) Other Equity	14	606.34	358.14
Total Equity		606.44	358.24
(2) Non-current liabilities			
(a) Borrowings	15	67.61	101.16
(b) Lease liabilities	16	120.17	84.66
(c) Provisions	17	61.74	53.25
Total Non-current liabilities		249.52	239.07
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	34.73	27.57
(ii) Lease liabilities	16 a	52.52	42.88
(iii) Trade payables			
Total outstanding dues of Micro and Small enterprises	19	14.57	7.62
Total outstanding dues of creditors other than Micro and Small enterprises	19	996.89	1,219.83
(iv) Other financial liabilities	20	7.46	12.01
(b) Provisions	21	28.81	17.81
(c) Other current liabilities	22	1,696.44	1,581.15
Total Current Liabilities		2,831.42	2,908.87
TOTAL EQUITY AND LIABILITIES		3,687.38	3,506.18
Material accounting policies	1B		
Notes to the financial statements	2-44		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner

Membership No: 113959
Mumbai
07-May-2025

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director and Chief Executive Officer
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer
Mumbai

07-May-2025

Shaily Gupta
Company Secretary
[Membership No: ACS-24078]

SOTC Travel Limited

Statement of Profit and Loss

for the year ended 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
(1) Income			
(a) Revenue from operations	23	**11,149.89**	9,890.84
(b) Other income	24	**7.79**	11.10
Total income		**11,157.68**	9,901.94
(2) Expenses			
(a) Cost of services		**9,215.95**	8,197.92
(b) Employee benefits expense	25	**842.06**	749.58
(c) Finance costs	26	**33.52**	41.32
(d) Depreciation and amortization expenses	2	**90.51**	72.78
(e) Other expenses	27	**634.40**	565.32
Total expenses		**10,816.44**	9,626.92
(3)Profit before exceptional items and tax		**341.24**	275.02
(4) Exceptional items	28	**-**	-
(5)Profit before tax		**341.24**	275.02
(6) Tax expense:			
(a) Current tax	5	**-**	-
(b) Deferred tax	5	**84.73**	219.22
(7) Profit after tax		**256.51**	55.80
(8) Other comprehensive Loss (OCI)			
Items that will not be reclassified to profit or (loss)			
(i) Remeasurements of defined benefit (liability) / asset (Note 36)		**(11.10)**	(1.86)
(ii) Income tax expense on remeasurements of defined benefit liability /(asset)		**2.79**	1.50
Other comprehensive Loss (net of income tax) (i-ii)		**(8.31)**	(0.36)
(9) Total comprehensive Income for the year		**248.20**	55.44
(10) Earnings per Equity share (Face value of Rs. 10 each)			
(i) Basic (Rs)	29	**25,650.54**	5,580.09
(ii) Diluted	29	**2.98**	0.65
Material accounting policies	1B		
Notes to the financial statements	2-44		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner

Membership No: 113959
Mumbai
07-May-2025

For and on behalf of the Board of Directors of
SOTC Travel Limited
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Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director and Chief Executive Officer
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer
Mumbai
07-May-2025

Shaily Gupta
Company Secretary
[Membership No: ACS-24078]

SOTC Travel Limited

Statement of Cash Flows

for the year ended 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	341.24	275.02
Adjustments for:		
Depreciation on property, plant and equipment	23.99	16.44
Depreciation on Right of use assets	54.33	46.71
Amortisation of intangible assets	12.19	9.63
Gain on sale of property, plant and equipment	(0.06)	(0.03)
Gain on Lease liability	-	(0.03)
Share-based payment expense	-	(2.04)
Unclaimed credit balances no longer required, written back	(49.09)	(83.04)
Bad debts and advances written off	27.84	14.12
Loss allowance for expected credit losses, doubtful advances and deposits (net)	(21.78)	(4.20)
Profit on redemption of units of mutual funds	(2.66)	-
Interest income - others	(0.38)	(2.54)
Interest income on fixed deposits and investments	(4.48)	(1.91)
Interest on tax refunds	-	(0.57)
Finance costs	33.52	41.32
	414.66	308.87
Working capital adjustments		
(Increase) / Decrease in trade and other receivables	(9.77)	(38.97)
(Increase) / Decrease in loans and advances	76.45	(268.62)
Increase / (Decrease) in trade payables, other financial liabilities and current liabilities	(47.64)	293.58
Increase / (Decrease) in provisions	(0.10)	14.94
	433.60	309.80
Income tax refund (net)	(135.17)	(119.66)
Net cash flows (used) in/generated from operating activities	298.43	190.14
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(57.12)	(15.99)
Payment for purchase of intangible assets	(13.54)	(11.76)
Proceeds from sale of property, plant and equipment & intangible	0.07	0.06
Interest received	4.83	4.41
Sale/ (Purchase) of units of mutual funds, net	(67.44)	-
Fixed deposits (placed)/redeemed during the year	(1.92)	22.19
Net cash flows generated from in investing activities	(135.12)	(1.09)
Cash flows from financing activities		
Proceeds from borrowings	100.00	460.00
Repayments of borrowings	(126.39)	(470.15)
Payment of Lease liabilities	(64.98)	(56.40)
Interest paid	(19.43)	(29.01)
Net cash flows used in financing activities	(110.80)	(95.56)
Net increase/ (decrease) in cash and cash equivalents	52.51	93.49
Cash and cash equivalents at the beginning of the year	300.81	207.32
Cash and cash equivalents at the end of the year	353.32	300.81

SOTC Travel Limited

Statement of cash flows *(Continued)*

for the year ended 31 March 2024

(All amount in Rs Millions, unless otherwise stated)

	For the year ended 31 March 2025 Amount	For the year ended 31 March 2024 Amount
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet	353.32	300.81
Cash and Cash equivalents as restated as at the year end	353.32	300.81
Note:		
Components of cash and cash equivalents consists of: [Note 9]		
Cash on hand	-	-
Balance with Banks		
Current Account	153.32	170.81
Deposit Account (with original maturity of 3 months of less)	200.00	130.00
Less: Bank Overdraft	-	-
	353.32	300.81

Reconciliation between opening and closing balances in the Balance Sheet for liabilities arising from financing activities

Opening Term Loan from Bank	128.73	138.88
Proceeds from borrowings	100.00	460.00
Repayments of borrowings	(126.39)	(470.15)
Closing Term Loan from Bank	102.34	128.73

Notes:

1. The above statement of cash flow has been prepared under the 'Indirect method' as set out in the Indian Accounting Standard (IND AS) 7 - "Statement of cash flow".

	Note
Material accounting policies	*1B*
Notes to the financial statements	*2-44*

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner

Membership No: 113959
Mumbai
07-May-2025

For and on behalf of the Board of Directors of
SOTC Travel Limited
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Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director and Chief Executive Officer
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer
Mumbai
07-May-2025

Shaily Gupta
Company Secretary
[Membership No: ACS-24078]

SOTC Travel Limited

Statement of changes in Equity (SOCIE)

for the year ended 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

(a) Equity Share Capital

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	10,000	0.1	10,000	0.1
Changes in Equity Share Capital during the year	-	-	-	-
At the end of the year [refer Note 13]	10,000	0.1	10,000	0.1

(b) Other Equity

Particulars	Retained earnings	Optionally Convertible Non-Cumulative Redeemable Preference Shares	Employee share option outstanding [refer Note 37]	Capital reserves	Capital redemption reserve	Other comprehensive Income/(loss) (Remeasurements of the net defined benefit plans)	Total attributable to Equity Shareholders
Balance at 1 April 2023	(862.58)	860.00	96.68	63.80	140.00	6.84	304.74
Profit for the year	55.80	-	-	-	-	-	55.80
Other comprehensive loss for the year (net of tax)	-	-	-	-	-	(0.36)	(0.36)
Share-based payments [refer Note 37]	-	-	(2.04)	-	-	-	(2.04)
Balance at 31 March 2024	**(806.78)**	**860.00**	**94.64**	**63.80**	**140.00**	**6.48**	**358.14**
Profit for the year	**256.51**	-	-	-	-	-	**256.51**
Other comprehensive loss for the year (net of tax)	-	-	-	-	-	**(8.31)**	**(8.31)**
Share-based payments [refer Note 37]	-	-	-	-	-	-	-
Total comprehensive income for the year	**256.51**	-	-	-	-	**(8.31)**	**248.20**
Balance at 31 March 2025 [refer note 14]	**(550.27)**	**860.00**	**94.64**	**63.80**	**140.00**	**(1.83)**	**606.34**

Notes

The purpose and nature of each reserve within equity has been disclosed in the Note 14.

Material accounting policies *1B*
Notes to the financial statements *2-44*

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner

Membership No: 113959

Mumbai
07-May-2025

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon	**Vishal Suri**	**Farroukh Kolah**	**Shaily Gupta**
Chairman	*Managing Director and Chief Executive Officer*	*Chief Financial Officer*	*Company Secretary*
[DIN: 00008542]	[DIN: 06413771]		[Membership No: ACS-24078]

Mumbai
07-May-2025

Notes to the financial statements

for the year ended March 31, 2025

(All amounts in Rs. Millions, unless otherwise stated)

Note 1

1A Company overview

SOTC Travel Limited ('the Company') formerly known as SOTC Travel Private Limited is public limited Company incorporated and domiciled in India. The Company is engaged in diversified travel and travel related businesses, working as travel agent and tour operator having registered office at 11th Floor, Marathon Futurex, N.M Joshi Marg, Lower Parel (East), Mumbai-400 013.

The financial statements were approved and authorised to issue in accordance with the resolution passed by the Board of directors at its meeting held on 07 May, 2025.

1B Material Accounting Policies

1B.1 Basis of preparation

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March 2025.

(b) Basis of measurement

Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities - measured at fair value,
- defined benefit plans – defined benefit obligations less plan assets measured at fair value, and
- share based payment - measured at fair value

(c) Functional and presentation currency

The financial statements are presented in Indian Rupees "(INR)" or "(Rs.)" which is also the Company's functional currency and all values are rounded off to nearest millions ('000,000) except where otherwise indicated. Wherever the amount is represented as '0' ('zero') it construes a value less than half million

(d) Foreign currency translation and transactions

(i) Functional and presentation currency

A Company's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

(ii) Transactions and balances

(ii.a) Initial recognition

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

(ii.b) Subsequent recognition

As at the reporting date, non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the statement of profit and loss.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement / conversion at the FEDAI rates are recognised in the statement of profit and loss.

1B.2 Going Concern

As at 31 March 2025, the Company's net worth is Rs. 606.44 Mn. The Company during the year has made a net profit of Rs.256.51 Mn (FY 2023-2024 Profit of Rs. 55.80 Mn). The Company has also assessed the impact on the future cash flow projections on the basis of significant assumptions as per the available information and based on this analysis the company is expected to generate adequate cash flows in the foreseeable future

Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern.

SOTC TRAVEL LIMITED MUMBAI

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Notes to the financial statements

for the year ended March 31, 2025

(All amounts in Rs. Millions, unless otherwise stated)

1B.3 **Use of estimates**

The preparation of financial statements in accordance with generally accepted accounting principles ('GAAP') in India requires that management makes judgment, estimates and assumptions that affect the reported amounts of Assets and Liabilities, disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of facts and circumstances as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes

Note 23 - Determination of whether a particular service is rendered in the capacity of a principal or agent
Note 30 (ii) - Determining the amount of expected credit loss on financial assets (including trade receivables)
Note 2.2 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statement is included in the following notes:

Note 1B 2 - Going Concern
Note 2 - Estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment and intangible assets.
Note 5 - Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Note 36 - Measurement of defined benefit obligations: key actuarial assumptions;
Note 4, 7, 11, 12 and 23 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
Note 30 - Impairment of financial assets
Note 2 - Impairment of non financial assets

1B.4 **Revenue recognition**

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

(a) Income from operations

The Company earns revenue from travel and related services.

Travel and related services

It comprises of leisure tours packages within India and outside India along with travel related services viz travel insurance and visa services. Revenue on leisure tours / holiday's packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.
It also includes income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved.

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1B.4 **Revenue recognition (Continued)**

(b) Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

(c) Customer Loyalty Program

The Company operates a customer loyalty program. The Loyalty Program allows customers to accumulate rewards points on their travel spending as per the scheme. The points give rise to a performance obligation as it entitles customers for redemption as settlement of future purchase transaction price.

Consideration received is allocated between the sale of travel packages and contractual liability for points issued.

Consideration allocated to reward points as a contractual liability is deferred and recognized when points are redeemed or when the points are expired.

Consideration allocated to reward points is deferred and recognized when points are redeemed or when the points are expired. Reward points are redeemable by the customers in the future periods for booking either holiday, flight or hotel with the Company. Revenue against the reward points is recognised when redeemed by the customers for travel bookings with the Company. Reward points which remain unredeemed at the time of expiry of such points are recognized as revenue.

1B.5 **Taxes on income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The company offsets the current tax assets as against the liability for provision for tax.

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1B.5 **Taxes on income (Continued)**

(b) Deferred tax:

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred taxes on items classified under Other comprehensive income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

1B.6 **Leases**

The company as a lessee

The company's lease asset classes primarily consist of leases for buildings, vehicles and office equipment's. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:
(1) the contract involves the use of an identified asset
(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a "Right of Use" ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any remeasurement of the lease liability.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

The company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

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1B.7 **Impairment of assets**

(a) Financial assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(b) Non financial assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a cash generating unit (CGU) is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1B.8 **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

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1B.9 **Financial instruments**

(a) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the statement of profit and loss, except for financial instruments carried at amortized cost, where transaction costs are adjusted in the amortized cost of the asset.

(b) Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(i) Measured at amortized cost: Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortized cost using the effective interest rate ('EIR') method, less impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. On derecognition, gain or loss, if any, is recognised in the statement of profit and loss.

(ii) Measured at fair value through other comprehensive income : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value (except for investment in subsidiaries). Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(c) Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 1B.7(b). On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(d) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Company has retained.

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1B.9 **Financial instruments (Continued)**

Financial liabilities

(a) Initial recognition and measurement:
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

(b) Subsequent measurement:
Financial liabilities are subsequently measured at amortized cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(c) Derecognition:
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1B.10 **Property, plant and equipment**

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the statement of profit and loss.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life

Assets	Estimated useful life (in years)
Furniture and Fixtures	5
Office Equipment's (including air conditioners)	3
Vehicles	5
Computer hardware	3

Leasehold Improvements are amortised over the period of the lease or useful life of the asset whichever is lower.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

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1B.10 **Property, plant and equipment (Continued)**

Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.
The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

(i) Goodwill

Goodwill on business combination is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or company's of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or company's of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs those are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:
- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Computer software
Amortisation methods and periods:

Assets	Estimated useful Life (in years)
Software	3-4

1B.11 **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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Notes to the financial statements

for the year ended March 31, 2025
(All amounts in Rs. Millions, unless otherwise stated)

1B.12 **Provisions and contingent liabilities**

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.
Contingent assets are neither recognised nor disclosed in the financial statements.

1B.13 **Other income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Facility support income, group resource income and management fees is recognised on accrual basis over the period of agreement.

1B.14 **Employee benefits**

(a) Post employment benefits:

(i) Defined contribution plans
The Company's provident fund contribution paid / payable under the recognised provident fund scheme and the employees' state insurance contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. These benefits are discounted to determine its present value, and the fair value of any plan assets is deducted therefrom.

Contribution to Gratuity is based on the requirement of the trust with whom the Company maintains the fund balance. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or assets is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

(b) Short-term employee benefit

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, e.g. salaries, short term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount can be estimated reliably.

(c) Compensated absences
As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

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1B.14 **Employee benefits (Continued)**

(d) Employee stock options :

The grant-date fair value of share-based payment awards – i.e. stock options – granted to employees is recognised as personnel expenses, with a corresponding increase in Equity, over the period in which the employees become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

1B.15 **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1B.16 **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

1B.17 **Business Combination**

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

1B.18 **Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-contractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

1B.19 **Critical Accounting Estimates and Judgments**

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates and judgments are:
-Useful life of property, plant & equipment
-Estimated useful life of intangible asset
-Estimated goodwill impairment
-Leases
-Impairment of investment
-Estimation of Defined Benefit Obligation
-Recognition of deferred tax assets for carried forward unabsorbed depreciation/ loss
-Recognition and measurement of provision and contingencies
-Fair value of financial instruments
-Impairment of trade receivables

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1B.20 **Current / Non Current Classification**

All assets and liabilities are classified into current and non-current:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

1B.21 **Change in accounting policies and disclosures**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure ments of Accounting Policies - Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12,there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

1B.22 **Recent accounting pronouncement**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Note-2 Property, plant and equipment

	Computer hardware	Leasehold Improvements	Furniture and Fixtures	Office Equipment	Total
	Amount	Amount	Amount	Amount	Amount
Gross Block					
As at 1 April 2024	**45.89**	**17.26**	**10.12**	**10.58**	**83.85**
Additions during the year	**51.71**	**2.27**	**1.86**	**1.28**	**57.12**
Disposals during the year	**0.46**	**0.17**	**0.42**	**3.46**	**4.51**
Gross carrying value as of 31 March 2025	**97.14**	**19.36**	**11.56**	**8.40**	**136.46**
Accumulated depreciation as of 1 April 2024	**23.50**	**11.92**	**8.31**	**10.01**	**53.74**
Depreciation charge during the year	**19.03**	**3.00**	**1.13**	**0.83**	**23.99**
Deduction on disposals during the year	**0.46**	**0.16**	**0.41**	**3.46**	**4.49**
Accumulated depreciation as of 31 March 2025	**42.07**	**14.76**	**9.03**	**7.38**	**73.24**
Carrying value as of 31 March 2025	**55.07**	**4.60**	**2.53**	**1.02**	**63.22**
	Amount	Amount	Amount	Amount	Amount
Gross Block					
As at 1 April 2023	67.08	18.64	10.64	16.13	112.49
Additions during the year	15.17	0.50	0.23	0.09	15.99
Disposals during the year	36.36	1.88	0.75	5.64	44.63
Gross carrying value as of 31 March 2024	45.89	17.26	10.12	10.58	83.85
Accumulated depreciation as of 1 April 2023	49.01	10.53	7.24	15.12	81.90
Depreciation charge during the year	10.85	3.24	1.82	0.53	16.44
Deduction on disposals during the year	36.36	1.85	0.75	5.64	44.60
Accumulated depreciation as of 31 March 2024	23.50	11.92	8.31	10.01	53.74
Carrying value as of 31 March 2024	22.39	5.34	1.81	0.57	30.11

Note-2.1 Right of use Assets

	31 March 2025 Amount Buildings	31 March 2024 Amount Buildings	31 March 2025 Amount Vehicles	31 March 2024 Amount Vehicles
Gross carrying value as at beginning	**253.14**	315.27	**6.23**	3.85
Additions during the year	**91.53**	5.10	**4.50**	2.38
Disposals during the year	**65.21**	67.23	-	-
Gross carrying value as at year end	**279.46**	253.14	**10.73**	6.23
Accumulated amortisation as at beginning	**148.34**	167.91	**1.85**	0.57
Amortisation charge during the year	**51.85**	45.43	**2.48**	1.28
Deduction on disposals during the year	**65.21**	65.00	-	-
Accumulated amortisation as at year end	**134.98**	148.34	**4.33**	1.85
Net Carrying value as at year end	**144.48**	104.80	**6.40**	4.38

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Notes to the financial statements (Continued)

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(All amount in Rs Millions, unless otherwise stated)

Note-2.2 Lease liabilites

	31 March 2025	31 March 2024
The following is the movement in lease liabilities during the year	**Amount**	Amount
Balance as at beginning	**127.55**	166.41
Additions	**96.03**	7.48
Disposal	-	(2.22)
Adjustments	-	(0.03)
Interest on lease liabilities	**14.09**	12.31
Payment of lease liabilities	**(64.98)**	(56.40)
Lease rent waiver	-	-
Balance as at year end	**172.69**	**127.55**
Classification as		
Non current	**120.17**	84.66
Current	**52.52**	42.88
	172.69	127.54

Note: - Below are the contractual maturities of lease liabilities on an undiscounted basis:

Less than one year	**64.39**	51.67
Between one and five years	**112.69**	93.67
More than five years	**29.42**	-
	206.50	145.34
Rental expense recognised for short-term leases for the year ended	**53.37**	55.88
Rental expense recognised for low value leases (other than short term as disclosed above) for the year ended	-	-
Expenses related to short team leases and low value leases	**53.37**	55.88

Amounts recognised in profit or loss

Lease under IND AS 116		
Interest on lease liabilities (Refer note 26)	**14.09**	12.31
Depreciation on right-of-use assets	**54.33**	46.71
	68.42	59.02
Amount recognized in Statement of Cash Flow		
Repayment of Lease liabilities-Principal amount	**50.89**	44.09
Repayment of Lease liabilities-Interest amount	**14.09**	12.31
	64.98	56.40

Extension options

The lease contracts of the company contain extension/renewal options which are exercisable only by the Company and not by the lessors. The Company includes in its lease term such extension/renewal options that the Company is reasonably certain to exercise. If the lease is extended beyond the renewal term, then the lease rentals will be mutually agreed between the parties based on the fair value of lease rent at the time of extension.

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Note-2.3 Intangibles

	Goodwill Amount	Computer Software Amount	Assets Under development Amount	Total Amount
Gross carrying value as at 1 April 2024	**26.85**	**85.76**	**-**	**112.61**
Additions during the year	-	**13.54**	-	**13.54**
Disposals during the year	-	-	-	-
Gross carrying value as at 31 March 2025	**26.85**	**99.30**	**-**	**126.15**
Accumulated amortization as at 1 April 2024	-	**70.34**	-	**70.34**
Amortization charge during the year	-	**12.19**	-	**12.19**
Deduction on disposals during the year	-	-	-	-
Accumulated amortization as at 31 March 2025	-	**82.53**	-	**82.53**
Net Carrying value as at 31 March 2025	**26.85**	**16.77**	-	**43.62**
Gross carrying value as at 1 April 2023	26.85	73.29	0.71	100.84
Additions during the year	-	12.47	-	12.47
Disposals during the year	-	-	0.71	0.71
Gross carrying value as at 31 March 2024	26.85	85.76	-	112.61
Accumulated amortization as at 1 April 2023	-	60.71	-	60.71
Amortization charge during the year	-	9.63	-	9.63
Deduction on disposals during the year	-	-	-	-
Accumulated amortization as at 31 March 2024	-	70.34	-	70.34
Net Carrying value as at 31 March 2024	26.85	15.42	-	42.27

Nature of Goodwill

Goodwill recognised on the acquisition of the residual business of Kuoni Business Travel.

Impairment testing of Goodwill

For the purposes of impairment testing, Goodwill has been allocated as follows:

	As at 31 March 2025	As at 31 March 2024
Acquisition of the business travel division	**26.85**	26.85
	26.85	26.85

The recoverable amount was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

'The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	As at 31 March 2025	As at 31 March 2024
Discount rate per annum	**8.55%**	7.85%
Terminal value growth rate per annum	**5%**	5%
Budgeted EBITDA growth rate (average of next 2 years) per annum	**5%**	5%

The discount rate is post tax measure estimated based on the historical industry average weighted-average cost of capital, with the possible no debt leveraging and internal rate of return of 8.55% approximately.

The recoverable amount of Goodwill has been calculated using the discounted cash flow method.

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	31 March 2025 Amount	31 March 2024 Amount
Note 3		
Investments		
A. Investments in subsidiary company		
I. Investments in Equity Shares at amortised cost(unquoted)		
2,108,000 (31 March 2024: 2,108,000) equity shares of USD 1 each, fully paid-up, of Travel Circle International (Mauritius) Limited.	136.08	136.08
	136.08	136.08
II. Investments in preference shares at amortised cost (unquoted)		
11,600,000 (31 March 2024: 11,600,000) 6% Optionally Convertible Redeemable Preference Shares of USD 1 each, fully paid-up, of Travel Circle International (Mauritius) Limited.	748.85	748.85
	748.85	748.85
	884.93	884.93
Less : Impairment loss	-	-
	884.93	884.93
Aggregate book value of unquoted non-current investments	884.93	884.93
Extent of equity interest in subsidiary:		
Travel Circle International (Mauritius) Limited	51%	51%
Note 4		
Other financial assets (non-current)		
(Unsecured)		
Security deposits		
Considered good	29.89	28.73
Credit impaired	8.74	10.30
	38.63	39.03
Less : Loss allowance	(8.74)	(10.30)
	29.89	28.73
Fixed deposit accounts with original maturity more than twelve months*	1.92	-
*All the above FD are lien against margin money deposits.		
	31.81	28.73
Note 5		
Income taxes		
A. The major component of income tax expenses are as under:		
(i) Income tax expenses consist of following :		
Current tax		
In respect of current year	-	-
Changes in estimates related to previous year	-	-
Deferred tax		
Decrease in deferred tax assets	84.73	219.22
Income Tax expense recognised in statement of profit and loss	84.73	219.22
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	(2.79)	(1.50)
Income tax expense recognised in OCI	(2.79)	(1.50)
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit before tax	341.24	275.02
Tax using the Company's domestic tax rate *	85.88	69.22
Tax effect of:		
Effect of Income taxable at differential rate	-	151.74
Others	(1.15)	(1.74)
Total	84.73	219.22
Deferred tax recognised in Other Comprehensive Income	(2.79)	(1.50)
Tax expense as per Statement of Profit and Loss	81.94	217.72

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Note 5

Income taxes (Continued)

C. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	Balance as on 31 March 2024	Recognised in profit or loss	Recognised in OCI	Net Balance as on 31 March 2025
Deferred tax Asset/(Liabilities)				
Property, plant and equipment	11.18	2.35		13.53
Employee benefits	27.82	3.16	2.79	33.77
Tax losses	260.99	(84.76)		176.23
Provisions	21.00	(5.48)		15.52
Deferred tax Assets /(Liabilities)	320.99	(84.73)	2.79	239.05

	Balance as on 31 March 2023	Recognised in profit or loss	Recognised in OCI	Net Balance as on 31 March 2024
Deferred tax Asset/(Liabilities)				
Property, plant and equipment	12.29	(1.11)		11.18
Employee benefits	30.39	(4.06)	1.50	27.82
Tax losses	465.42	(204.43)		260.99
Provisions	30.62	(9.62)		21.00
Deferred tax Assets /(Liabilities)	538.71	(219.22)	1.50	320.99

	31 March 2025 Amount	31 March 2024 Amount
D. Deferred tax reflected in balance sheet as follows:		
Deferred tax Assets	239.05	320.99
Deferred tax Liabilities	-	-
Deferred tax Assets (net)	239.05	320.99

*In the previous year, the Company opted for the New Tax Regime under Section 115BAA of the Income-tax Act, 1961. Under the New Tax Regime, the provisions of Section 115JB relating to Minimum Alternate Tax (MAT) are no longer applicable.

As a result of this transition, the net tax charge for the financial year 2023–24 was higher by ₹151.74 million. Consequently, the total tax expense recognized for the year ended 31 March 2024 includes a net impact of ₹219.22 million.

Accordingly, the tax expense for the current year is not comparable with the tax expense reported for the previous year.

Note 6

Income tax Asset

Advance tax (net of provision of Tax)	365.06	229.89
	365.06	229.89

Note 7

Current Investments

Investments in mutual funds (quoted)

(Carried at fair value through profit or loss)

50,755.11 (31 March 2024: Nil) units of ABSL Money Manager Fund - Growth-Direct Plan at Rs.1381.1229 (31 March 2024: Rs Nil)	70.10	-
	70.10	-

Notes:

Aggregate amount of quoted investments and market value thereof	70.10	-

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Note 8

Trade receivables

Trade receivables considered good - unsecured	**470.09**	466.38
Trade receivables credit impaired	**6.83**	24.95
	476.92	491.33
Less :- Impairment loss allowance	**(6.83)**	(24.95)
	470.09	466.38
Trade, Other Receivables and Other Current Assets includes:		
Dues from related parties - considered good [refer Note 38]	**68.71**	19.90
Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	**24.95**	30.45
Changes in loss allowance during the year	**(18.12)**	(5.50)
Balance at the end of the year	**6.83**	24.95

As at 31st March 2025	**Outstanding for following periods from due date of payment**					
	Less than 6 Months	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables - Considered Good	**462.02**	**7.64**	**0.38**	**0.04**	**-**	**470.09**
Undisputed Trade Receivables - Credit Impaired	**-**	**-**	**2.90**	**0.15**	**3.78**	**6.83**

As at 31st March 2024	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	431.00	26.31	5.85	0.00	3.22	466.38
Undisputed Trade Receivables - Credit Impaired	-	-	3.75	1.30	19.90	24.95

	31 March 2025 Amount	31 March 2024 Amount
Note 9		
Cash and cash equivalents		
Balance with banks :		
in current account	**153.32**	170.81
--in deposit accounts (with original maturity of three months or less)	**200.00**	130.00
Cash on hand	**-**	-
	353.32	300.81
Note 10		
Bank Balances other than cash and cash equivalents		
Short term deposits (Original maturity more than 3 months and less than 12 months)	**-**	-
	-	-

Deposit balances (including those disclosed under other financial assets (non-current) in Note 4) include fixed deposits under lien aggregating to Rs.1.92 Mn (31 March 2024: Rs Nil).

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Note 11
Other financial Assets (current)
(Unsecured)

Security deposits		
Considered good	12.21	31.77
Credit impaired	14.14	14.14
	26.35	45.91
Less :- Impairment loss allowance	(14.14)	(14.14)
	12.21	31.77
Other receivables		
Considered good	206.63	180.16
Credit impaired	0.88	1.03
	207.51	181.19
Less :- Loss allowance	(0.88)	(1.03)
	206.63	180.16
Interest accrued but not due on fixed deposits with banks	0.09	0.06
	218.93	211.99

Note 12	**31 March 2025 Amount**	31 March 2024 Amount
Other current Assets		
Prepaid expenses	24.48	15.85
Balances with government Authorities	17.45	41.57
(Net of provision of GST recoverable Rs. 28.59 for March 2025 and Rs. 47.52 for March 2024)		
Advance to vendors		
Considered good	739.53	803.00
Credit impaired	21.47	21.47
	761.00	824.47
Less :- Loss allowance	(21.47)	(21.47)
	739.53	803.00
Staff advance		
Considered good	14.91	20.48
Credit impaired	9.59	11.54
	24.50	32.02
Less :- Loss allowance	(9.59)	(11.54)
	14.91	20.48
	796.37	880.90

Advance to vendors includes :

Advance to related party - Unsecured, Considered good [refer note 38]	-	-
Advance to related party - Unsecured, Considered doubtful [refer note 38]	7.40	7.40

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Notes to the financial statements *(Continued)*

as at 31 March 2025

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Note 13

Equity Share Capital

Authorised :		
10,000 (31 March 2024: 10,000) Equity Shares of Rs 10 each.	**0.10**	0.10
Issued, subscribed and fully paid up:		
10,000 (31 March 2024: 10,000) Equity Shares of Rs 10 each, fully paid-up.	**0.10**	0.10
	0.10	0.10

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2025		31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of face value of Rs 10 each, fully paid-up				
At the commencement of the year	**10,000**	**0.10**	10,000	0.10
Addition during the year	-	-	-	-
Outstanding at the end of the year	**10,000**	**0.10**	10,000	0.10

B. Rights , preferences and restrictions attached to Equity Shares

Equity shares of face value of Rs 10 each fully paid-up

The Company has a single class of Equity Shares having face value of Rs 10 each. Accordingly, Equity Shares shall rank pari passu with regard to dividends and share in the Company's residual assets after distribution of all preferential amounts, if any. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an Equity Shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of Equity Shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of Equity Shares held by them.

C. Shares held by Holding Company / Ultimate Holding Company / Subsidiaries of Holding Company

	31 March 2025		31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity Shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company') including its nominees	**10,000**	**0.10**	10,000	0.10
	10,000	**0.10**	10,000	0.10

D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2025		31 March 2024	
	No. of shares	% of total shares	No. of shares	% of total shares
Equity Shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	**10,000**	**100**	10,000	100

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

None

	31 March 2025	31 March 2024
	Amount	Amount
Note 14		
Other Equity		
Optionally Convertible Non -Cumulative Redeemable Preference Shares	**860.00**	860.00
Retained earnings	**(550.27)**	(806.78)
Capital reserve arising out of Amalgamation	**63.80**	63.80
Capital Redemption Reserve	**140.00**	140.00
Other Comprehensive Income	**(1.83)**	6.48
Employee share option outstanding account	**94.64**	94.64
	606.34	358.14

Notes:-

(i) Optionally Convertible Non -Cumulative Redeemable Preference Shares

Authorised :		
106,000,000 (31 March 2024: 106,000,000) 0.01% Optionally Convertible Non -Cumulative Redeemable Preference Shares of Rs. 10 each.	**1,060.00**	1,060.00
Issued, subscribed and fully paid up:		
86,000,000 (31 March 2024: 86,000,000) 0.01% Optionally Convertible Non -Cumulative Redeemable Preference Shares of Rs. 10 each.	**860.00**	860.00
	860.00	860.00

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2025		31 March 2024	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up				
Opening	**86,000,000**	**860.00**	86,000,000	860.00
Redemption during the year	-	-	-	-
Outstanding at the end of the year	**86,000,000**	**860.00**	86,000,000	860.00

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B. Rights , preferences and restrictions attached to equity and preference shares

0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up (Preference Shares)

The Company has a single class of preference shares having par value of Rs 10 per share. These preference shares are issued in consideration of the slump exchange of Outbound Business Division of SOTC Travel Services Private Limited to the Company as contemplated in the Composite Scheme of arrangement and amalgamation, The Company has issued 100,000,000 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs.10/- each to Travel Corporation (India) Limited, as the residual of SOTC Travel Services Private Limited (i.e. post segregation of Outbound Business Division) is amalgamated into Travel Corporation (India) Limited. Preference shares outstanding at the end of 20 years i.e. 31 July 2037, shall be converted into equity shares as per the conversion ratio of 1 preference shares of Rs. 10/- each into one equity share of Rs. 10/- each. The holders of these shares are entitled to Non-Cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders. where dividend is not declared in respect of a financial year in the case of Non-Cumulative Preference Shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

In FY 2018-2019, pursuant to provisions of Section 55 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Company redeemed 14,000,000 0.01 % Preference Shares of Rs 10/- each at par aggregating to Rs 140 Mn, out of the profits of the Company and sum equal to the nominal amount of the Preference Shares so redeemed was transferred to the Capital Redemption Reserve.

C. Shares held by Holding Company / Ultimate Holding Company / Subsidiaries of Holding Company

	31 March 2025		31 March 2024	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up by:				
*Thomas Cook (India) Limited (w.e.f. 25 November 2019)	**86,000,000**	**860.00**	86,000,000	860.00
	86,000,000	**860.00**	86,000,000	860.00

*Pursuant to the National Company Law Tribunal (NCLT) Order dated 10th October 2019, the Composite Scheme of Arrangement & Amalgamation amongst TC Forex Services Limited [TCF] and Travel Corporation (India) Limited [TCI] and TC Travel Services Limited [TCTSL] and SOTC Travel Management Private Limited [SOTC TRAVEL] and Thomas Cook (India) Limited [TCIL] and Quess Corp Limited and their respective shareholders (the Scheme) has become effective from 25th November, 2019. As part of the Scheme/arrangement, the Inbound Business of TCI has demerged into SOTC TRAVEL and the residual business of TCI has been merged, along with the other wholly owned subsidiaries viz TCTSL and TCF, with TCIL. TCI ceased to exist w.e.f. 25th November, 2019 and residual business of TCI has been merged with TCIL.

Pursuant to above, 0.01% Non-Cumulative Optionally Convertible Redeemable Preference Shares (OCRPS) held by TCI in the Company are held by TCIL w.e.f. 25th November, 2019.

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D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2025		31 March 2024	
	No. of shares	% of total shares	No. of shares	% of total shares
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up by:				
Thomas Cook (India) Limited	**86,000,000**	**100.00**	86,000,000	100.00

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:
100,000,000, 0.01% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each, were issued by the Company pursuant to the composite scheme of arrangement and amalgamation in the Financial year ended 2017-2018

In FY 2018-2019, pursuant to provisions of Section 55 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Company redeemed 14,000,000 0.01 % Preference Shares of Rs 10/- each at par aggregating to Rs 140 Mn, out of the profits of the Company and sum equal to the nominal amount of the Preference Shares so redeemed was transferred to the Capital Redemption Reserve.

	31 March 2025 Amount	31 March 2024 Amount
ii. Capital Reserve		
Opening Balance	**63.80**	63.80
Closing Balance	**63.80**	63.80
Nature and Purpose of Reserves:-		
The reserve created pursuant to Composite Scheme of Arrangement and Amalgamation.		
iii. Capital Redemption Reserve		
Opening Balance	**140.00**	140.00
Closing Balance	**140.00**	140.00
Nature and Purpose of Reserves:-		
The reserve created out of profits in event of redemption of Optionally Convertible Non-Cumulative Redeemable Preference Shares.		
iv. Retained Earnings		
Opening Balance	**(806.78)**	(862.58)
Add : Net Loss for the year	**256.51**	55.80
Closing Balance	**(550.27)**	(806.78)
v. Other comprehensive income		
Opening Balance	**6.48**	6.84
Add : Other Comprehensive Income/(loss) for the year, net of tax	**(8.31)**	(0.36)
Closing Balance	**(1.83)**	6.48
vi. Employee Share Option Outstanding Account [refer Note 37]		
Opening Balance	**94.64**	96.68
Add : Charge for the year [refer Note 37]	**-**	(2.04)
Closing Balance	**94.64**	94.64
Nature and Purpose of Reserves:-		
The Company has established an equity-settled share-based payment plans for certain categories of employees of the Company. The shares of the holding Company are issued under the ESOP Scheme to the employees of the Company.		
Note 15		
Long term borrowings		
(Secured)		
Term Loan from bank	**67.61**	101.16
	67.61	101.16
Assets pledged as a security		
The carrying amounts of assets pledged as security for current and non-current borrowings are:		
Current assets		
(a) Financial assets		
(i) Trade receivables	**470.09**	466.38
(ii) Cash and cash equivalents	**353.32**	300.81
(iii) Bank balances other than cash and cash equivalents	**-**	-
(v) Other financial assets	**218.93**	211.99
(b) Other current assets	**796.37**	880.90
	1,838.71	1,860.08

The Company received loan amounting to Rs. 81.99 Mn in FY 2021-22 and Rs. 36.71 Mn in FY 2022-23 (net of processing fees/stamp duty) from HDFC Bank Limited which is secured by way of second ranking charge over existing primary and collateral securities including mortgages, if any, created in the favor of bank and security created over the assets of the borrower purchased out of this facility. The applicable rate of interest as on balance sheet date is 9% p.a. (31 March 2024 - 9% p.a.) However, the applicable interest rate shall change in accordance with every reset/ change of the reference rate or change of spread by the bank. Duration of the loan is 72 month and is repayable in 48 monthly installments after a moratorium period of 24 months. Interest to be serviced on a monthly basis.

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	31 March 2025 Amount	31 March 2024 Amount
Note 16		
Other financial liabilities		
Lease liabilities [refer Note 2.2]	**120.17**	84.66
	120.17	84.66
Note 16 a		
Other financial liabilities - Current		
Lease liabilities - Current [refer Note 2.2]	**52.52**	42.88
	52.52	42.88
Note 17		
Provisions		
Provision for employee benefits - (non current)		
Provision for Gratuity [refer Note 36]	**61.74**	53.25
	61.74	53.25
Note 18		
Borrowings		
Current portion of long term borrowing	**34.73**	27.57
	34.73	27.57
Note 19		
Trade payables		
Total outstanding dues of Micro and Small enterprises [refer Note 33]	**14.57**	7.62
Total outstanding dues of creditors other than Micro and Small enterprises	**996.89**	1,219.83
	1,011.46	1,227.45

As at 31st March 2025	**Outstanding for following periods from due date of payment**					
	Unbilled	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of MSME	**14.31**	**0.26**	**-**	**-**	**-**	**14.57**
Total outstanding dues of creditors other than MSME	**-**	**858.55**	**85.11**	**24.85**	**28.39**	**996.89**

As at 31st March 2024	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of MSME	7.62	-	-	-	-	7.62
Total outstanding dues of creditors other than MSME	-	1,080.86	84.42	24.88	29.67	1,219.83

	31 March 2025 Amount	31 March 2024 Amount
Note 20		
Other financial liabilities (current)		
Security deposits	**6.16**	6.45
Others	**1.30**	5.56
	7.46	12.01
Note 21		
Provisions		
Provision for employee benefits - current		
Gratuity [refer note 36]	**19.27**	10.13
Compensated absences [refer Note 36]	**9.54**	7.68
	28.81	17.81
Note 22		
Other current liabilities		
Revenue received in advance	**3.65**	5.30
Advance collected from customers	**1,547.37**	1,432.04
Contractual Liabilities	**18.13**	2.07
Accrued salary and benefits	**44.44**	53.22
Balances due to government authorities	**82.85**	88.52
	1,696.44	1,581.15

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Mumbai - 400 063

Notes to the financial statements (Continued)

for the year ended 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Note 23	31 March 2025 Amount	31 March 2024 Amount
Revenue from operations		
Travel and related Services	10,637.95	9,491.40
Total Revenue from operations	10,637.95	9,491.40
Other operating revenue		
Marketing fees and other incentive income	230.55	220.31
Unclaimed credit balances no longer required, written back	49.09	83.04
Other miscellaneous operating income	232.30	96.09
	511.94	399.44
	11,149.89	9,890.84

IND AS 115 'Revenue from Contracts with Customers'

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss

Revenue from contract with customers		
Travel and related Services	10,637.95	9,491.40
Total Revenue from contract with customers	10,637.95	9,491.40

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

Revenue based on geography		
Revenue from contract with customers		
India	10,302.89	9,101.53
Overseas	335.06	389.87
	10,637.95	9,491.40
Revenue based on product and services		
Revenue from contract with customers		
Travel and related Services	10,637.95	9,491.40
Total Revenue from operations	10,637.95	9,491.40

iii) Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards leisure tour / holiday's packages. Revenue on leisure tours / holiday's packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

Advances collected from customers	1,547.37	1,432.04
Total	1,547.37	1,432.04

Note 24		
Other income		
Interest Income under the effective interest method on-		
Bank deposits	4.48	1.91
Others	0.38	2.54
Net foreign Exchange difference	-	5.72
Gain on sale proceeds of current investments measured at FVTPL	2.66	-
Interest on tax refunds	-	0.57
Profit on Sale of PPE	0.66	0.03
Profit on closure of lease	-	0.03
Miscellaneous income	0.21	0.30
	7.79	11.10

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Notes to the financial statements (Continued)

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	31 March 2025 Amount	31 March 2024 Amount
Note 25		
Employee benefits expense		
Salaries and other allowances	**738.36**	668.51
Contribution to provident fund and other funds	**41.05**	35.87
Compensated absences	**1.85**	0.43
Empolyee share based payment expenses (refer Note 37)	**-**	(1.26)
Stock options expenses (refer Note 37)	**-**	(0.77)
Staff welfare expense	**60.80**	46.80
	842.06	749.58
Note 26		
Finance costs		
Interest and finance charges on Financial Liabilities		
-- Interest on Term loan	**10.63**	12.68
-- Interest on Lease liabilities	**14.09**	12.31
-- Interest on bank over draft	**0.25**	2.02
-- Others Financials liabilities	**2.42**	8.44
-- Bank charges	**6.13**	5.87
	33.52	41.32
Note 27		
Other expenses		
Legal and professional charges	**214.67**	187.87
Advertisement and publicity	**173.13**	159.72
Operational lease rentals	**53.37**	55.88
Repairs and maintenance – others	**71.25**	61.97
Net foreign Exchange difference	**17.39**	-
Communication expenses	**24.22**	23.79
Travelling expenses	**29.66**	31.46
Electricity charges	**13.38**	11.68
Rates and taxes	**3.51**	2.81
Printing and stationery expenses	**2.33**	3.57
Directors commission and sitting fees	**5.10**	4.50
Insurance expenses	**4.05**	2.94
Subscription fees	**3.38**	2.41
Provision for doubtful debts and deposits	**(21.78)**	(4.20)
Bad debts and advance written off	**27.84**	14.12
Payment to auditors (refer Note below 27 (a))	**6.98**	6.34
Miscellaneous expenses	**5.92**	0.46
	634.40	565.32
Note 27 (a)		
Payment to Auditors		
Statutory Audit fee	**5.96**	5.43
Tax Audit fee	**0.38**	0.33
Certification fee	**0.08**	0.07
Re-imbursement of expenses	**0.56**	0.51
	6.98	6.34
Note 28		
Exceptional item	**-**	-
	-	-
Note 29		
Earnings per share (EPS)		
A. Net profit for the year attributable to Equity Shareholders	**256.51**	55.80
B. Weighted average number of Equity Shares outstanding during the year	**10,000**	10,000
C. Basic earnings per share (A/B) (Rs)	**25,650.54**	5,580.09
D. Preference shares (numbers)	**86,000,000**	86,000,000
E. Diluted earnings per share [A/(B+C)]	**2.98**	0.65

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Notes to the financial statements (Continued)

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Note 30

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below:

as at 31 March 2025

	Carrying amount				Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVTOCI	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value								
Trade receivables	-	-	470.09	470.09	-	-	-	-
Cash and cash equivalents	-	-	353.32	353.32	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-
Loans								
- Current	-	-	-	-	-	-	-	-
Other financial assets								
- Non-current (Security deposits)	-	-	29.89	29.89	-	29.89	-	29.89
- Non-current (Others)	-	-	1.92	1.92	-	-	-	-
- Current	-	-	218.93	218.93	-	-	-	-
	-	-	1,074.14	1,074.14	-	29.89	-	29.89
Financial liabilities not measured at fair value								
Non current Borrowings	-	-	67.61	67.61	-	67.61	-	67.61
Current Borrowings (Including Bank Overdraft)	-	-	34.73	34.73	-	34.73	-	34.73
Trade payables	-	-	1,011.46	1,011.46	-	-	-	-
Lease liabilities								
- Non current	-	-	120.17	120.17	-	-	-	-
- Current	-	-	52.52	52.52	-	-	-	-
Other financial liabilities								
- Current	-	-	7.46	7.46	-	-	-	-
Total financial liabilities	-	-	1,293.96	1,293.96	-	102.34	-	102.34

as at 31 March 2024

	Carrying amount				Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVTOCI	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value								
Trade receivables	-	-	466.38	466.38	-	-	-	-
Cash and cash equivalents	-	-	300.81	300.81	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-
Loans								
- Current	-	-	-	-	-	-	-	-
Other financial assets								
- Non-current (Security deposits)	-	-	28.73	28.73	-	28.73	-	28.73
- Non-current (Others)	-	-	-	-	-	-	-	-
- Current	-	-	211.99	211.99	-	-	-	-
	-	-	1,007.91	1,007.91	-	28.73	-	28.73
Financial liabilities not measured at fair value								
Non current Borrowings	-	-	101.16	101.16	-	101.16	-	101.16
Current Borrowings (Bank Overdraft)	-	-	27.57	27.57	-	27.57	-	27.57
Trade payables	-	-	1,227.45	1,227.45	-	-	-	-
Lease liabilities								
- Non current	-	-	84.66	84.66	-	-	-	-
- Current	-	-	42.88	42.88	-	-	-	-
Other financial liabilities								
- Current	-	-	12.01	12.01	-	-	-	-
Total financial liabilities	-	-	1,495.73	1,495.73	-	128.73	-	128.73

Note: The above excludes investments in Subsidiary amounting to Rs.884.93 (previous year Rs. 884.93)

The company has not disclosed the fair value of financials instrument such as trade receivables , trade payables, etc. because their carrying amount are a reasonable approximation of fair value.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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Note 30 (Continued)
Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values
Valuation techniques and significant unobservable inputs
The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Borrowings	Discount rate to fair value of financials assets and liabilities at amortised cost is based on general lending rate.	Not applicable	Not applicable

Transfers between Levels
There were no transfers in either direction in any of the reporting periods

C. Financial risk management
The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. Credit risk primarily arises from financial assets such as trade receivables, Investment in mutual funds, derivative financials instruments , balance with banks and other receivables.

Credit risk arising from investment in mutual funds,derivative financials instruments and balance with banks is limited because the counterparties are bank and recognised financials institution with high credit ratings.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk in limited due to the fact that the customer base is large.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

	31 March 2025	31 March 2024
Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	**24.95**	30.45
Addition during the period	-	-
Changes in loss allowance during the year	**(18.11)**	(5.50)
Balance at the end of the year	**6.84**	24.95

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Notes to the financial statements (Continued)

for the year ended 31 March 2025

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Note 30 (Continued)
Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital is sufficient to meet its current requirements, accordingly no liquidity risk is perceived.

Financing arrangements	**31 March 2025**	**31 March 2024**
Particulars		
Fixed Long Term loan - Emergency Credit Line Guarantee Scheme	**102.34**	128.73
	102.34	128.73

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

as at 31 March 2025	**Contractual cash flows**				
	Carrying amount	**Total**	**Less than 1 year**	**1yr to 2 yrs.**	**more than 2 yrs.**
Non-derivative financial liabilities					
Borrowings	**102.34**	**102.56**	**34.85**	**34.85**	**32.86**
Trade payables	**1,011.46**	**1,011.46**	**1,011.46**	**-**	**-**
Lease liabilities	**172.69**	**206.50**	**64.39**	**49.95**	**92.17**
Other financial liabilities	**7.46**	**7.46**	**7.46**	**-**	**-**
	1,293.96	**1,327.99**	**1,118.17**	**84.80**	**125.03**

as at 31 March 2024	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1yr to 2 yrs.	more than 2 yrs.
Non-derivative financial liabilities					
Borrowings	128.73	129.10	27.73	34.85	66.52
Trade payables	1,227.45	1,227.45	1,227.45	-	-
Lease liabilities	127.54	145.33	51.67	44.12	49.54
Other financial liabilities	12.01	12.01	12.01	-	-
	1,495.73	1,513.89	1,318.85	78.97	116.06

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its payables to foreign vendors in various foreign currency. The functional currency of the Company is Indian Rupee. However the Company has natural hedge, the collection from its customer is in equivalent INR which converts in various required currency and park it in SPFC (Special Purpose Foreign Currency) account and release the payment to its vendor as and when payable.

The Company enters into foreign currency transactions in the Leisure Travel Outbound businesses. In the Leisure Travel Outbound business, package prices are denominated partly in the functional currency of the Company, Indian Rupees (INR), and partly in foreign currencies. The portion of customer collection in foreign currencies, which is parked in SPFC (Special Purpose Foreign Currency) accounts, is used to pay off vendor liabilities, denominated in foreign currencies, thereby creating a natural hedge. As a result, the risk related to foreign currency exchange rate fluctuation is insignificant.

Risk starts on the day of tour launch, when price is fixed in foreign currency. Tour price is collected around 15 days/ 1 month in advance and kept in SPFC account to meet payment obligations to Foreign Service providers.

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Note 30 (Continued)

Financial instruments – Fair values and risk management (continued)

Exposure to currency risk (Exposure in different currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at 31 March 2025 is as below:

as at 31 March 2025 — **Amount in Rs. Millions**

	USD	EUR	GBP	Others
Financial Assets				
Cash and cash equivalents	**39.97**	**22.06**	**2.49**	**127.19**
Non-current investments				
Current investments				
Other receivables including advances	**241.17**	**268.54**	**55.97**	**317.60**
	281.14	**290.60**	**58.46**	**444.79**
Financial Liabilities				
Trade and other payables	**367.39**	**261.99**	**22.94**	**428.44**
	367.39	**261.99**	**22.94**	**428.44**
Exchange Rates	**85.48**	**92.09**	**110.70**	
Net Exposure in Respective currencies	**(86.25)**	**28.61**	**35.52**	**16.35**

as at 31 March 2024 — Amount in Rs. Millions

	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	79.04	91.95	12.85	99.16
Trade and other receivables including advances	411.50	328.96	51.88	321.71
	490.54	420.91	64.73	420.87
Financial liabilities				
Trade and other payables	532.89	375.03	49.92	347.69
	532.89	375.03	49.92	347.69
Exchange rate	83.41	89.88	105.03	
Net Exposure in Respective currencies	(42.35)	45.88	14.81	73.18

The following significant exchange rates have been applied during the year.

	Average rate		Year-end spot rate	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
USD	**84.44**	82.79	**85.48**	83.41
EUR	**91.22**	89.61	**92.09**	89.88
GBP	**107.81**	103.45	**110.70**	105.03

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at March 31 2025 and March 31 2024 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

March 31, 2025 — **Amount in Rs. Millions**

	Profit or loss		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
1% movement				
USD	**(0.85)**	**0.85**	-	-
EUR	**0.28**	**(0.28)**	-	-
GBP	**0.35**	**(0.35)**	-	-

March 31, 2024 — Amount in Rs. Millions

	Profit or Loss		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(0.42)	0.42		
EUR	0.46	(0.46)		
GBP	0.15	(0.15)		

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Notes to the financial statements (Continued)

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(All amount in Rs Millions, unless otherwise stated)

Note 30 (Continued)

Financial instruments – Fair values and risk management (continued)

Interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 March 2025	31 March 2024
Variable rate of borrowings	9.00%	9.00%
Bank overdraft (Weighted average interest rate)	9.97%	9.75%

As at the end of the reporting period, the company had the following fixed and variable rate borrowings:

	31 March 2025		31 March 2024	
	Balance	% of total loans	Balance	% of total loans
Variable rate of borrowings	**102.56**	**100**	129.10	100
Net exposure to cash flow due to interest rate risk	**102.56**	**100**	129.10	100

Sensitivity

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.
Changes in interest rate are based on historical movement.

	Impact on profit after tax	
	31 March 2025	31 March 2024
Interest rates - increase by 100 basis points *	**(0.77)**	(0.97)
Interest rates - decrease by 100 basis points *	**0.77**	0.97

* Holding all other variables constant

Note 31
Contingent Liabilities and Commitments (to the extent not provided for)

	31 March 2025	31 March 2024
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Disputed claims made by clients and other parties	**565.96**	520.52
b. Disputed Service Tax Demands	**428.85**	428.85
c. Provident Fund Liability on account of pending Supreme court judgment.	**3.57**	3.57
d. Disputed income tax demands	**22.57**	1.93
e. Disputed GST demands	**58.74**	-

(a) It is not practicable for the company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The company does not expect any reimbursement in respect of the above contingent liabilities.

(c) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Management has accounted for the liability for the period from date of the SC order to March 31, 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

Code on Social Security, 2020

The Indian Parliament has approved the code on social security, 2020 which would impact the contributions by the company towards provident fund and gratuity. The effective date from which the changes are applicabe is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The company is in the process of carrying out the evaluation and will give appropriate impact in standalone finacial statements in the period in which code becomes effective and the related rules to determine the financial impact are published.

Commitments (to the extent not provided for)	31 March 2025	31 March 2024
a. Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	**7.04**	7.25

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Notes to the financial statements (Continued)

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Note 32

Relationship with Struck off Companies under section 248 of the companies Act, 2013

as at 31 March 2025

Sr No.	Name of the struck off company	Nature of transactions with struck off company	Balance Payable (Rs)	Relationship with the struck off company, if any, to be disclosed
i	Oneglobe Travels India Private Limited	Hotel Services	**4.34**	NA
ii	Track India Private Limited	Tour Operator	**0.06**	NA
iii	Travelshongi OPC Private Limited	Travel Agent	**0.01**	NA

as at 31 March 2024

Sr No.	Name of the struck off company	Nature of transactions with struck off company	Balance Payable (Rs)	Relationship with the struck off company, if any, to be disclosed
i	Oneglobe Travels India Private Limited	Hotel Services	2.37	NA
ii	Sipsa Holidays Private Limited	Tour Operator	0.03	NA
iii	Unique Hotels India Private Limited	Hotel Services	0.04	NA

Note 33
Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, there are no parties registered as micro and small enterprises.

Particulars	**31 March 2025**	31 March 2024
The amounts remaining unpaid to Micro and Small Suppliers as at the end of the year.		
-- Principal	**14.57**	7.62
-- Interest	**0.01**	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.01**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	**0.01**	-

Note 34
Segment reporting

The Company is in the business of providing travel and related services to its retail and corporate customers which is considered by the chief operating decision maker ('CODM') as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. the Company also provides financial services which is not a material reportable segment and is largely considered to be an integral part of travel and related services. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

Further, the Company provides services within similar economic environments considering the origin of services and risks and rewards being similar across the said markets / environment, there are no separate reportable geographical segments. Accordingly, these financial statements are reflective of the information required by the Ind AS 108.

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Notes to the financial statements (Continued)

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Note 35

Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity – retained earnings, capital reserves, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

Note 36

Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plans:
The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance Corporation, Labour Welfare Fund and National Pension Scheme which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue.

Amount contributed to defined contribution plan and recognised as an expense in the Statement of Profit and Loss are as under:

Particulars	31 March 2025	31 March 2024
Employer's contribution to provident fund	**28.68**	25.10
Employee's State Insurance Corporation	**0.05**	0.11
National pension scheme	**1.22**	1.04
Labour welfare fund	**0.07**	0.04

(ii) Defined benefit plan:
Gratuity plan

The Company provides for Gratuity using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date, based on legislations as enacted up to the balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensiv Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested.

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act,1972 or as per the Company's scheme, whichever is more beneficial.

Compensated absences and leave encashment
As per the leave policy, every employee will be allotted 30 days of leave in the first week of January. No leaves can be carried forward to the next year whereby, the leave balance left unutilized on 31 December shall lapse. During the year, a sum aggregating to Rs. 1.85 Mn (previous year Rs. 0.43 Mn) has been debited to the Statement of Profit and Loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at Balance Sheet date:

	31 March 2025	31 March 2024
Gratuity		
Defined benefit asset-Gratuity plan	**2.00**	2.49
Defined benefit liability	**83.01**	65.87
Net defined benefit liability	**81.01**	63.38
- Non-current	**61.74**	53.25
- Current	**19.27**	10.13
Compensated absences		
Liability for compensated absences	**9.54**	7.68
Total employee benefit liabilities	**90.54**	71.06

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Notes to the financial statements (Continued)

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Note 36 (Continued)

Employee benefits (Continued)

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024	**31 March 2025**	31 March 2024
Opening balance as on 1 April 2024	**65.87**	57.57	**2.49**	4.13	**63.38**	53.44
Current service cost	**6.74**	5.75	-	-	**6.74**	5.75
Adjustment to opening fair value of plan assets	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	**4.29**	3.71	-	(0.12)	**4.29**	3.83
Settlements / benefits paid	-	-	-	-	-	-
	11.03	9.46	-	(0.12)	**11.03**	9.58
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain)	**11.09**	2.08	-	-	**11.09**	2.08
Return on plan assets excluding interest income	-	-	**(0.01)**	0.22	**0.01**	(0.22)
	11.09	2.08	**(0.01)**	0.22	**11.10**	1.86
Other						
Contributions paid by the employer	-	-	**4.50**	1.50	**(4.50)**	(1.50)
Benefits paid	**(4.99)**	(3.24)	**(4.99)**	(3.24)	-	-
Closing balance as on 31 March 2025	**83.01**	65.87	**2.00**	2.49	**81.01**	63.38

Represented by

Defined benefit asset	**2.00**	2.49
Defined benefit liability	**83.01**	65.87
Net defined benefit liability	**81.01**	63.38

The major categories of plans assets for gratuity are as follows

Particulars	31 March 2025			31 March 2024		
	Quoted	**Unquoted**	**Total**	Quoted	Unquoted	Total
Insurer Managed Funds	-	**1.99**	**1.99**	2.26	0.23	2.49

Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2025	31 March 2024
Discount rate	**6.55%**	7.20%
Salary escalation rate	**7.5%**	6.0%
Mortality rate	**IALM (2012-14) Ult**	IALM (2012-14) Ult
Employee Attrition Rate		
Upto Age 30	**40.51%**	32.99%
Age 31-40	**26.60%**	21.18%
Age 41-50	**21.33%**	17.02%
Age 51-59	**9.30%**	6.76%

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows

As at 31 March 2025, the weighted average duration of the defined benefit obligation was 4.38 years (31 March 2024 : 4.86 years)

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Notes to the financial statements (Continued)

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Note 36 (Continued)

Employee benefits (Continued)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2025		31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (2025 - 0.5% and 2024 :- 0.5% movement)	**(1.79)**	**1.85**	(1.57)	1.63
Future salary growth (2025 - 0.5% and 2024 :- 0.5% movement)	**1.80**	**(1.75)**	1.60	(1.55)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The following table shows expense recognised in Profit and Loss account and

	31 March 2025	31 March 2024
Current service cost	**6.74**	5.75
Past service cost	**-**	-
Interest income, net	**4.29**	3.83
	11.03	9.58

The following table shows remeasurement recognised in Other Comprehensive Income

	31 March 2025	31 March 2024
Actuarial loss (gain) /loss on deferred benefit obligation	**11.09**	2.08
Return on plan assets excluding interest income	**0.01**	(0.22)
	11.10	1.86

Risk Exposure for gratuity

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

a) Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.

b) Salary growth & Demographic assumptions: The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Note 37

Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programs (equity-settled)

Thomas Cook (India) Limited, the parent company has granted employee stock options to the Company's employees on the dates mentioned below. Under these plan, the holder of the vested options are entitled to purchase the shares of the holding company at exercise price as mentioned below.

The key terms and conditions related to the grants under these plans are as follows;

Plan	Method of Settlement	Grant date	No. of options	Exercise price	Vesting period
GT07NOV2016	Equity	7 November 2016	225,000	Rs. 1	100% of the options vest at the end of the 4 years i.e. 7-Nov-2020
ESOP 2018-MGMT	Equity	13 June 2018	422,000	Rs. 137.93	100% of the options vest at the end of the 3 years i.e. 13-June -2021
ESOP 2018-EXECOM	Equity	5 October 2018	97,258	Rs. 1	100% of the options vest at the end of the 5 years i.e. 5-Oct-2023

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Expiry date/ Expiry Year	Exercise price (Rs.)	March 31,2025 Share options	March 31,2024 Share options
7 November 2016	1 November 2040	1	-	-
13 June 2018	10 June 2031	137.93	**71,200**	149,000
5 October 2018	20 September 2043	1	-	-
Total			**71,200**	149,000
weighted average remaining contractual life of options outstanding at end of year			**6.18 Years**	7.18 Years

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Note 37 (Continued)
Share-based payment arrangements: (Continued)

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The Black- Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, etc. for the calculation of the fair value of the option. These variables significantly influence the fair value and any changes in these variables could significantly affect the fair value of the option.

Thomas Cook (India) Limited, the holding company ("TCIL") in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited ("Quess"). The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019. The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.

As a part of the composite scheme, Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.

The employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL.

In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price.

The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments.

The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19.

The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

	March 2025			March 2024		
	GT07NOV2016	**ESOP 2018-MGMT**	**ESOP 2018-EXECOM**	GT07NOV2016	ESOP 2018-MGMT	ESOP 2018-EXECOM
Fair value (Esop Expenses)	**117.75**	**83.65**	**155.80**	117.75	83.65	155.80
Fair value (Stock Expenses)	**95.29**	**65.71**	**95.21**	95.29	65.71	95.21
Number of options	**-**	**71,200**	**-**	-	149,000	-
Share price at grant date	**218.55**	**248.63**	**256.20**	218.55	248.63	256.20
Exercise price	**1.00**	**137.93**	**1.00**	1.00	137.93	1.00

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programs were as follows:

Particulars	**Number of options**	**Weighted average exercise price**	Number of options	Weighted average exercise price
	31 March 2025	**31 March 2025**	31 March 2024	31 March 2024
Options outstanding as at the beginning of the year	**149,000**	**137.93**	230,326	103.85
Options granted during the year	**-**	**-**	-	-
Options Exercised during the year	**77,800**	**-**	73,326	-
Options lapsed/ forfeited during the year	**-**	**-**	8,000	137.93
Options outstanding as at the year end	**71,200**	**137.93**	149,000	137.93
Options vested and exercisable at the end of the year	-	-	149,000	137.93

D Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment related transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	**31 March 2025**	31 March 2024
Employee ESOP expenses	-	(1.26)
Employee Stock Expenses	-	(0.77)

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Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Note 38

Related party transactions

(A) Names of related parties by whom control exists

Name of the parties	Relationships
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company
Thomas Cook (India) Limited	Holding Company

(B) Parties over whom control exists

Relationships	Name of the parties
Subsidiary Company of SOTC Travel Limited	Travel Circle International (Mauritius) Limited (Holding 51% of total Equity,w.e.f 27 June 2017)

(C) Fellow Subsidiaries and other related parties with whom transactions has taken place during the year

Relationships	Name of the parties
Fellow subsidiaries	Travel Corporation (India) Limited (Amalgamated w.e.f. 25th November, 2019)
	Thomas Cook Lanka (Private) Limited
	Sterling Holiday Resorts Limited
	Asian Trails SDN BHD (Malaysia)
	Asian Trails Limited. (Thailand)
	PT Asian Trails Limited
	Asian Trails (Vietnam) Co. Limited
	Asian Trails Cambodia
	Kuoni Private Safaris (Pty) Limited
	Private Safaris EA Limited
	TC Tours Limited (formerly known as 'Thomas Cook Tours Limited')
	Australia Tours Management Pty Limited.
	DEI Holdings Limited
	Horizon Travel Services LLC
	Desert Adventures Tourism LLC
	Travel Circle International Ltd Hongkong
	Asian Trails Holding Limited.
	Kuoni Australia Holding Pty Limited
	Thomas Cook (Mauritius) Operations Co Limited
Other Related Parties	Quess Corp Limited (Associate of Fairbridge Capital (Mauritius) Limited)
	Terrier Security Services (India) Private Limited (Associate of Quess Corp Limited)
	Go Digit General Insurance Limited

(D) Key Management Personnel / Directors and Management Council

Particulars	Name of the key management personnel
Managing Director	Mr. Vishal Suri
Directors of the Company	Mr. Madhavan Menon
	Mr. Nilesh Vikamsey
	Mrs.Kishori Udeshi
	Mr. Rahul Bhagat
	Mr. Debasis Nandy
Chief Financial Officer	Mr. Farroukh Kolah
Company Secretary	Ms. Shaily Gupta
Members of Management Council	Mr. Vishal Suri
	Mr. Farroukh Kolah
	Mr. Indiver Rastogi
	Mr. S D Nandakumar
	Mr. Daniel Dsouza (upto 10th October 2024)
	Ms. Deepti Sheth

SOTC TRAVEL LIMITED MUMBAI

BSR & Co. LLP Chartered Accountants

Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Related party transactions *(Continued)*

(E) *Related parties with whom transactions has taken place during the year*

Particulars	Year	Holding Company	Ultimate Holding Company	Subsidiaries	Other Related Parties	Fellow subsidiaries	Key Management Personnel and its relatives
Income from tours/Sale of services	**2025**	**4.01**	-	-	-	**1.58**	**1.05**
	2024	4.29	-	-	2.85	59.30	0.19
Cost of tours/Purchase of services	**2025**	**343.52**	-	-	**45.20**	**2,468.34**	-
	2024	236.12	-	-	49.85	1,725.55	-
Guarantee fees paid	**2025**	**0.12**	-	-	-	-	-
	2024	0.07	-	-	-	-	-
Expenses reimbursed	**2025**	**197.84**	-	-	-	**1.19**	-
	2024	158.15	-	-	-	0.11	-
Expenses recovered	**2025**	**10.36**	-	-	-	**11.61**	-
	2024	4.08	-	-	-	7.40	-
Interest expenses on ROU assets	**2025**	**2.06**	-	-	-	-	-
	2024	3.05	-	-	-	-	-
ROU lease liability	**2025**	**18.89**	-	-	-	-	-
	2024	31.80	-	-	-	-	-
Productivity linked bonus income	**2025**	-	-	-	-	**51.78**	-
	2024	-	-	-	-	27.21	-
CRS (GDS) Income	**2025**	-	-	-	-	**17.65**	-
	2024	-	-	-	-	18.33	-
Hotel Commission income	**2025**	-	-	-	-	**3.40**	-
	2024	-	-	-	-	2.87	-
Term loan received during the year	**2025**	**100.00**	-	-	-	-	-
	2024	460.00	-	-	-	-	-
Term loan received (repaid) during the year	**2025**	**100.00**	-	-	-	-	-
	2024	460.00	-	-	-	-	-
Voluntary / Charitable contribution	**2025**	-	-	-	**1.00**	-	-
	2024	-	-	-	-	-	-
Interest expenses on term loan	**2025**	**0.19**	-	-	-	-	-
	2024	2.17	-	-	-	-	-
Provision for doubtful advances	**2025**	-	-	-	-	**8.28**	-
	2024	-	-	-	-	7.40	-
Receivables	**2025**	**2.28**	-	-	-	**66.43**	-
	2024	0.45	-	-	-	19.46	-
Advance to suppliers	**2025**	-	-	-	-	**7.40**	-
	2024	-	-	-	-	7.40	-
Payables	**2025**	**68.59**	-	-	-	**2.71**	-
	2024	90.99	-	-	-	75.58	-

Related party transactions *(Continued)*

(F) **Names of parties (subsidiaries and fellow subsidiaries) having related party transactions in excess of 10% in line transactions:**

Particulars	Fellow subsidiaries	31 March 2025	31 March 2024
Income from tours/Sale of services	Travel Corporation (India) Limited	**1.58**	59.30
	TC Tours Limited	**1,407.70**	609.38
	Horizon Travel Services LLC	**153.13**	96.36
	Desert Adventures Tourism LLC	**443.55**	410.79
	TC Visa Services (India) Limited	-	0.02
	Travel Corporation (India) Limited	-	-
Cost of tours/Purchase of services	Asian Trails (Thailand)	**141.89**	175.71
	Kuoni Private Safaris (Pty) Limited	**7.74**	15.99
	Thomas Cook (Mauritius) Holidays Limited	-	-
	Asian Trails (Malaysia) SDN BHD	**87.32**	187.26
	Asian Trails Singapore Pte Limited	-	28.35
	PT Asian Trails Limited	**8.22**	9.28
	Asian Trails Co Limited Vietnam	**126.54**	124.03
	Asian Trails Cambodia	**0.53**	0.58
	Private Safaris EA Limited	**1.88**	3.89
	Australia Tours Management Pty Limited.	**89.82**	63.90

SOTC TRAVEL LIMITED MUMBAI

BSR & CO. LLP Chartered Accountants

Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Expenses reimbursed	Travel Corporation (India) Limited	**0.92**	0.11
	TC Tours Limited	**0.27**	-
	Travel Corporation (India) Limited	**7.31**	3.24
	Horizon Travel Services LLC	**0.29**	0.26
	Desert Adventures Tourism LLC	**0.22**	0.29
	Private Safaris EA Limited	**0.22**	0.20
	Kuoni Private Safaris (Pty) Limited	**0.22**	0.20
	Travel Circle International Limited Hongkong	**0.14**	0.18
Expenses recovered	DEI Holdings Limited	**1.43**	1.45
	Asian Trails Holding Limited.	**0.50**	0.45
	Kuoni Australia Holding Pty Limited	**0.13**	0.09
	Thomas Cook (Mauritius) Operations Co Limited	**0.35**	0.24
	Thomas Cook Lanka (Private) Limited	**0.20**	0.30
	TC Tours Limited	**0.31**	-
	Sterling Holiday Resorts Limited	**0.30**	0.48
Hotel Commission income	TC Tours Limited	**3.40**	2.87
Productivity linked bonus	TC Tours Limited	**51.78**	27.21
CRS (GDS) Income	TC Tours Limited	**17.65**	18.33
Provision for doubtful advances	Luxe Asia Private Limited	**7.40**	7.40
	Thomas Cook Lanka (Private) Limited	**0.88**	-
	Go Digit General Insurance Limited	**6.23**	18.12
Other Related Parties	Quess Corp Limited.	**29.16**	25.75
	Terrier Security Services (India) Private Limited	**9.81**	8.83
	Mr Vishal Suri	**0.25**	0.08
Key Management Personnel and its relatives	Mrs Nobalina Suri	**0.53**	0.08
	Ms Saakshi Vishal Suri	**0.01**	0.01
	Mr Aryaman Vishal Suri	**0.15**	0.01
	Mrs. Santosh Suri	**0.02**	-
	Others	**0.10**	-
Others	Fairfax India Charitable Foundation	**1.00**	-
	Travel Corporation (India) Limited	**1.55**	8.60
	TCI GO Vacation	-	0.04
	Horizon Travel Services LLC	**0.13**	4.48
	Desert Adventures Tourism LLC	**8.80**	0.03
	Kuoni Private Safaris (Pty) Limited	**0.03**	0.03
	Thomas Cook Lanka (Private) Limited	**0.88**	0.68
	Private Safaris EA Limited	**0.03**	0.16
Receivables	DEI Holdings Limited	**0.34**	0.46
	Asian Trails Holding Limited.	**0.06**	1.58
	Kuoni Australia Holding Pty Limited	**0.50**	0.36
	Thomas Cook (Mauritius) Operations Co Limited	**0.09**	0.07
	Travel Circle International Limited Hongkong	**0.02**	0.02
	Sterling Holiday Resorts Limited	**0.02**	0.01
	Australia Tours Management Pty Ltd.	**0.23**	-
	Asian Trails (Malaysia)	**7.42**	-
	Asian Trails (Thailand)	**17.61**	-
	Asian Trails (Vietnam)	**15.06**	-
	Asian Trails (Indonesia)	**0.00**	-
	Borderless Travel Services Limited	**2.94**	2.94
	TC Tours Limited	**10.74**	-
	Travel Corporation (India) Limited	**0.12**	-
	Private Safaris EA Limited	-	0.18
	Kuoni Private Safaris (Pty) Limited	-	2.65
	Asian Trails (Thailand)	-	8.67
	Horizon Travel Services LLC	**2.40**	0.12
	Desert Adventures Tourism LLC	-	2.15
Payables	TC Tours Limited	-	37.91
	Asian Trails Cambodia	**0.19**	-
	Australia Tours Management Pty Limited.	-	0.08
	PT Asian Trails Limited	-	0.50
	Asian Trails Co Limited Vietnam	-	3.98
	Asian Trails (Malaysia) SDN BHD	-	19.34
Advance to suppliers	Luxe Asia Private Limited	**7.40**	7.40

SOTC TRAVEL LIMITED MUMBAI

BSR & Co. LLP Chartered Accountants

Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

(G) ***Related parties with Holding and Ultimate Holding Company***

Particulars	Holding and Ultimate Holding Company	31 March 2025	31 March 2024
Income from tours	Thomas Cook (India) Limited	**4.01**	4.29
Cost of tours and related services	Thomas Cook (India) Limited	**343.52**	236.12
Expenses reimbursed	Thomas Cook (India) Limited	**197.84**	158.15
Expenses recovered	Thomas Cook (India) Limited	**10.36**	4.08
Interest expenses on ROU assets	Thomas Cook (India) Limited	**2.06**	3.05
ROU lease liability	Thomas Cook (India) Limited	**18.89**	31.80
Guarantee Fees paid	Thomas Cook (India) Limited	**0.12**	0.07
Term loan given during the year	Thomas Cook (India) Limited	-	-
Term loan given (repaid) during the year	Thomas Cook (India) Limited	-	-
Term loan received during the year	Thomas Cook (India) Limited	**100.00**	460.00
Term loan received (repaid) during the year	Thomas Cook (India) Limited	**100.00**	460.00
Interest income on term loan	Thomas Cook (India) Limited	-	-
Interest expenses on term loan	Thomas Cook (India) Limited	**0.19**	2.17
Receivables	Thomas Cook (India) Limited	**2.28**	0.45
Payables	Thomas Cook (India) Limited	**68.59**	90.99

(H) Transactions with Key Management Personnel and Members of Management Council

Particulars		31 March 2025	31 March 2024
Salaries and other employee benefits including gratuity to whole-time directors and executive officers			
	Mr. Vishal Suri	**51.55**	51.45
	Mr. Farroukh Kolah	**10.80**	9.25
	Ms. Shaily Gupta	**2.61**	2.45
	Mr. S D Nandakumar	**19.36**	25.87
	Mr. Daniel Dsouza (upto 10th October 2024)	**10.78**	13.65
	Ms. Deepti Sheth	**8.10**	6.87
Commission and other benefits to non-executive/independent directors		**3.60**	3.00

SOTC TRAVEL LIMITED MUMBAI

BSR & Co. LLP Chartered Accountants

Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Note 39

	Financial performance ratios	Numerator	Denominator	31 March 2025	31 March 2024	% Change
A	**Performance Ratios**					
	Net Profit ratio (i)	Profit/(Loss) after tax	Revenue from operations	**2%**	1%	308%
	Net Capital Turnover Ratio (in times) (ii)	Revenue from operations	Average working capital = (Opening net current assets + Closing net current assets)/2*	**(11.31)**	(8.85)	28%
	Return on Capital Employed (iii)	Profit/(Loss) before interest and tax	Capital Employed = Tangible Net Worth ** + Total Debt + Lease Liabilities	**45%**	55%	-19%
	Return on Equity ratio (i)	Profit/(Loss) after tax	Average total equity = (Opening total equity + Closing total equity)/2	**53%**	17%	216%
	Return on Investment (iv)	Income generated from invested fund in the market	Average invested fund in market= (Opening funds in the market+ Closing funds in the market)/2	**4%**	1%	209%
	Debt Service Coverage ratio	Profit/(Loss) before interest, tax and , Depreciation and amortisation	Borrowings principal payments, Interest and lease payment	**4.20**	4.07	3%
B	**Leverage Ratios**					
	Debt- Equity Ratio (v)	Total Borrowings	Total Equity	**0.45**	0.72	-37%
C	**Liquidity Ratios**					
	Current ratio	Current Assets	Total Current Liabilities	**0.67**	0.64	5%
D	**Activity Ratio**					
	Inventory Turnover ratio	Cost of services	Closing inventory	**NA**	NA	NA
	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivables = (Opening trade receivable + Closing trade receivable)/2	**23.81**	21.89	9%
	Trade Payable Turnover Ratio (vi)	Cost of services	Average trade payable = (Opening trade payable + Closing trade payable)/2	**8.80**	6.88	28%

* Net current assets = Total current assets - Total current liability

**Tangible net worth = Total net worth - Intangible assets (including intangible asset under development and goodwill)

Reason for Variance

i Due to migration to new tax regime u/s 115BAA in previous year.
ii Due to reduction in working capital and increased in revenue from operations.
iii Increase in capital employed due to increase in the profits in previous year
iv Due to higher Interest on deposit and gains on Gain on sale proceeds of current investments.
v The ratio has increased because company has repaid part of the Term Loan
vi Due to reduction in Trade Payables.

Note 40

Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company, for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vi) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961.

Note 41

On 30th December 2024, the Company detected a cyber-incident. The Company immediately disconnected the network and isolated all servers in line with the protocols defined to contain the spread of the malware. Since then, Company along with Information Technology security experts have completed a full check of all its systems to scan and remove all malware and affected files to prevent any future recurrence. All Information Technology applications and infrastructure are restored and running with enhanced security features and entire business operation back to normal. The cyber incident neither had any material financial impact on the company at present, nor expected to have any material financial impact in the future.

SOTC TRAVEL LIMITED MUMBAI

BSR & CO. LLP Chartered Accountants

Notes to the financial statements (Continued)

as at 31 March 2025

(All amount in Rs Millions, unless otherwise stated)

Note 42

Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

Note 43

Other information with regards other matters specified in schedule III of the Companies Act 2013 is either nil or not applicable to the company for the financial year ended 31 March 2025.

Note 44

Thomas Cook (India) Limited, the holding company, prepares consolidated financial statement under Ind AS, hence Company has availed the exemption for preparing consolidated financial statement under Ind AS 110.

The notes from 1 to 44 form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner

Membership No: 113959
Mumbai
07-May-2025

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director and Chief Executive Officer
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer
Mumbai

07-May-2025

Shaily Gupta
Company Secretary
[Membership No: ACS-24078]

Directors' Report
Audited Financial Statements
Travel Circle International Limited
31 December 2024

Travel Circle International Limited

Directors' Report

The directors submit herewith their report and audited financial statements of Travel Circle International Limited (the "Company") for the year ended 31 December 2024.

Principal activities
The principal activities of the Company are to act as a travel agent and tour operator.

Results and dividends
The results of the Company for the year ended 31 December 2024 are set out in the statement of comprehensive income on page 6.

The directors do not recommend the payment of a dividend.

Directors
The directors who held office during the year or during the period from the end of the year to the date of this report were:

MYY Ng
MK Menon
Nandy Debasis

There being no provision in the Company's Articles of Association for retirement of directors, all directors shall continue in office.

Arrangements for acquisition of shares or debentures
At no time during the year was the Company, its holding company or fellow subsidiary a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other company.

Material interests in transactions, arrangements or contracts
The directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company's holding company or fellow subsidiary was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

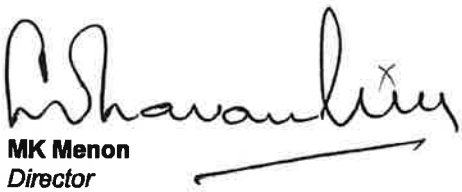
Management contracts
No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or existed during the year.

Equity-linked agreements
No equity-linked agreements into which the Company entered subsisted at any time during the year.

Permitted indemnity provisions
No permitted indemnity provision was in force during the year, or is in force at the date of this report, for the benefit of a then director or a director of the Company (whether made by the Company or otherwise) or a then director or a director of its holding company or fellow subsidiary (if made by the Company).

Auditor
A resolution will be submitted to the annual general meeting to re-appoint Forvis Mazars CPA Limited (formerly known as Mazars CPA Limited), *Certified Public Accountants*, as the auditor of the Company.

Approved by the Board of Directors and signed on its behalf by



MK Menon
Director
28 April 2025

Independent Auditor's Report

To the members of
Travel Circle International Limited
(incorporated in Hong Kong with limited liability)

forvis mazars

42nd Floor, Central Plaza
18 Harbour Road
Wanchai, Hong Kong
香港灣仔港灣道18號中環廣場42樓
Tel 電話 : +852 2909 5555
Fax 傳真 : +852 2810 0032
forvismazars.com/hk

Opinion

We have audited the financial statements of Travel Circle International Limited (the "Company") set out on pages 6 to 33, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors of the Company are responsible for the other information. The other information comprises the directors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

To the members of
Travel Circle International Limited
(incorporated in Hong Kong with limited liability)

Responsibilities of directors for the financial statements
The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

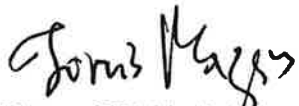
Independent Auditor's Report

To the members of
Travel Circle International Limited
(incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the financial statements (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Forvis Mazars CPA Limited
Certified Public Accountants
Hong Kong, 28 April 2025

The engagement director on the audit resulting in this independent auditor's report is:
KWOK, Yuen Man
Practising Certificate number: P04604

Travel Circle International Limited

Statement of Comprehensive Income
Year ended 31 December 2024

	Note	2024 HK$	2023 HK$
Revenue	2	**307,677,467**	225,188,537
Cost of sales		**(258,622,950)**	(190,319,024)
Gross profit		**49,054,517**	34,869,513
Other revenue	3	**552,123**	114,031
Other net gain / income	3	**592,127**	616,111
Administrative expenses		**(34,765,674)**	(28,714,995)
Other operating expenses		**(9,825,829)**	(6,484,270)
Profit from operations		**5,607,264**	400,390
Finance costs	4	**(10,395,829)**	(10,702,414)
Loss before tax	4	**(4,788,565)**	(10,302,024)
Income tax (expense) credit	5	**(996,175)**	399,905
Loss for the year		**(5,784,740)**	(9,902,119)
Other comprehensive income for the year		**-**	-
Total comprehensive loss for the year		**(5,784,740)**	(9,902,119)

Travel Circle International Limited

Statement of Financial Position
At 31 December 2024

	Note	2024 HK$	2023 HK$
Non-current assets			
Property, plant and equipment	6	**1,741,545**	2,956,685
Right-of-use assets	7	**2,693,550**	6,990,300
Goodwill	8	**202,493,573**	202,493,573
Deferred tax assets	9	**14,590,115**	15,586,290
		221,518,783	228,026,848
Current assets			
Trade and other receivables	10	**26,310,083**	24,445,266
Bank balances and cash		**35,383,578**	24,715,599
		61,693,661	49,160,865
Current liabilities			
Trade and other payables	11	**67,566,987**	52,630,992
Contract liabilities	12	**61,855,240**	45,644,218
Lease liabilities		**2,864,023**	4,414,794
Loans from immediate holding company	13	**115,170,983**	130,122,653
Provision	14	**1,596,180**	-
		249,053,413	232,812,657
Net current liabilities		**(187,359,752)**	(183,651,792)
Total assets less current liabilities		**34,159,031**	44,375,056
Non-current liabilities			
Provision	14	**966,750**	2,562,930
Lease liabilities		**-**	2,835,105
		966,750	5,398,035
NET ASSETS		**33,192,281**	38,977,021
Capital and reserve			
Share capital	15	**59,523,801**	59,523,801
Accumulated losses		**(26,331,520)**	(20,546,780)
TOTAL EQUITY		**33,192,281**	38,977,021

These financial statements on pages 6 to 33 were approved and authorised for issue by the Board of Directors on 28 April 2025 and signed on its behalf by

MK Menon
Director

MYY Ng
Director

Travel Circle International Limited

Statement of Changes in Equity
Year ended 31 December 2024

	Share capital *HK$*	Accumulated losses *HK$*	Total *HK$*
At 1 January 2023	59,523,801	(10,644,661)	48,879,140
Loss and total comprehensive loss for the year	-	(9,902,119)	(9,902,119)
At 31 December 2023 and 1 January 2024	59,523,801	(20,546,780)	38,977,021
Loss and total comprehensive loss for the year	-	(5,784,740)	(5,784,740)
At 31 December 2024	**59,523,801**	**(26,331,520)**	**33,192,281**

Travel Circle International Limited

Statement of Cash Flows
Year ended 31 December 2024

	Note	2024 HK$	2023 HK$
OPERATING ACTIVITIES			
Cash from operations	16(a)	**30,789,898**	21,116,712
Net cash from operating activities		**30,789,898**	21,116,712
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	**-**	(914,600)
Interest received		**552,123**	114,031
Net cash from (used in) investing activities		**552,123**	(800,569)
FINANCING ACTIVITIES			
Repayment of lease liabilities	16(b)	**(4,494,940)**	(4,003,595)
Interest paid		**(1,227,432)**	(641,852)
Loans (repayment to) from immediate holding company	16(b)	**(14,951,670)**	2,687,157
Net cash used in financing activities		**(20,674,042)**	(1,958,290)
Net increase in cash and cash equivalents		**10,667,979**	18,357,853
Cash and cash equivalents at beginning of reporting period		**24,715,599**	6,357,746
Cash and cash equivalents at end of reporting period, represented by bank balances and cash		**35,383,578**	24,715,599

CORPORATE INFORMATION

Travel Circle International Limited is a limited liability company incorporated in Hong Kong. The Company's registered office is located at 2001, 20/F., BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Hong Kong. The immediate holding company of the Company is Thomas Cook (India) Limited, a company incorporated in India. In the opinion of the directors, the ultimate holding company of the Company is Fairfax Financial Holdings Limited, which is incorporated in Canada with its shares listed on the Toronto Stock Exchange. The principal activities of the Company are to act as a travel agent and tour operator.

1. MATERIAL ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Companies Ordinance.

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 financial statements, except for the adoption of the new / revised HKFRSs that are relevant to the Company and effective from the current year.

Amendments to HKAS 1: Classification of Liabilities as Current or Non-current
The amendments aim to promote consistency in applying the requirements by helping companies to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the financial statements.

A summary of the material accounting policies adopted by the Company is set out below.

Going concern
The financial statements have been prepared in conformity with the principles applicable to a going concern basis. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in the future in view of the net current liabilities. There is a material uncertainty related to this condition that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The immediate holding company has confirmed its intention to make available adequate funds to the Company as and when required to maintain the Company as a going concern.

Basis of measurement
The measurement basis used in the preparation of the financial statements is historical cost, except stated otherwise in the accounting policies set out below.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Goodwill
Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Leasehold improvements	5 years or, if shorter, over the unexpired term of lease
Motor vehicles	4 to 5 years
Computer equipment	3 to 5 years
Furniture, fixtures and office equipment	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Impairment of non-financial assets, other than goodwill
At the end of each reporting period, the Company reviews internal and external sources of information to determine whether its property, plant and equipment and right-of-use assts may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income immediately.

The accounting policy for recognition of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets

Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Company's contractual rights to future cash flows from the financial asset expire or (ii) the Company transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Classification and measurement

The classification of financial assets at initial recognition depends on the Company's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVPL"):

(i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Company's financial assets at amortised cost include bank balances and cash and trade and other receivables.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables and loans from immediate holding company. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Impairment of financial assets and other items

The Company recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost. Except for the specific treatments as detailed below, at each reporting date, the Company measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on one or more shared credit risk characteristics, such as past due information, nature of instrument and industry of debtors.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Company may not receive the outstanding contractual amounts in full if the financial instrument meets any of the following criteria:

(i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company); or
(ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)
Impairment of financial assets and other items (Continued)
Low credit risk
A financial instrument is determined to have low credit risk if:

(i) it has a low risk of default;
(ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL
For trade receivables and contract assets without significant financing components or otherwise for which the Company applies the practical expedient not to account for the significant financing components, the Company applies a simplified approach in calculating ECL. The Company recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Write-off
The Company writes off a financial asset when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount when the financial asset is 1 year past due based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Company's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents
For the purpose of the statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Borrowing costs
All borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions
Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue from contracts with customers within HKFRS 15

Nature of services

The nature of the services provided by the Company is sale of tours and provision of travel agency services.

Identification of performance obligations

At contract inception, the Company assesses the services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

(a) a service (or a bundle of services) that is distinct; or
(b) a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer.

A service that is promised to a customer is distinct if both of the following criteria are met:

(a) the customer can benefit from the service either on its own or together with other resources that are readily available to the customer (i.e. the service is capable of being distinct); and
(b) the Company's promise to transfer the service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company transfers control of a service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
(b) the Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
(c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Company considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Service income from sale of tours is recognised over time as the customer simultaneously receives and consumes all of the benefits provided by the Company's performance as the Company performs. This means that if another travel agent was to take over providing the remaining performance obligation to the customer, it would not have to substantially re-perform the work already completed by the Company.

Commission income from travel-related services is recognised at a point in time when the related services are rendered to and have been accepted by the customers.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credited-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Contract assets and contract liabilities

If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional, before the Company transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Company's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

For sale of tours, it is common for the Company to receive from the customer the whole or some of the contractual payments before the services are completed (i.e. the timing of revenue recognition for such transactions). The Company recognises a contract liability until it is recognised as revenue. During that period, any significant financing components, if applicable, will be included in the contract liability and will be expensed as accrued unless the interest expense is eligible for capitalisation.

On the other hand, for the agency business of sale of air tickets, hotel accommodation packages and other travel-related products, the Company receives payments from the customer which are largely in line with the timing of revenue recognition and no significant contract assets or contract liabilities are recognised.

Leases

The Company assesses whether a contract is, or contains, a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Company applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company accounts for each lease component within a lease contract as a lease separately. The Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Company that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Company recognises a right-of-use asset and a lease liability at the commencement date of the lease.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)
As lessee (Continued)
The right-of-use asset is initially measured at cost, which comprises

(a) the amount of the initial measurement of the lease liability;
(b) any lease payments made at or before the commencement date, less any lease incentives received;
(c) any initial direct costs incurred by the Company; and
(d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Office premises	2-3 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
(b) variable lease payments that depend on an index or a rate;
(c) amounts expected to be payable under residual value guarantees;
(d) exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
(e) payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Company will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Company remeasures the lease liability using a revised discount rate.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)
As lessee (Continued)
The Company recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if
(a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
(b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,
(a) the Company allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
(b) the Company determines the lease term of the modified contract.
(c) the Company remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
(d) for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
(e) for all other lease modifications, the Company accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

Foreign currency translation
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("functional currency").

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Employee benefits
Short-term employee benefits
Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

Defined contribution plan
The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Company in an independently administered fund.

Termination benefits
Termination benefits are recognised when, and only when, the Company demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Taxation
The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties
A related party is a person or entity that is related to the Company.

(a) A person or a close member of that person's family is related to the Company if that person:
  (i) has control or joint control over the Company;
  (ii) has significant influence over the Company; or
  (iii) is a member of the key management personnel of the Company or of the parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
  (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  (iii) both entities are joint ventures of the same third party.
  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  (vi) the entity is controlled or jointly controlled by a person identified in (a).
  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Related parties (Continued)
Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;
(b) children of that person's spouse or domestic partner; and
(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Critical accounting judgement and key sources of estimation uncertainty
Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Sale of tours and commission income
The Company evaluates its responsibilities for the delivery of services and other relevant facts and circumstances, and determines that it is acting as a principal of sale of tours and agent of commission earned. Accordingly, revenue arising from the sale of tours is stated at its gross amounts receivable for the tour operator and travel services rendered by the Company and is measured before deducting related costs in accordance with the accounting policy set out above. Commission income is stated at its net amounts receivable in relation to the tickets sold or hotels booked in accordance with the accounting policy set out above.

Assessment of impairment of goodwill
The Company has performed an impairment test for goodwill in accordance with the accounting policy stated above. For the purposes of impairment testing, goodwill acquired is reviewed for impairment based on forecast operating performance and cash flows. Cash flow projections are prepared on the basis of reasonable assumptions reflective of prevailing and future market conditions and are discounted appropriately.

Discount rates for calculating lease liabilities – as lessee
The Company uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discount rates for its leases, the Company refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

Deferred tax assets
As at the end of the reporting period, a deferred tax asset of HK$14,590,115 *(2023: HK$15,586,290)* in relation to unused tax losses has been recognised in the statement of financial position. The recognition of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in profit or loss in the period in which such a reversal takes place.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Future changes in HKFRS
At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are relevant to the Company but not yet effective for the current year, which the Company has not early adopted.

The directors are in the process of assessing the possible impact on the future adoption of the new / revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Company's financial statements.

2. REVENUE

	2024 *HK$*	2023 *HK$*
Revenue from contracts with customers within HKFRS 15		
Sale of tours	**305,001,809**	220,587,574
Commission income	**2,675,658**	4,600,963
Total revenue	**307,677,467**	225,188,537

3. OTHER REVENUE AND OTHER NET GAIN / INCOME

	2024 *HK$*	2023 *HK$*
(a) Other revenue		
Interest income	**552,123**	114,031
(b) Other net gain / income		
Exchange gain (loss), net	**20,770**	(181,070)
Others	**127,157**	32,426
Write-back of receipts in advance	**444,200**	764,755
	592,127	616,111

4. LOSS BEFORE TAX

This is stated after charging (crediting):

	2024 *HK$*	2023 *HK$*
Finance costs		
Interest on lease liabilities	**352,322**	641,852
Interest on loans from immediate holding company	**10,043,507**	10,060,562
	10,395,829	10,702,414

4. LOSS BEFORE TAX (CONTINUED)

	Note	2024 HK$	2023 HK$
Other items			
Staff costs (including directors' remuneration)			
Salaries, wages and other benefits		25,814,452	20,701,386
Contributions to defined contribution plan		1,355,147	1,167,965
		27,169,599	21,869,351
Auditor's remuneration		480,000	353,000
Depreciation on property, plant and equipment	6	1,215,140	1,122,490
Depreciation on right-of-use assets	7	4,405,814	4,324,016
Exchange (gain) loss, net		(20,770)	181,070

5. INCOME TAX EXPENSE (CREDIT)

Hong Kong Profits Tax has not been provided as the Company incurred a loss for taxation purpose for the current and prior years.

	2024 HK$	2023 HK$
Current tax		
Hong Kong Profits Tax	-	-
Deferred tax		
Benefits of tax losses reversed (recognised) *(Note 9)*	996,175	(399,905)
Total tax expense (credit) for the year	996,175	(399,905)

Reconciliation of tax expense	2024 HK$	2023 HK$
Loss before tax	(4,788,565)	(10,302,024)
Income tax at Hong Kong Profits Tax rates of 16.5% *(2023: 16.5%)*	(790,113)	(1,699,834)
Non-deductible expenses	2,243,703	1,847,388
Tax exempt revenue	(682,980)	(284,204)
Unrecognised temporary differences	163,247	51,759
Unrecognised tax losses	62,318	-
Recognition of previously unrecognised tax losses	-	(315,014)
Tax expense (credit) for the year	996,175	(399,905)

6. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Motor vehicles	Computer equipment	Furniture, fixtures and equipment	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
Reconciliation of carrying amount – year ended 31 December 2023					
At beginning of the reporting period	2,783,816	-	1,340	379,419	3,164,575
Additions	144,800	769,800	-	-	914,600
Depreciation	(970,527)	(64,150)	(1,340)	(86,473)	(1,122,490)
At end of the reporting period	1,958,089	705,650	-	292,946	2,956,685
Reconciliation of carrying amount – year ended 31 December 2024					
At beginning of the reporting period	**1,958,089**	**705,650**	**-**	**292,946**	**2,956,685**
Depreciation	**(979,044)**	**(153,960)**	**-**	**(82,136)**	**(1,215,140)**
At end of the reporting period	**979,045**	**551,690**	**-**	**210,810**	**1,741,545**
At 31 December 2023					
Cost	6,316,211	769,800	5,066,342	1,287,854	13,440,207
Accumulated depreciation	(4,358,122)	(64,150)	(5,066,342)	(994,908)	(10,483,522)
Net carrying amount	1,958,089	705,650	-	292,946	2,956,685
At 31 December 2024					
Cost	**6,316,211**	**769,800**	**5,066,342**	**1,165,221**	**13,317,574**
Accumulated depreciation	**(5,337,166)**	**(218,110)**	**(5,066,342)**	**(954,411)**	**(11,576,029)**
Net carrying amount	**979,045**	**551,690**	**-**	**210,810**	**1,741,545**

7. RIGHT-OF-USE ASSETS

	Office premises *HK$*	Reinstatement costs *HK$*	Total *HK$*
Reconciliation of carrying amount - year ended 31 December 2023			
At beginning of the reporting period	6,484,787	1,478,088	7,962,875
Additions	3,315,465	35,976	3,351,441
Depreciation	(3,819,328)	(504,688)	(4,324,016)
At end of the reporting period	5,980,924	1,009,376	6,990,300
Reconciliation of carrying amount - year ended 31 December 2024			
At beginning of the reporting period	5,980,924	1,009,376	6,990,300
Additions	109,064	-	109,064
Depreciation	(3,901,126)	(504,688)	(4,405,814)
At end of the reporting period	**2,188,862**	**504,688**	**2,693,550**

The Company obtains right to control the use of office premises for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain different terms and conditions including lease payments and lease term of 2 to 3 years. Except for lease covenants mainly related to the maintenance and use of the leased assets that are commonly found in lease arrangements, there are no other covenants or restrictions imposed by the lease arrangements.

Total cash outflow for leases for the year amounted to HK$4,847,262 *(2023: HK$4,645,447)*.

8. GOODWILL

Goodwill arose from the acquisition of Travel Circle International Services Limited on 9 November 2015. At 31 December 2024, management determined that there was no impairment of the goodwill.

Impairment tests for goodwill
The recoverable amount of goodwill is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated rate below. The growth rates used do not exceed the long-term average growth rates for the business in which the cash generating unit operates.

Key assumptions used for value-in-use calculations:

	2024	2023
- Long-term growth rate	**2.50%**	2.50%
- Discount rate	**16.57%**	15.89%

Management determined the estimated long-term growth rate based on past performance and its expectations for market development. The discount rate used is pre-tax and reflects specific risks relating to the business.

9. DEFERRED TAX ASSETS

The movement in the Company's deferred tax assets is as follows:

	Tax losses	
	2024	2023
	HK$	*HK$*
At 1 January	**15,586,290**	15,186,385
(Charged) Credited to profit or loss *(Note 5)*	**(996,175)**	399,905
At 31 December	**14,590,115**	15,586,290

As at 31 December 2024, the Company had unrecognised temporary differences of HK$567,885 *(2023:HK$Nil)* and unrecognised tax losses of HK$377,685 *(2023: HK$Nil)* to carry forward against future taxable income. Neither the deductible temporary differences nor the tax losses expire under current tax legislation.

10. TRADE AND OTHER RECEIVABLES

	2024	2023
	HK$	*HK$*
Trade receivable	**3,641,480**	1,079,552
Other receivables		
Prepayments	**4,625,430**	4,083,477
Deposits	**1,946,374**	2,000,554
Other receivables	**2,194,816**	2,464,310
Payment in advance to suppliers	**13,901,983**	14,817,373
	22,668,603	23,365,714
	26,310,083	24,445,266

Except for refundable deposits of HK$1,946,374 *(2023: HK$2,000,554)* that are expected to be recovered after more than one year, all of the trade and other receivables are expected to be recovered or recognised as expenses within twelve months of the end of the reporting period.

Information about the Company's exposure to credit risks and loss allowance for trade and other receivables is included in note 18(a).

11. TRADE AND OTHER PAYABLES

	2024 *HK$*	2023 *HK$*
Creditors and accruals	**35,088,310**	27,432,935
Amount due to immediate holding company	**29,058,873**	21,840,437
Receipts in advance	**3,419,804**	3,357,620
	67,566,987	52,630,992

The amount due to immediate holding company is unsecured, interest-free and repayable on demand.

As at 31 December 2024, the payable to fellow subsidiary of HK$658,399 *(2023: HK$201,264)* included in creditors and accruals.

12. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2024 *HK$*	2023 *HK$*
At 1 January	**45,644,218**	17,915,457
Refund due to cancellation of tours	**(991,500)**	(105,198)
Recognised as revenue	**(44,652,718)**	(17,810,259)
Receipt of advances or recognition of receivables	**61,855,240**	45,644,218
At 31 December	**61,855,240**	45,644,218

Unsatisfied or partially unsatisfied performance obligations
All the performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2024 and 31 December 2023 are part of contracts that have an original expected duration of one year or less. Given that the Company applies the practical expedient in paragraph 121(a) of HKFRS 15, the transaction price allocated to these performance obligations is not disclosed.

13. LOANS FROM IMMEDIATE HOLDING COMPANY

The amounts due are unsecured, interest-bearing at 7.93% to 8.15% *(2023: 7.79% to 8.95%)* per annum and repayable within the next twelve months of the end of the reporting period.

14. PROVISION

	2024 HK$	2023 HK$
Reinstatement costs		
At 1 January	**2,562,930**	2,373,854
Addition of provision for reinstatement costs	**-**	35,976
Adjustment of provision in prior year	**-**	153,100
At 31 December	**2,562,930**	2,562,930

	2024 HK$	2023 HK$
Current portion	**1,596,180**	-
Non-current portion	**966,750**	2,562,930
	2,562,930	2,562,930

The provision for reinstatement costs represents the management's best estimate of the Company's liabilities under the tenancy agreements in restoring the premises to their original status.

15. SHARE CAPITAL

	2024		2023	
	No. of shares	***HK$***	No. of shares	*HK$*
Issued and fully paid:				
At beginning and **end of the reporting period**	**59,523,801**	**59,523,801**	59,523,801	59,523,801

In accordance with section 135 of the Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

16. OTHER CASH FLOW INFORMATION

16(a) Cash from operations

	2024 HK$	2023 HK$
Loss before tax	**(4,788,565)**	(10,302,024)
Interest income	**(552,123)**	(114,031)
Depreciation	**5,620,954**	5,446,506
Interest expenses	**10,395,829**	10,702,414
Net increase in provision for reinstatement costs	**-**	153,100
Changes in working capital:		
Trade and other receivables	**(1,864,817)**	(13,129,029)
Trade and other payables	**5,767,598**	631,015
Contract liabilities	**16,211,022**	27,728,761
Cash from operations	**30,789,898**	21,116,712

16. OTHER CASH FLOW INFORMATION (CONTINUED)

16(b) Changes in liabilities arising from financing activities

Details of the changes in the Company's liabilities from financing activities are as follows:

2024

	Lease liabilities *HK$*	Loans from immediate holding company *HK$*	Total *HK$*
At 1 January 2024	**7,249,899**	**130,122,653**	**137,372,552**
Net cash flows	**(4,494,940)**	**(14,951,670)**	**(19,446,610)**
New lease	**109,064**	**-**	**109,064**
At 31 December 2024	**2,864,023**	**115,170,983**	**118,035,006**

2023

	Lease liabilities *HK$*	Loans from immediate holding company *HK$*	Total *HK$*
At 1 January 2023	7,938,029	127,435,496	135,373,525
Net cash flows	(4,003,595)	2,687,157	(1,316,438)
New lease	3,315,465	-	3,315,465
At 31 December 2023	7,249,899	130,122,653	137,372,552

17. RELATED PARTIES TRANSACTIONS

In addition to the transactions / information disclosed elsewhere in these financial statements, during the year, the Company had the following transactions with related parties:

	2024 *HK$*	2023 *HK$*
Management fee to immediate holding company	**1,519,085**	1,319,002
Management fee to fellow subsidiaries	**13,919**	15,690
Loans interest to immediate holding company	**10,043,507**	10,060,562
Purchases of travel services from fellow subsidiaries	**5,486,287**	463,760

All members of key management personnel are directors of the Company, and their remunerations are disclosed in note 20 to the financial statements.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES

The Company's principal financial instruments comprise mainly cash and bank balances and loans from immediate holding company. The main purpose of these financial instruments is to raise and maintain finance for the Company's operations. The Company has various other financial instruments such as trade and other receivables and trade and other payables which arise directly from its business activities.

The main risks arising from the Company's financial instruments are credit risk, foreign currency risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors generally adopts conservative strategies on its risk management and limits the Company's exposure to these risks to a minimum as follows:

a) Credit risk

The Company's credit risk is primarily attributable to trade and other receivables and deposits with banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations take into account the customers' past payment history, financial position and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The information about the exposure to credit risk and ECL for trade receivable using a provision matrix as at 31 December 2024 is summarised below.

	Expected loss rate %	**Gross carrying amount *HK$***	**Loss allowance *HK$***	**Credit-impaired**
As at 31 December 2024				
Less than 1 month past due	**0**	**3,641,480**	**-**	**No**

	Expected loss rate %	Gross carrying amount *HK$*	Loss allowance *HK$*	Credit-impaired
As at 31 December 2023				
Less than 1 month past due	0	1,079,552	-	No

Trade receivable that was neither past due nor impaired relate to a customer for whom there was no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of this balance as there has not been a significant change in credit quality and the balance is considered fully recoverable. The Company does not hold any collateral over this balance.

Trade receivables are due within 15-30 days from the date of billing.

Deposits with financial institutions are made with those with sound credit ratings to minimise the credit exposure.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

b) Foreign currency risk

The Company's functional currency is Hong Kong dollars ("HKD"). The Company is exposed to currency risk primarily through sales and purchases giving rise to trade and other receivables, cash and bank balances, creditors and accruals that are denominated in other currencies, being primarily United States dollars ("USD"), Australian dollars ("AUD"), Euros ("EUR"), Renminbi ("RMB"), Swiss franc ("CHF"), New Zealand dollars ("NZD") and India Rupee ("INR").

As the HKD is pegged to the USD, the Company considers the risk of movements in exchange rates between the HKD and the USD to be insignificant. In respect of balances denominated in AUD, EUR, RMB, CHF, NZD and INR, the Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates or entering into short-term foreign currency forward contracts where necessary to address short-term imbalances.

The following table details the Company's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the Company's functional currency of HKD. For presentation purposes, the amounts of the exposure are shown in HKD, translated using the spot rate at the year-end date.

	2024 Exposure to foreign currencies						
	USD	**AUD**	**EUR**	**RMB**	**CHF**	**NZD**	**INR**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Trade and other receivables	**4,812,299**	**-**	**-**	**-**	**-**	**-**	**-**
Bank balances and cash	**3,779,980**	**4,436**	**1,296,182**	**22,729**	**141,810**	**24,292**	**368**
Loans from immediate holding company	**(115,170,983)**	**-**	**-**	**-**	**-**	**-**	**-**
Amount due to immediate holding company	**(29,296,359)**	**-**	**-**	**-**	**-**	**-**	**-**
Trade and other payables	**(569,994)**	**(618,392)**	**(8,310,414)**	**(303,659)**	**(288,620)**	**(1,557,041)**	**-**
Net exposure to currency risk	**(136,445,047)**	**(613,956)**	**(7,014,232)**	**(280,930)**	**(146,810)**	**(1,532,749)**	**368**

	2023 Exposure to foreign currencies						
	USD	AUD	EUR	RMB	CHF	NZD	INR
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Trade and other receivables	9,308,757	3,651	348,179	1,142	7,128	24,369	29,281
Bank balances and cash	13,503	15,494	34,936	4,941	25,636	15,230	1,316
Loans from immediate holding company	(130,122,653)	-	-	-	-	-	-
Amount due to immediate holding company	(21,972,255)	-	-	-	-	-	(76,008)
Trade and other payables	(1,544,133)	(669,813)	(7,422,531)	(145,287)	(707,169)	(672,167)	(29,672)
Net exposure to currency risk	(144,316,781)	(650,668)	(7,039,416)	(139,204)	(674,205)	(632,568)	(75,083)

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

b) Foreign currency risk (Continued)

Sensitivity analysis
The following table indicates the instantaneous change on the Company's loss before tax that would arise if foreign exchange rates to which the Company has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. No other components of equity would be affected by changes in foreign exchange rates. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

	2024		2023	
	Increase (Decrease) in foreign exchange rates	**Increase (Decrease) in loss before tax** *HK$*	Increase (Decrease) in foreign exchange rates	Increase (Decrease) in loss before tax *HK$*
AUD	**1%**	**6,140**	1%	6,507
	(1%)	**(6,140)**	(1%)	(6,507)
EUR	**1%**	**70,142**	1%	70,394
	(1%)	**(70,142)**	(1%)	(70,394)
RMB	**1%**	**2,809**	1%	1,392
	(1%)	**(2,809)**	(1%)	(1,392)
CHF	**1%**	**1,468**	1%	6,742
	(1%)	**(1,468)**	(1%)	(6,742)
NZD	**1%**	**15,327**	1%	6,326
	(1%)	**(15,327)**	(1%)	(6,326)
INR	**1%**	**(4)**	1%	751
	(1%)	**4**	(1%)	(751)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on loss before tax measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Company which exposed the Company to currency risk at the end of the reporting period.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

c) Liquidity risk

Management of the Company closely monitors the current and expected liquidity requirements to ensure sufficient reserve of cash is available for the Company's business operation in short and longer term. The maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments are summarised below:

	Within 1 year or on demand *HK$*	**Over 1 year** *HK$*	**Total contractual undiscounted cash flows** *HK$*	**Total carrying amount** *HK$*
2024				
Trade and other payables	**64,147,183**	**-**	**64,147,183**	**64,147,183**
Lease liabilities	**2,957,262**	**-**	**2,957,262**	**2,864,023**
Loans from immediate holding company	**120,517,701**	**-**	**120,517,701**	**115,170,983**
	187,622,146	**-**	**187,622,146**	**182,182,189**

	Within 1 year or on demand *HK$*	Over 1 year *HK$*	Total contractual undiscounted cash flows *HK$*	Total carrying amount *HK$*
2023				
Trade and other payables	49,273,372	-	49,273,372	49,273,372
Lease liabilities	4,759,062	2,927,862	7,686,924	7,249,899
Loans from immediate holding company	136,192,336	-	136,192,336	130,122,653
	190,224,770	2,927,862	193,152,632	186,645,924

d) Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's loans advance from immediate holding company. The Company's policy is to manage its interest cost using a mix of fixed and variable rate debt. The Company aims at keeping borrowings at variable rates.

At the end of the reporting period, if interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's net loss for the year would increase/decrease by HK$801,000 *(2023: HK$1,055,000).*

The sensitivity analysis has been prepared with the assumption that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the relevant financial instruments in existence at that date. The changes in interest rate represent management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2023.

e) Fair value

All financial instruments are carried at amounts not materially different from their fair value as at 31 December 2024 and 2023.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

f) Capital management

The objectives of the Company's capital management are to safeguard the entity's ability to continue as a going concern and to provide returns for shareholders. The Company manages its capital structure and makes adjustments, including payment of dividend to shareholders, return of capital to shareholders or issue of new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 2023.

19. BANK FACILITIES

The Company has been granted bank facilities including guarantee line limited to HK$1,000,000 *(2023: HK$1,000,000)* and corporate card with limit of HK$200,000 *(2023: HK$200,000)*. These facilities are secured by corporate guarantee from its immediate holding company.

20. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

The following disclosures are presented pursuant to section 383 of the Companies Ordinance.

(a) Directors' remuneration

Directors' remuneration disclosed pursuant to section 383 of the Companies Ordinance is as follows:

	2024	2023
	HK$	*HK$*
Other services in connection with management of the affairs:		
Salaries, allowances and benefits in kind	**1,738,734**	1,749,600
Retirement scheme contributions	**118,973**	118,973
	1,857,707	1,868,573

(b) Loans, quasi-loans and other dealings in favour of directors

There were no loans, quasi-loans or other dealings in favour of the directors of the Company or its holding company, or their controlled entities that were entered into or subsisted during the years ended 31 December 2024 and 2023.

(c) Directors' material interests in transactions, arrangement or contracts

The directors are of the opinion that no transactions, arrangements and contracts of significance in relation of the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years or at any time during the years ended 31 December 2024 and 2023.

o/c

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Independent Auditor's Report

To the Members of Sterling Holiday Resorts Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holiday Resorts Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

THM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

THM

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the daily back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2025 and 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 42 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

THM

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used accounting softwares from third party service providers for maintaining its books of account relating to general ledger and revenue. In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report in relation to controls at service organisations for such accounting softwares, we are unable to comment whether audit trail feature of the softwares were enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Additionally, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXW9741

Place: Chennai

Date: 11 May 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land	40,091.62	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3 and 47 of the financial statements
Building	19,783.91	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3 and 47 of the financial statements
Freehold land	4,327.70	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(a) and 47 of the financial statements
Building	4,768.79	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(a) and 47 of the financial statements

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land	761.70	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3 and 44(c) of the financial statements
Freehold land	10,007.30	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(d)(i) and 47 of the financial statements
Building	3,967.36	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(d)(i) and 47 of the financial statements
Freehold land	12,200.00	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(d)(ii) and 47 of the financial statements
Building	4,377.79	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 3, 44(d)(ii) and 47 of the financial statements
Freehold land	1,040.00	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	SHRIL had acquire Manchanda Resorts Pvt Ltd, title deeds are yet to be transferred.
Building	2,779.78	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	SHRIL had acquire Manchanda Resorts Pvt

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
					Ltd, title deeds are yet to be transferred.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in mutual funds during the year. The Company has also granted loans to companies during the year, in respect of which the requisite information is below. The Company has not made investments in, provided any guarantee or security, granted advances in the nature of loans, secured or unsecured to companies during the year. The Company has not made investments in, provided any guarantee or security, granted any loans and advances in the nature of loans, secured or unsecured to firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below:

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

Particulars	Guarantees (INR in lakhs)	Security (INR in lakhs)	Loans (INR in lakhs)	Advances in nature of loans (INR in lakhs)
Aggregate amount granted during the year Subsidiary				
Nature Trails Resorts Private Limited	-	-	596.31	-
Others	-	-	-	16.84
Balance outstanding as at balance sheet date Subsidiary				
Nature Trails Resorts Private Limited *	-	-	205.53	-
Others	-	-	-	13.05

*A loss allowance of INR 205.53 lakhs has been recorded on the balance outstanding as at the balance sheet date by the Company, based on its assessment of recoverability of this balance.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, principal is repayable on demand and schedule for the payment of interest has not been stipulated. In the absence of a repayment schedule, we are unable to comment on the regularity of payment of interest and principal. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of loans given, the principal is repayable on demand and the schedule for payment of interest have not been stipulated and accordingly we are unable to comment on the amount overdue for more than ninety days. Further, the Company has not given any advance in the nature of loan to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	All Parties	Promoters	Related Parties
Aggregate amount of loans granted during the year: - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	596.31 -	- -	596.31 -
Total (A+B)	596.31	-	596.31
Percentage of the aggregate to the total loans granted during the year.	100%	-	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of provident fund and ESI.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Value Added Tax or Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable, except as mentioned below:

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Period to which the amount relates	Due date	Date of payment
The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Provident fund	21.83	Oct 2019 - Aug 2023	15th of next month	Unpaid

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Luxury tax, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount* (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
Uttarakhand Goods and Services Tax Act, 2017	Goods and ServicesTax	24.34	FY 2018-19	Assistant Commissioner, State Tax
Tamil Nadu Goods and Services Tax Act, 2017	Goods and ServicesTax	862.88	FY 2017-18 and 2018-19	Commissioner of Central Tax, Appeals, Chennai
Tamil Nadu Goods and Services Tax Act, 2017	Goods and ServicesTax	1,080.74	FY 2019-20 to 2021-22	Additional Commissioner of GST & Central Excise
Kerela Goods and Service Tax Act, 2017	Goods and ServicesTax	26.37	FY 2019-20	Asst. Commissioner GST
Tamil Nadu Luxury tax Act	Luxury tax	6,050.13	FY 1998-99 to 2017-18	Madras High Court
Tamil Nadu Luxury tax Act	Luxury tax	114.76	FY 2010-11 to 2014-15	Madras High Court
The Income Tax Act, 1961	Income tax	648.76	AY 2001-02	Income Tax Appellate Tribunal, Mumbai

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

Name of the statute	Nature of the dues	Amount* (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	2,450.30	AY 2015-16	Income Tax Appellate Tribunal, Mumbai
The Income Tax Act, 1961	Income tax	6,660.94	AY 2017-18	Income Tax Appellate Tribunal, Mumbai
The Income Tax Act, 1961	Income tax	201.84	AY 2018-19	Income Tax Appellate Tribunal, Mumbai
The Income Tax Act, 1961	Income Tax	6.89	AY 2020-21	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	22.05	AY 2024-25	Commissioner of Income Tax (Appeals)

* Net of amounts paid under protest

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2025.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

associates or joint ventures (as defined under the Act) during the year ended 31 March 2025.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act. We have taken into consideration the whistle blower complaint received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXW9741

Place: Chennai

Date: 11 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sterling Holiday Resorts Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holiday Resorts Limited for the year ended 31 March 2025 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXW9741

Place: Chennai

Date: 11 May 2025

Sterling Holiday Resorts Limited
Balance Sheet as at March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	102,018.30	102,338.56
Right of use assets	5i	14,215.22	10,426.67
Capital work-in-progress	4	368.71	299.63
Other Intangible assets	5	10.79	34.09
Financial assets			
i Investments	6(a)	190.16	1,975.17
ii Loans	8	-	1.66
iii. Trade receivables	7(a)	-	149.79
iv Other financial assets	9	2,132.44	970.12
Other tax assets (net)	10	3,131.20	2,834.56
Deferred acquisition cost	11	7,223.29	8,559.76
Other non-current assets	12	236.29	711.09
Total non-current assets		**129,526.40**	**128,301.10**
Current assets			
Inventories	13	262.84	251.63
Financial assets			
i. Investments	6(b)	9,723.66	8,430.31
ii. Trade receivables	7(b)	1,422.75	1,459.36
iii. Cash and cash equivalents	14	632.04	348.30
iv. Bank balances other than (iii) above	15	-	9,660.06
v. Loans	8	14.49	4,847.86
vi. Other financial assets	9	15,251.98	70.29
Deferred acquisition cost	11	460.94	595.42
Other current assets	16	1,053.98	1,117.63
Total current assets		**28,822.68**	**26,780.86**
Total assets		**158,349.08**	**155,081.96**
Equity and liabilities			
Equity			
Equity share capital	17	2,905.00	2,905.00
Other equity			
Reserves and surplus	18	12,267.72	6,376.02
Other comprehensive income	19	57,732.76	59,090.49
Total equity		**72,905.48**	**68,371.51**
Liabilities			
Non-current liabilities			
Financial liabilities			
i Lease liabilities	5i	11,503.40	8,243.29
ii. Other financial liabilities	20(a)	17.00	8.68
Provision for employee benefit obligations	21	539.30	428.07
Deferred tax liabilities (net)	22	5,771.65	2,458.76
Other non-current liabilities			
i Contract liabilty - Deferred revenue	23	53,313.44	61,229.58
Total non-current liabilities		**71,144.79**	**72,368.38**
Current liabilities			
Financial liabilities			
i. Trade payables			
a) total outstanding dues of micro enterprises and small enterprises, and	24	274.23	123.90
b) total outstanding dues of creditors other than micro enterprises and small	24	3,208.00	3,905.19
ii Lease liabilties	5i	2,227.44	1,289.21
iii. Other financial liabilities	20(b)	724.25	436.72
Provisions			
i Provision for employee benefit obligations	21	530.44	374.20
ii Other provisions	25	-	493.79
Other current liabilities			
i. Contract liability - Deferred revenue	26(a)	5,553.92	6,104.71
ii Others	26(b)	1,780.53	1,402.39
Current tax liabilities	27	-	211.96
Total current liabilities		**14,298.81**	**14,342.07**
Total liabilities		**85,443.60**	**86,710.45**
Total equity and liabilities		**158,349.08**	**155,081.96**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 11, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Vikram Dayal Lalvani
Managing Director & Chief Executive Officer
DIN: 07115464
Place: Chennai
Date: May 5, 2025

Madhavan Menon
Director
DIN: 00008542
Place: Mumbai
Date: May 5, 2025

Krishna Kumar L.
Chief Financial Officer
Membership No.: 028935
Place: Chennai
Date: May 5, 2025

Muthukumaran A
Company Secretary
Membership No.: A33894
Place: Chennai
Date: May 5, 2025

Sterling Holiday Resorts Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	28	45,346.29	41,074.83
Other income	29	3,464.53	2,475.91
Total income		**48,810.82**	**43,550.74**
Expenses			
Cost of materials consumed	30	3,193.49	2,786.38
Employee benefits expense	31	14,310.20	11,355.42
Finance costs	32	1,272.56	1,545.99
Depreciation and amortisation expense	33	3,920.64	3,358.00
Other expenses	34	15,782.19	13,531.52
Total expenses		**38,479.08**	**32,577.31**
Profit before exceptional items and tax		**10,331.74**	**10,973.43**
Exceptional Items	57	2,401.71	-
Profit before tax		**7,930.03**	**10,973.43**
Tax expense:			
Current tax		-	-
Deferred tax	35	2,181.84	(2,238.85)
Total tax expense		**2,181.84**	**(2,238.85)**
Profit for the year		**5,748.19**	**13,212.28**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability / (asset)		(87.38)	14.22
Revaluation gain on land		-	14,053.96
Income tax relating to items that will not be reclassified to profit or loss		(1,131.05)	(4,697.61)
Other Comprehensive (loss) / income for the year, net of tax		**(1,218.43)**	**9,370.57**
Total comprehensive income for the year		**4,529.76**	**22,582.85**
Earnings per share (Face value of INR 10 each)	55		
Basic earnings per share (INR)		19.79	45.48
Diluted earnings per share (INR)		19.79	45.48
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 11, 2025

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Date: May 5, 2025

Muthukumaran A
Company Secretary
Membership No.: A33894
Place: Chennai
Date: May 5, 2025

Sterling Holiday Resorts Limited

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2023		2,905.00
Changes in equity share capital during the year	17	-
Balance as at March 31, 2024		**2,905.00**
Changes in equity share capital during the year	17	-
Balance as at March 31, 2025		**2,905.00**

II) Other equity

		Reserves and surplus						Other comprehensive income			
	Note	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Capital contribution from Holding company	Total	Remeasurements of the defined benefit liability / (asset)	Revaluation reserve	Total	Total equity
Balance as at April 1, 2023		**32,057.94**	**4.70**	**(40,574.83)**	-	**1,968.80**	**(6,543.39)**	-	**49,730.56**	**49,730.56**	**43,187.17**
Profit for the year	18	-	-	13,212.28	-	-	13,212.28	-	-	-	**13,212.28**
Stock compensation expense for the year	49	-	-	-	-	(303.51)	(303.51)	-	-	-	**(303.51)**
Other comprehensive income for the year	19	-	-	-	-	-	-	10.64	-	10.64	**10.64**
Transfer to retained earnings - Actuarial gain / (loss) (Net of tax)		-	-	10.64	-	-	10.64	(10.64)	-	(10.64)	-
Revaluation gain on land (net of tax)	50	-	-	-	-	-	-	-	9,359.93	9,359.93	**9,359.93**
Redemption of preference shares		-	(4.70)	(25.60)	30.30	-	-	-	-	-	-
Balance as at March 31, 2024		**32,057.94**	-	**(27,377.51)**	**30.30**	**1,665.29**	**6,376.02**	-	**59,090.49**	**59,090.49**	**65,466.51**
Profit for the year	18	-	-	5,748.19	-	-	5,748.19	-	-	-	**5,748.19**
Stock compensation expense for the year	49	-	-	-	-	4.21	4.21	-	-	-	**4.21**
Other comprehensive income for the year	19	-	-	-	-	-	-	(65.39)	-	(65.39)	**(65.39)**
Transfer to retained earnings - Actuarial gain / (loss) (Net of tax)		-	-	(65.39)	-	-	(65.39)	65.39	-	65.39	-
Transfer to retained earnings - Sale of land (Net of tax)		-	-	204.69	-	-	204.69	-	(204.69)	(204.69)	-
Remeasurement of deferred tax liability on revaluation of land		-	-	-	-	-	-	-	(1,153.04)	(1,153.04)	**(1,153.04)**
Balance as at March 31, 2025		**32,057.94**	-	**(21,490.02)**	**30.30**	**1,669.50**	**12,267.72**	-	**57,732.76**	**57,732.76**	**70,000.48**

Material accounting policies 1 3

The notes referred to above form an integral part of the financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 11, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Vikram Dayal Lalvani
Managing Director & Chief Executive Officer
DIN: 07115464
Place: Chennai
Date: May 5, 2025

Madhavan Menon
Director
DIN: 00008542
Place: Mumbai
Date: May 5, 2025

Krishna Kumar L
Chief Financial Officer
Membership No: 028935
Place: Chennai
Date: May 5, 2025

Muthukumaran A
Company Secretary
Membership No: A33894
Place: Chennai
Date: May 5, 2025

Sterling Holiday Resorts Limited
Statement of Cash flows for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Profit before tax		7,930.03	10,973.43
Adjustments for:			
Depreciation and amortisation expense	33	3,920.64	3,358.00
Finance costs	32	86.41	216.98
Dividend paid on optionally convertible cumulative redeemable preference shares (OCCPRS)	32	-	0.90
Interest on lease liabilities	32	1,186.15	917.32
Income from termination of memberships	30	(5,530.81)	(5,321.53)
Interest income	29	(1,089.03)	(994.57)
Net (gain) on disposal of property, plant and equipment	29	(69.01)	(0.21)
Employee share based payments	52	4.21	(303.51)
Gain on sale of investments (net)	31	(47.66)	(47.24)
Change in fair value of financials assets at fair value through profit or loss	31	(659.61)	(492.34)
Liabilities no longer required written back	36	-	-
Provision for doubtful advances	36	-	-
Income from termination of lease contracts	31	(563.04)	(29.66)
Provison for loan	57	205.01	-
Impairment of investment in subsidiary	57	1,785.01	-
Working capital adjustments:			
(Increase) / Decrease in trade receivables		(1,557.40)	1,242.00
(Increase) in inventories		(11.21)	(135.57)
(Increase) in other financial assets		(1,226.20)	(297.03)
Decrease in other assets		2,118.95	114.87
(Decrease) / Increase in trade payables		(546.86)	1,395.85
(Decrease) in other liabilities		(546.23)	(234.59)
(Decrease) / Increase in employee benefit obligations		245.13	26.06
Decrease in other financial liabilities		(10.31)	353.25
Cash generated from operating activities		**5,624.17**	**10,742.41**
Direct taxes paid (Including TDS receivable)		(508.60)	(514.02)
Net cash from operating activities		**5,115.57**	**10,228.39**
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets (including capital creditors and capital advances)		(1,983.27)	(1,228.64)
Proceeds from disposal of property, plant and equipment		515.01	11.44
Repayment of loan by subsidiaries		4,122.30	868.91
Loans given to subsidiaries		(596.31)	(1,241.16)
Investment in fixed deposits		(19,799.92)	(4,346.02)
Proceeds from fixed deposits		14,357.14	-
Investment in mutual funds		(1,949.90)	(4,959.75)
Proceeds from sale of mutual funds		1,363.82	953.65
Interest received		2,197.03	795.36
Net cash (used in) investing activities		**(1,774.10)**	**(9,146.21)**
Cash flows from financing activities			
Interest paid		(86.41)	(232.58)
Repayment of borrowings		-	(2,253.02)
Redemption of OCCPRS		-	(30.30)
Dividend paid		-	(13.66)
Principal payment of lease liabilities		(2,971.32)	(2,009.37)
Net cash (used in) financing activities		**(3,057.73)**	**(4,538.93)**

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BSR & Co. LLP ★ Chartered Accountants ★

STERLING HOLIDAY RESORTS LIMITED CHENNAI ★

Sterling Holiday Resorts Limited
Statement of Cash flows for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Net increase / (decrease) in cash and cash equivalents		283.74	(3,456.75)
Cash and cash equivalents at the beginning of the year		348.30	3,805.05
Cash and cash equivalents at the end of the year	14	**632.04**	**348.30**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 11, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Vikram Dayal Lalvani
Managing Director & Chief Executive Officer
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Krishna Kumar L
Chief Financial Officer
Membership No.: 028935
Place: Chennai
Date: May 5, 2025

Muthukumaran A
Company Secretary
Membership No.: A33894
Place: Chennai
Date: May 5, 2025

1.1. Reporting entity

Sterling Holiday Resorts Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's registered office is at Purva Primus, 4th Floor, 236, Okkiyampettai, Old Mahabalipuram Road, Thoraipakkam, Chennai - 600097. The Company is a subsidiary of Thomas Cook (India) Limited and the ultimate holding company is Fairfax Financial Holdings Limited, Canada.

1.2. Basis of preparation

1.2.1. Statement of compliance

Basis of measurement

These financial statements have been prepared under the historical cost basis except for the following items:

Items basis	Measurement
Certain financial assets and liabilities	Fair value
Net defined benefit asset / (liability)	Fair value of plan assets less the present value of the defined benefit obligation
Freehold and leasehold land	Fair value
Share-based payment arrangements	Fair value

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

BSR & Co. LLP Chartered Accountants

STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policies (continued)

Going Concern

The financial statements for the year ended March 31, 2025 reflect that the Company has accumulated losses of INR 21,490.02 lakhs (March 31, 2024: INR 27,277.51 lakhs) (which have eroded the net worth of the Company) as at the balance sheet date. The above accumulated loss includes a one-time impact of INR 30,259.54 lakhs on change in accounting for contracts with customers, pursuant to transition to Ind AS 115 Revenue from Contracts with Customers. During the year Company has earned profit before tax of INR 7,930.03 (March 31, 2024 INR 10,973.43). The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company.

Based on the expected continued profitability, approved cash flow projections for the next 12 months, availability of assets (land, buildings, trade receivables etc.) for securitization/monetization for additional funds, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

1.2.2. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupees (INR) which is the Company's functional and presentation currency. All amounts have been presented in lakhs of Indian Rupees (INR), unless otherwise stated.

1.2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chairman – Whole Time Director (WTD) of the Company has been identified as the chief operating decision maker of the Company who assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 42 for segment information presented.

1.2.4. Current / Non-current classification

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

B S R & Co. LLP Chartered Accountants

STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policies (continued):

1.3.1. Revenue recognition

The Company's business is to sell membership and provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Under Ind AS 115 an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied.

a) Revenue from membership fees

In respect of sale of membership, the Company determines the transaction price and allocates the same to each performance obligation in the membership contract based on their respective fair value. Revenue from membership fee is recognized over the effective membership period as the performance obligation is fulfilled over the tenure of membership applicable to the respective member. The revenue to be recognized in future periods classified as deferred income under the head 'other non-current'/ 'other current liabilities'. Revenue from offers and other benefits given to the customer is recognized as and when such benefits are provided to customers.

b) Revenue from annual subscription fees

Income in respect of annual subscription fee or annual amenity charges dues from members is recognized only when it is reasonably certain that the ultimate collection will be made. Where the length of time between rendering services and collection of consideration from the customers is more than one year, the Company adjusts the consideration for time value of money.

c) Interest income on membership plans

Interest is recognised as income based on the terms of the contracts entered into with the members if they are reasonably certain to be recovered from the customers.

d) Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue with respect to instalments/contracts where there is an uncertainty about collectability, is deferred (even though the membership is not cancelled). The estimation of such revenues where there is uncertainty in collection has been made by the Company based on past trends of year-wise cancellation of memberships and considering factors impacting future collections. Unbilled revenue instalments that are due more than 12 months are considered overdue and are adjusted against credits available under deferred revenue.

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e) Incremental costs of obtaining and fulfilling a contract

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

B S R & Co. LLP Chartered Accountants

STERLING HOLIDAY RESORTS LIMITED CHENNAI

Revenue recognition policy (continued)

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard, the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

(a) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(b) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) the costs are expected to be recovered.

The above costs to obtain and fulfill a contract are amortised over the effective membership period.

f) Revenue from resorts

Income from resorts comprising of sale of food and beverages, room rentals and other services are recognized when these are sold and as services are rendered.

g) Contract balances

(i) Contract assets (Deferred Acquisition cost)

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Deferred acquisition cost relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained.

(ii) Contract liabilities (Deferred Revenue)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

1.3.2. Income taxes

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/ expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Company offsets the current tax assets as against the liability for provision for tax.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policy (continued)

(b) Deferred Tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss and does not give rise to equal deductible and taxable temporary differences at the time of the transaction. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred taxes on items classified under Other comprehensive income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

1.3.3. Leases

The Company has adopted Ind AS 116 Leases with effect from April 1, 2019 and the Company has elected to measure right-of-use asset for all leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. Premium paid for acquiring leasehold land is amortised over the period of lease.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased or by applying the practical expedient.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policies (continued)

Lease payments included in the measurement of the lease liability comprise the following:
– fixed payments, including in substance fixed payments;
– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– amounts expected to be payable under a residual value guarantee; and

– the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.
The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Company presents lease liabilities in 'loans and borrowings' in the statement of financial position. With respect to leasehold land refer 1.3.8 for accounting policy.

Short-term leases and leases of low value assets
The Company has elected not to recognise right of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.3.4. Impairment of assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are Company at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units or CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1.3.5. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realizable value. Cost is determined using the Weighted average method. The cost comprises of purchase price, non-refundable taxes and delivery handling cost incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for slow moving/ non-moving items, wherever necessary.

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Material accounting policies (continued)

1.3.6. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

1.3.7. Property, Plant and Equipment

Recognition and measurement

The Company adopts the cost measurement approach for property, plant and equipment other than freehold and leasehold land.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The Company follows revaluation model for measurement of freehold and leasehold land. Freehold and leasehold land will be recognized at fair value based on periodic, at least triennial, valuations done by external independent valuers, less subsequent depreciation of leasehold land. Increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity.

Fair value of the land assets is determined using the Market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property. Refer Note 51.

Depreciation methods, estimated useful lives and residual value:
Based on technical evaluation carried out, depreciation on property, plant and equipment is provided, on a pro-rata basis, on Straight Line Method (SLM) over the estimated useful lives of the assets, which equates to the useful lives prescribed under Schedule II to the Companies Act, 2013, as follows:

Asset class	Useful life as per Companies act	Useful life as per management
Buildings	60	30- 60
Plant and machinery	15	15
Furniture and fixtures – general	10	10
Furniture and fixtures – others	8	8
Office equipment	5	5
Computer equipment – Servers & Network	6	6
Computer equipment – Desktop, laptop and end-user items	3	3
Electrical installations	10	10
Vehicles	8	8

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Material accounting policy (continued)

Premium paid for acquiring leasehold land is amortised over the period o lease. Assets constructed on leasehold land/leasehold improvements are amortised over the primary period of lease or its estimated useful life, whichever is lower.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

1.3.8. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Following initial recognition, other intangible assets, including those acquired by the Company in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. Goodwill is not amortised. The amortisation methods and useful lives are reviewed at each reporting date and adjusted, if appropriate.

Computer software and other intangibles are amortised on a straight-line basis over a period of 5 years.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

1.3.9. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1.3.10. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policy (continued)

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

1.3.11. Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

(d) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

I. Classification of financial assets:

The Company classifies its financial assets in the following measurement categories:

a. Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b. Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

II. Measurement of financial asset:

A. Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

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Material accounting policy (continued)

i. Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

B. Equity instruments:

The Company subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

III. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Material accounting policy (continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

IV. De-recognition of financial assets:

A financial asset is derecognised only when

i. The Company has transferred the rights to receive cash flows from the financial asset or
ii. retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.12. Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

I. Measurement of financial liabilities:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policy (continued)

II. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

1.3.13. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.3.14. Provisions (other than for employee benefits)

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.3.15. Employee benefits

a) Defined contribution plan

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

b) Defined benefit plan

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. The Company Gratuity plan is funded with Life Insurance Corporation of India, for all of the employees, under New Company Gratuity Cash Accumulation Plan.

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Material accounting policy (continued)

c) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

d) Share based payments

The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1.3.16. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (refer Note 58).

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2A. Critical estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

Material accounting policy (continued)

The areas involving critical judgements:

Note 52 – Lease term: Whether the Company is reasonably certain to exercise the extension options
Note 21 – measurement of defined benefit obligations, key actuarial assumptions
Note 44 and 46 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
Note 3 – Freehold land is measured based on valuation by external independent valuers using market approach
Note 1.3.8- Estimation of useful lives of property, plant and equipment and intangible assets
Note 36- determine the fair value of financial assets or liability based on unobservable inputs
Note 22 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;

2B. Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 Property, Plant and Equipment

Reconciliation of carrying amount for the year ended March 31, 2024:

Asset description	Land - freehold	Buildings	Computer equipment	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installations	Total
I. Gross Block									
Balance as at April 1, 2023	57,029.39	34,482.11	503.94	2,335.80	3,688.16	91.52	155.68	5,079.71	103,366.31
Additions / Adjustments	-	666.91	34.11	195.49	179.39	32.93	50.83	185.98	1,345.64
Disposals / Transfer	-	-	-	(0.82)	(4.79)	-	(17.65)	-	(23.26)
Balance as at March 31, 2024	**57,029.39**	**35,149.02**	**538.05**	**2,530.47**	**3,862.76**	**124.45**	**188.86**	**5,265.69**	**104,688.69**
II. Accumulated depreciation									
Balance as at April 1, 2023	-	5,834.82	470.30	1,167.27	3,089.14	80.87	114.36	3,562.78	14,319.54
Depreciation for the year	-	824.65	20.03	158.15	304.10	5.72	15.80	449.49	1,777.94
Disposals / Adjustments	-	-	-	(0.82)	(4.79)	-	(6.21)	-	(11.82)
Balance as at March 31, 2024	-	**6,659.47**	**490.33**	**1,324.60**	**3,388.45**	**86.59**	**123.95**	**4,012.27**	**16,085.66**
III. Revaluation									
Revaluation for the year	13,735.53	-	-	-	-	-	-	-	13,735.53
Net block (I-II)									
Balance as at March 31, 2024	70,764.92	28,489.55	47.72	1,205.87	474.31	37.86	64.91	1,253.42	102,338.56
Balance as at March 31, 2023	57,029.39	28,647.29	33.64	1,168.53	599.02	10.65	41.32	1,516.93	89,046.77

Reconciliation of carrying amount for the year ended March 31, 2025:

Asset description	Land - freehold	Buildings	Computer equipment	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installations	Total
I. Gross Block									
Balance as at April 1, 2024	70,764.92	35,149.02	538.05	2,530.47	3,862.76	124.45	188.86	5,265.69	118,424.22
Additions / Adjustments	-	922.55	48.14	440.97	198.85	31.48	12.43	188.53	1,842.95
Disposals / Transfer	(410.00)	(48.49)	(66.52)	(22.03)	(247.50)	(19.91)	(5.32)	(319.23)	(1,139.00)
Balance as at March 31, 2025	**70,354.92**	**36,023.08**	**519.67**	**2,949.41**	**3,814.11**	**136.02**	**195.97**	**5,134.99**	**119,128.17**
II. Accumulated depreciation									
Balance as at April 1, 2024	-	6,659.47	490.33	1,324.60	3,388.45	86.59	123.95	4,012.27	16,085.66
Depreciation for the year	-	858.31	29.03	179.54	180.69	13.55	13.10	442.84	1,717.06
Disposals / Adjustments	-	(26.08)	(65.63)	(15.92)	(247.12)	(19.87)	(5.32)	(312.91)	(692.85)
Balance as at March 31, 2025	-	**7,491.70**	**453.73**	**1,488.22**	**3,322.02**	**80.27**	**131.73**	**4,142.20**	**17,109.87**
Net block (I-II+III)									
Balance as at March 31, 2025	70,354.92	28,531.38	65.94	1,461.19	492.09	55.75	64.24	992.79	102,018.30
Balance as at March 31, 2024	70,764.92	28,489.55	47.72	1,205.87	474.31	37.86	64.91	1,253.42	102,338.56

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3 Property, Plant and Equipment (contd.)

Revaluation of land

The revalued land consists of both freehold and leasehold (Refer note 50).

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation on March 31, 2024, the properties' fair values are based on valuations performed by Knight Frank (I) Pvt Ltd , an accredited independent valuer who has relevant valuation experience for similar properties in India and is not a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. If land and leasehold properties were measured using the cost model, the carrying amounts would be as follows:

Nature	Revaluation model		Cost model	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Freehold land	70,354.92	70,764.92	5,250.87	5,439.92
Leasehold land	1,812.36	1,838.00	161.91	161.91
Total	**72,167.28**	**72,602.92**	**5,412.78**	**5,601.83**

(a) Consequent to the Scheme referred in Note 47 becoming effective, the Company is in the process of transferring the title of land and buildings in the name of Company.

(b) Refer Note 43 for capital commitments.

(c) Refer Note 44 for certain property related matters.

(d) The Company has written off assets with net carrying amount of INR 10.49 lakhs based on physical verification conducted (Previous year: INR Nil).

(e) During the financial year 2018-19, the Company has changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018. Refer Notes 1.3.10 and 50. The Company has conducted valuation of freehold and leasehold lands during the financial year 2023-24 and the increase in valuation is duly considered as part of adjustments in the above schedule, the carrying amounts as at March 31, 2025 & March 31, 2024 under revaluation and cost models are given above.

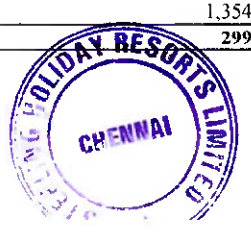
Details of title deeds of immovable properties not held in the name of the Company

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company
Property, Plant and Equipment	Freehold land	40,091.62	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 47
Property, Plant and Equipment	Building	19,783.91	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 47
Property, Plant and Equipment	Freehold land	4,327.70	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (a)
Property, Plant and Equipment	Building	4,768.79	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (a)
Property, Plant and Equipment	Freehold land	761.70	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (c)
Property, Plant and Equipment	Freehold land	11,116.60	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (d (i))
Property, Plant and Equipment	Building	3,967.36	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (d (i))
Property, Plant and Equipment	Freehold land	12,200.00	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (d (ii))
Property, Plant and Equipment	Building	4,377.79	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 44 (d (ii))
Property, Plant and Equipment	Freehold land	1,040.00	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	SHRIL had acquired Manchanda Resorts Pvt Ltd, title deeds are yet to be transferred.
Property, Plant and Equipment	Building	2,779.78	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	

4 Capital work-in-progress

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at April 1, 2024	299.63	374.37
Additions during the year	1,912.04	1,279.27
Capitalisation during the year	1,842.95	1,354.01
Balance as at March 31, 2025	**368.72**	**299.63**

Capital work-in-progress mainly comprises of resort properties under construction/ renovation.



4 Capital work-in-progress (contd.)

Ageing of Capital work-in-progress

As at March 31, 2024:

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	299.63	-	-	-	299.63
Projects temporarily suspended	-	-	-	-	-
Total	**299.63**	**-**	**-**	**-**	**299.63**

As at March 31, 2025:

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	368.72	-	-	-	368.72
Projects temporarily suspended	-	-	-	-	-
Total	**368.72**	**-**	**-**	**-**	**368.72**

5 Intangible assets

Reconciliation of carrying amount for the year ended March 31, 2024:

Asset description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	Amortisation for the year	Disposals	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024
Computer software	2,013.85	8.37	-	2,022.22	1,876.23	111.90	-	1,988.13	137.62	34.09
Total	**2,013.85**	**8.37**	**-**	**2,022.22**	**1,876.23**	**111.90**	**-**	**1,988.13**	**137.62**	**34.09**

Reconciliation of carrying amount for the year ended March 31, 2025

Asset description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 1, 2024	Additions	Disposals	As at March 31, 2025	As at April 1, 2024	Amortisation for the year	Disposals	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025
Computer software	2,022.22	-	8.80	2,013.42	1,988.13	23.30	8.80	2,002.63	34.09	10.79
Total	**2,022.22**	**-**	**8.80**	**2,013.42**	**1,988.13**	**23.30**	**8.80**	**2,002.63**	**34.09**	**10.79**

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	As at March 31, 2025	As at March 31, 2024
6(a) Non-current investments		
Investments in equity instruments (fully paid-up)		
Investment in subsidiaries - Unquoted (At cost):		
49,000 (March 31, 2024: 49,000) equity shares of INR 10 each in Sterling Holidays (Ooty) Limited	73.48	73.48
49,000 (March 31, 2024: 49,000) equity shares of INR 10 each in Sterling Holiday Resorts (Kodaikanal) Limited	116.68	116.68
147,578 (March 31, 2024: 147,578) equity shares of INR 100 each in Nature Trails Resorts Private Limited (net of impairment of INR 1,785.01 lakhs (March 31, 2024: Nil) (Refer Note below)	-	1,785.01
Total	**190.16**	**1,975.17**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	190.16	1,975.17
Aggregate amount of impairment in the value of investments	2,066.09	-

Note: On March 1, 2025, Nature Trails Resorts Private Limited sold three operational resorts located in Durshet, Sajan and Kundalika as a business undertaking on slump sale basis to Thomas Cook (India) limited. The Company performed an impairment analysis on its investment in Nature Trails Resorts Private Limited. Basis the projected cashflows from operations of the subsidiary, the Company impaired the entire investment amounting to INR 1,785.01 lakhs (March 31, 2024: Nil). The impairment loss was recognised in the statement of profit and loss as an exceptional item.

	As at March 31, 2025	As at March 31, 2024
6(b) Current investments		
Investments in Mutual funds at FVTPL - Quoted		
Nil (March 31, 2024: 10,985) units of TATA Treasury Advantage Fund - Growth	-	393.55
Nil (March 31, 2024: 140,650) units of ABSL Money Manager Fund - Reg - Growth	-	473.67
772,368 (March 31, 2024: 1,556,358) units of ABSL Short Term Fund - Reg - Growth	359.48	669.43
4,778,287 (March 31, 2024: 1,606,800) units of HDFC Corporate Bond Fund - Reg - Growth	1,522.60	471.35
1,635,693 (March 31, 2024: 1,635,693) units of Kotak Banking and PSU Debt Fund - Reg - Growth	1,046.37	967.17
Nil (March 31, 2024: 595,045) units of Nippon India Banking and PSU Debt Fund - Reg - Growth	-	111.73
14,263 (March 31, 2024: 14,263) units of Nippon India Money Market Fund - Reg - Growth	580.65	538.75
1,106,231 (March 31, 2024: 1,106,231) units of ABSL Corporate Bond Fund - Reg - Growth-Short Term Fund	1,223.77	1,125.03
1,822,513 (March 31, 2024: 1,822,513) units of ICICI Prudential Banking and PSU Debt Fund - G	584.03	540.22
7,822,633 (March 31, 2024: 5,410,498) units of ICICI Prudential Corporate Bond Fund - Reg - Growth	2,282.93	1,457.18
148,193 (March 31, 2024: 148,193) units of ICICI Prudential Savings Fund - Growth	789.14	730.94
809,641 (March 31, 2024: 809,641) units of ICICI Prudential Short Term Fund - Growth	476.29	440.54
102,497 (March 31, 2024: 102,497) units of ABSL Savings Fund - Reg - Growth	550.75	510.75
982,620 (March 31, 2024: Nil) units of HDFC Short Term Debt fund - Reg - Growth	307.65	-
Total	**9,723.66**	**8,430.31**
Aggregate amount of quoted investments and market value thereof	9,723.66	8,430.31
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-
7(a) Trade receivables non-current		
Considered good - Unsecured	-	149.79
7(b) Trade receivables - current		
Considered good - Unsecured	1,422.75	1,459.36
Credit impaired	6.56	66.02
	1,429.31	**1,525.38**
Less: Loss allowance (refer note 37)	(6.56)	(66.02)
Total	**1,422.75**	**1,459.36**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (Refer note 41)	441.99	81.65
Less: Loss allowance	-	-
Net trade receivables from related parties	**441.99**	**81.65**

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. If a member is considered as a overdue member, he is not allowed to use the benefits of membership until the overdue amount is regularised or fully paid in that relevant period. The Company proceeds to evaluate cancellation of such contracts and adjusts such overdue customer's unbilled receivables against deferred income.

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7(c) Trade receivables

Ageing of trade receivables

As at Mar 31, 2025

			Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	221.67	185.24	593.50	268.60	65.68	88.05	-	1,422.75
Significant increase in credit risk	-	-	0.46	-	-	-	6.10	6.56
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	221.67	**185.24**	**593.96**	**268.60**	**65.68**	**88.05**	**6.10**	**1,429.31**

As at March 31, 2024

			Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	205.01	783.25	618.46	2.34	0.10	-	-	1,609.15
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	3.21	15.74	20.16	26.91	66.03
Disputed Trade Receivables								-
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	205.01	**783.25**	**618.46**	**5.55**	**15.84**	**20.16**	**26.91**	**1,675.18**

	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
8 Loans				
Loans to related parties				
Loans to subsidiaries				
Loan receivables considered good - Unsecured (Refer note 41)	-	-	3,731.51	-
Interest accrued on loans to subsidiaries (Refer note 41)	-	-	1,108.06	-
Loan receivables - credit impaired (Refer note 41)	205.53	-	-	-
Interest accrued on loans to subsidiaries (Refer note 41)	0.23	-	-	-
Less: Loss allowance (Refer Note below)	(205.76)	-	-	-
	-	-	**4,839.57**	-
Other loans				
Employee advances	14.49	-	8.29	1.66
Total	**14.49**	-	**4,847.86**	**1.66**

Note: On March 1, 2025, Nature Trails Resorts Private Limited sold three operational resorts located in Durshet, Sajan and Kundalika as a business undertaking on slump sale basis to Thomas Cook (India) limited. Basis the projected cashflows from operations of the subsidiary, the Company has provided for loss allowance on the entire loan receivables amounting to INR 205.76 lakhs (March 31, 2024: Nil). The loss allowance was recognised in the statement of profit and loss as an exceptional item

	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
9 Other financial assets				
Security deposits	48.34	1,479.41	30.74	857.22
Other receivables	43.35	-	39.55	-
Bank Deposits under lien with maturity period of more than 12 months from the reporting date	-	52.22	-	90.58
Bank Deposits under lien with maturity period of less than 12 months from the reporting date	88.34	-		
Bank Deposits with maturity period of more than 12 months from the reporting date	-	3.22	-	22.32
Bank Deposits with maturity period of less than 12 months from the reporting date	15,071.95	-	-	-
Receivable on sale of fixed assets (Refer note 44(b))	-	597.59	-	-
Total	**15,251.98**	**2,132.44**	**70.29**	**970.12**

	As at March 31, 2025	As at March 31, 2024
10 Other tax assets (net)		
TDS receivable net of provision for tax	3,131.20	2,834.56
	3,131.20	**2,834.56**

	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
11 Deferred acquisition cost*	460.94	7,223.29	595.42	8,559.76
	460.94	**7,223.29**	**595.42**	**8,559.76**

*Deferred acquisition cost relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained. Also Refer note 52

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		As at March 31, 2025	As at March 31, 2024
12	**Other non-current assets**		
	Prepaid expenses	35.17	21.83
	Receivable on sale of fixed assets (Refer note 44(b))	-	597.59
	Capital advances		
	- Considered good	201.12	91.67
	- Considered doubtful	-	-
		236.29	**711.09**
	Less: Loss allowance	-	-
		236.29	**711.09**
13	**Inventories**		
	Food and beverages	137.80	137.61
	Operating supplies	125.04	114.02
	Total	**262.84**	**251.63**
14	**Cash and cash equivalents**		
	Balances with banks on current account	582.15	309.93
	Cash on hand	49.89	38.37
	Total	**632.04**	**348.30**
15	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity of more than 3 months but less than 12 months	-	9,578.92
	Balances held as Margin money / Security towards other bank guarantees	-	81.14
		-	**9,660.06**
16	**Other current assets**		
	Prepaid expenses	505.73	413.75
	Advances to vendors		
	Considered good	370.42	501.12
	Considered doubtful	23.05	23.05
		393.47	**524.17**
	Less: Loss allowance	(23.05)	(23.05)
		370.42	**501.12**
	Balances with government authorities	177.83	202.76
	Total	**1,053.98**	**1,117.63**

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17 Equity share capital

Authorised	March 31, 2025	March 31, 2024
390 lakhs (March 31, 2024: 390 lakhs) equity shares of INR 10 each	3,900.00	3,900.00
10 lakhs (March 31, 2024: 10 lakhs) preference shares of INR 10 each	100.00	100.00
Issued, subscribed and paid-up		
290.50 lakhs (March 31, 2024: 290.50 lakhs) equity shares of INR 10 each	2,905.00	2,905.00
As at Mar 31, 2025	**2,905.00**	**2,905.00**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares				
At the commencement of the year	290.50	2,905.00	290.50	2,905.00
Shares issued during the year	-	-	-	-
At the end of the year	**290.50**	**2,905.00**	**290.50**	**2,905.00**

All issued shares are fully paid up.

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held.

c) Shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries/associates

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares of INR 10 each held by the holding company	290.50	2,905.00	290.50	2,905.00

d) Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	% of total shares in class	Number *in lakhs*	% of total shares in class
Equity shares of INR 10 each held by				
Thomas Cook (India) Limited and its nominees (holding company)	290.50	100%	290.50	100%

e) Shares reserved for issue under options

There are no shares reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at March 31, 2025 (March 31, 2024: NIL)

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

-No bonus shares have been issued during the period of five years immediately preceding the reporting date.

-No shares have been issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

-No shares have been bought back during the period of five years immediately preceding the reporting date.

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	As at March 31, 2025	As at March 31, 2024
18 Other equity - Reserves and surplus		
Securities premium	32,057.94	32,057.94
Retained earnings	(21,490.02)	(27,377.51)
Capital redemption reserve	30.30	30.30
Capital contribution from Holding company	1,669.50	1,665.29
Total	**12,267.72**	**6,376.02**
Movement in reserves and surplus balances is as follows :		
a) Securities premium		
Opening balance	32,057.94	32,057.94
Additions during the year	-	-
Closing balance	**32,057.94**	**32,057.94**
b) Retained earnings		
Opening balance	(27,377.51)	(40,574.83)
Profit for the year	5,748.19	13,212.28
Transfer to capital redemption reserve	-	(25.60)
Items of other comprehensive income recognised directly in retained earnings		
Actuarial (loss) / gain	(87.38)	14.22
- Income tax relating to item above	21.99	(3.58)
Revaluation reserve (net of tax)	204.69	-
Closing balance	**(21,490.02)**	**(27,377.51)**
c) Capital contribution from Holding company		
Opening balance	1,665.29	1,968.80
Additions during the year	4.21	(303.51)
Closing balance	**1,669.50**	**1,665.29**
d) Capital redemption reserve		
Opening balance	30.30	-
Additions during the year	-	30.30
Closing balance	**30.30**	**30.30**

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained earnings
Retained earnings represents the amount of accumulated earnings of the Company.

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19 Other reserves

	Other comprehensive income		
	Remeasurements of the defined benefit liability / (asset)	**Revaluation Reserve**	**Total**
As at April 1, 2023	-	**49,730.56**	**49,730.56**
Additions during the year	14.22	14,053.96	14,068.18
Income tax effect	(3.58)	(4,694.03)	(4,697.61)
Transferred to retained earnings	(10.64)	-	(10.64)
As at March 31, 2024	-	**59,090.49**	**59,090.49**
Additions during the year	(87.38)	-	(87.38)
Income tax effect	21.99	(1,153.04)	(1,131.05)
Transferred to retained earnings	65.39	(204.69)	(139.30)
As at March 31, 2025	-	**57,732.76**	**57,732.76**

Capital contribution from holding company

Capital contribution from holding company is used for recognising the grant date fair value of the share options issued to the employees under the Employee Share Option Scheme in addition to the fair value of the options issued to the employees of the Company by the holding company (Thomas Cook (India) Limited) as per Ind AS 102.

Revaluation reserve

During the previous year, the Company revalued its land (freehold & leasehold) at fair value based on valuations by external independent valuers. Consequently, any increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accumulated in other reserves in shareholders' equity. Refer Note 50

Remeasurements of the defined benefit liability / (asset)

Remeasurements of the defined benefit liability / (asset) represents remeasurement of the net defined benefit liabilities comprise of actuarial gain

Movement in revaluation reserve	**Amount**
As at March 31, 2023	**49,730.56**
Revaluation surplus during the year	14,053.96
Income tax effect	(4,694.03)
As at March 31, 2024	**59,090.49**
Revaluation surplus during the year	-
Transfer to retained earnings	(204.69)
Income tax effect	(1,153.04)
As at March 31, 2025	**57,732.76**

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		As at March 31, 2025	As at March 31, 2024
20	**Other financial liabilities**		
20(a)	**Non-current**		
	Retention payable	17.00	8.68
	Total	**17.00**	**8.68**
20(b)	**Current**		
	Security deposits	143.62	155.31
	Payable towards purchase of Property, plant and equipment	79.17	40.95
	Retention payable	103.80	51.79
	Interest payable to micro enterprises and small enterprises (Refer note 46)	0.66	0.43
	Other liabilities	397.00	188.24
	Total	**724.25**	**436.72**

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21 Provision for employee benefit obligations

	As at March 31, 2025			As at March 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	85.94	-	85.94	96.04	84.30	180.34
Gratuity	444.50	539.30	983.80	278.16	343.77	621.93
Total	**530.44**	**539.30**	**1,069.74**	**374.20**	**428.07**	**802.27**

(i) Compensated absences

	March 31, 2025	March 31, 2024
Current compensated absences are expected to be settled within the next 12 months.	85.94	96.04

(ii) Post employment obligations

a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	642.60	20.67	**621.93**
Current service cost	80.64	-	**80.64**
Past service cost	242.43	-	**242.43**
Interest expense/(income)	38.41	(1.47)	**36.94**
Total amount recognised in profit or loss	**361.48**	**(1.47)**	**360.01**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense (income)	-	(7.22)	**7.22**
(Gain) loss from change in demographic assumptions	-	-	**-**
(Gain) loss from change in financial assumptions	11.00	-	**11.00**
Experience (gains) losses	69.16	-	**69.16**
Changes in asset ceiling excluding amounts included in interest expense	-	-	**-**
Total amount recognised in other comprehensive income	**80.16**	**(7.22)**	**87.38**
Employer contributions	-	85.00	**(85.00)**
Benefit payments	(80.42)	(79.90)	**(0.52)**
March 31, 2025	**1,003.82**	**20.02**	**983.80**

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	629.65	7.18	**622.47**
Current service cost	54.29	-	**54.29**
Past service cost	-	-	**-**
Interest expense (income)	37.29	(0.52)	**36.77**
Total amount recognised in profit or loss	**91.58**	**(0.52)**	**91.06**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense (income)	-	-	**-**
(Gain)/loss from change in demographic assumptions	2.57	-	**2.57**
(Gain) loss from change in financial assumptions	(23.68)	-	**(23.68)**
Experience (gains)/losses	6.89	-	**6.89**
Changes in asset ceiling excluding amounts included in interest expense	-	-	**-**
Total amount recognised in other comprehensive	**(14.22)**	**-**	**(14.22)**
Employer contributions	-	77.00	**(77.00)**
Benefit payments	(64.41)	(64.03)	**(0.38)**
March 31, 2024	**642.60**	**20.67**	**621.93**

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21 Provision for employee benefit obligations (contd.)

The net liability disclosed above relates to funded plan is as follows:

	March 31, 2025	March 31, 2024
Present value of funded obligations	1,003.82	642.60
Fair value of plan assets	20.02	20.67
Deficit of funded plan	**983.80**	**621.93**
Current benefit obligation	444.50	278.16
Non-current benefit obligation	539.30	343.77
Deficit of gratuity plan	**983.80**	**621.93**

(iii) Defined contribution plans

The Company has also certain defined contribution plans. Contributions are made towards provident fund and Employee State Insurance (ESI) in India for employees at the rate of 12% and 4.75% respectively of basic salary as per regulations. The contributions are made to registered provident fund and Employee State Insurance Corporation administered by Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 646.29 lakhs (March 31, 2024: INR 544.43 lakhs).

(iv) Principal actuarial assumptions used in valuation of Gratuity

	March 31, 2025	March 31, 2024
Discount rate	6.45%	7.09%
Expected rate of return on plan assets	6.45%	7.09%
Salary growth rate	6.00%	6.00%
Attrition rate	40.00%	40.00%

Estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market

(v) Sensitivity Analysis

a) Gratuity

	March 31, 2025	March 31, 2024
Discount rate		
+ 100 basis points	(17.05)	(10.79)
- 100 basis points	17.82	11.27
Salary escalation rate		
+ 100 basis points	21.43	13.61
- 100 basis points	(20.74)	(13.27)

b) Compensated absences

	March 31, 2025	March 31, 2024
Discount rate		
+ 100 basis points	(0.40)	(3.38)
- 100 basis points	0.40	3.53
Salary escalation rate		
+ 100 basis points	0.81	4.54
- 100 basis points	(0.81)	(4.43)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to the significant actuarial assumptions, the same method (present value of defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability in the balance sheet.

The methods and types of assumption used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) Risk exposure

Hence, the Company is not exposed to the risk of asset volatility as at the balance sheet date.

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22 Deferred tax

	As at March 31, 2025	As at March 31, 2024
a) Tax effect of items constituting deferred tax liabilities:		
Property, plant and equipment (excluding land)	3,850.54	3,760.03
Investment in securities	280.41	173.82
Fair valuation of land	9,189.61	8,036.57
Right of use assets	3,056.01	2,080.96
Total deferred tax liabilities	**16,376.57**	**14,051.38**
Set-off of tax	10,604.92	11,592.63
Deferred tax liability as per the balance sheet	**5,771.65**	**2,458.76**
Tax effect of items constituting deferred tax assets:		
Unabsorbed depreciation allowance and business loss	4,820.27	6,481.08
Provisions (including investment in subsidiary)	715.47	343.48
Leases liabilities	3,455.93	2,399.14
Deferred Income	1,612.48	2,357.17
Fair valuation of financials assets	0.77	11.76
Total deferred tax assets	**10,604.92**	**11,592.63**
Set-off of tax	10,604.92	11,592.63
Deferred tax asset as per the balance sheet	-	-

The company had recognized deferred tax asset on carried forward losses only to the extent of deferred tax liabilities during the year ended March 31, 2025. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has legally enforceable right to set off current assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. Refer note 22(c) disclosing the balance of unrecognised deferred tax assets.

b) Movement of Deferred tax balances

Particulars	For the year ended March 31, 2025				
	At April 1, 2024	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Set-off of tax	(3,760.03)	(90.51)	-	(3,850.54)	-
Investment in securities	(173.82)	(106.59)	-	(280.41)	-
Right of use assets	(2,080.96)	(975.05)	-	(3,056.01)	-
Fair valuation of land	(8,036.57)	-	(1,153.04)	(9,189.61)	-
Unabsorbed depreciation allowance and business loss carry forward	6,481.08	(1,660.81)	-	-	4,820.27
Provisions	343.48	350.00	21.99	-	715.47
Lease liability	2,399.14	1,056.79	-	-	3,455.93
Deferred Revenue	2,357.17	(744.69)	-	-	1,612.48
Fair valuation of financial assets	11.75	(10.98)	-	-	0.77
Tax assets / (liabilities) before set-off	**(2,458.76)**	**(2,181.84)**	**(1,131.05)**	**(16,376.57)**	**10,604.92**
Set-off of tax				10,604.92	(10,604.92)
Net tax asset / (liability)				**(5,771.65)**	-

Particulars	For the year ended March 31, 2024				
	At April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Set-off of tax	(3,786.76)	26.73	-	(3,760.03)	-
Investment in securities	(63.46)	(110.36)	-	(173.82)	-
Right of use assets	-	(2,080.96)	-	(2,080.96)	-
Fair valuation of land	(3,342.55)	-	(4,694.03)	(8,036.57)	-
Unabsorbed depreciation allowance and business loss carry forward	6,914.07	(432.99)	-	-	6,481.08
Provisions	278.70	68.37	(3.58)	-	343.48
Lease liability	-	2,399.14	-	-	2,399.14
Deferred Revenue	-	2,357.17	-	-	2,357.17
Fair valuation of financial assets	-	11.76	-	-	11.75
Tax assets / (liabilities) before set-off	-	**2,238.86**	**(4,697.61)**	**(14,051.38)**	**11,592.62**
Tax assets / (liabilities) before set-off				11,592.62	(11,592.62)
Net tax asset / (liability)				**(2,458.76)**	-

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		As at March 31, 2025	As at March 31, 2024
23	**Other non-current liabilities - Deferred revenue**		
	Contract liability - Deferred income (Refer note 52)	52,840.53	60,555.98
	Contract liability - Advance received from customers (Refer note 52)	472.91	673.60
	Total	**53,313.44**	**61,229.58**
24	**Trade payables**		
	Dues to micro enterprises and small enterprises (Refer note 46)	274.23	123.90
	Dues to creditors other than micro enterprises and small enterprises	3,208.00	3,905.19
	Total	**3,482.23**	**4,029.09**
	Of the above, trade payables to related parties: (Refer note 41(h))	19.40	11.55

Micro and small enterprises have been identified by the Company on the basis of the information available with the Company
The Company's exposure to liquidity risks related to trade payables is disclosed in note 37

Ageing Schedule as at March 31, 2025

Particulars	Unbilled dues	Oustanding for following periods from the date of invoice: Not dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro, small and medium enterprises	-	0.11	274.12	-	-	-	**274.23**
Creditors other than micro, small and medium enterprises	1,845.99	0.83	1,247.88	57.28	56.02	-	**3,208.00**
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
	1,845.99	**0.94**	**1,522.00**	**57.28**	**56.02**	-	**3,482.23**

Ageing Schedule as at March 31, 2024

Particulars	Unbilled dues	Oustanding for following periods from the date of invoice: Not dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro, small and medium enterprises	-	-	123.90	-	-	-	**123.90**
Creditors other than micro, small and medium enterprises	1,628.18	-	2,178.90	97.43	0.68	-	**3,905.19**
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
	1,628.18	-	**2,302.80**	**97.43**	**0.68**	-	**4,029.09**

25	**Other provisions**		
	Provision for stamp duty (Refer note below)	-	493.79
	Total	-	**493.79**

Note:
Pursuant to the Composite scheme of arrangement and amalgamation referred in note 47, the immovable properties of the demerged undertaking (Timeshare & Resorts business) were transferred to the Company. The Company has immovable properties in various states. As per the laws prevalent in the respective states, stamp duty is applicable on such transfer of properties. During the current year, the Company has reassessed such provision based on independent legal advice and reversed the entire provision.

26(a)	**Other current liabilities - Deferred revenue**		
	Contract liability - Deferred income (Refer note 52)	3,139.92	3,398.18
	Contract liability - Advance received from customers (Refer note 52)	2,414.00	2,706.53
	Total	**5,553.92**	**6,104.71**
26(b)	**Other current liabilities - Others**		
	Salaries, wages, bonus and employee payables	1,417.59	935.86
	Statutory liabilities	362.94	466.53
	Total	**1,780.53**	**1,402.39**
27	**Current Tax Liability**		
	Provision for income tax	-	211.96
	Total	-	**211.96**

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	Year ended March 31, 2025	Year ended March 31, 2024
28 Revenue from operations		
Revenue from contract with customers		
Income from sale of membership:		
- Membership fee/Admission fees (net of provision for cancellation) (refer notes below)	9,285.16	9,687.90
- Annual subscription fees/ Annual amenity charges	5,173.54	5,003.46
Income from resorts:		
- Room rentals	21,286.68	17,840.59
- Food and beverages	5,447.87	4,808.47
- Others	3,179.64	2,868.89
- Management contract income	743.30	602.12
Other operating revenues		
Service charges	227.29	246.53
Interest income on installment sales	2.81	16.87
Total	**45,346.29**	**41,074.83**
Disaggregation of revenue from contracts with customers		
The Company derives income from sale of membership fee over a period of time and income from resorts at a point in time.		
At a point in time	36,058.32	31,370.06
Over a period of time	9,287.97	9,704.77
Total Revenue from contract with customers	**45,346.29**	**41,074.83**

Notes:

a) Pursuant to IND AS 115, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. If a member is considered as a overdue member, then such member is not allowed to avail the benefits of membership until the overdue amount is regularised or fully paid in that relevant period. The Company proceeds to evaluate cancellation of such contracts and reverse the realised portion against the current income. Based on this estimate, the Company has made a provision as of Mar 31, 2025: INR 6.56 lakhs (March 31, 2024: INR 66.02 lakhs).

b) During the year, the Company has cancelled certain membership contracts of members who have defaulted in payment of certain EMIs and / or Annual amenity charges (AAC) / Annual subscription fees (ASF) for past periods. The Company has assessed the contractual terms and on the basis of legal advice has established their bona fide to cancel these membership contracts. Consequentially, there has been a write-back of deferred income (net of receivables) INR 8,761.56 lakhs (March 31, 2024: INR 6,745.21 lakhs) and write-off of the related unamortised cost INR 1,162.95 lakhs (March 31, 2024: INR 795.62 lakhs) (also refer note 52).

29 Other income		
Interest income on:		
- Loans and advances to related parties	344.94	372.54
- Deposits with bank	728.75	528.32
- Income tax refund	24.28	19.64
- Others	37.47	74.06
Management fees	918.98	800.20
Net gain on financial assets measured at fair value through profit or loss	659.61	492.34
Reversal of stamp duty on Composite scheme of arrangement and amalgamation (Refer Note 25)	493.78	-
Provision / Liabilities no longer required written back	120.01	0.44
Profit on sale of property, plant and equipment (net)	69.01	0.21
Gain on sale of current investments	47.66	47.24
Income from skill development training	6.19	86.28
Scrap sales	10.05	7.07
Income from termination of lease contracts	-	29.66
Miscellaneous income	-	6.48
Operational lease rent	3.80	11.42
Total	**3,464.53**	**2,475.91**
30 Cost of materials consumed		
Inventory at the beginning of the year	137.61	52.20
Add: Purchases	3,193.68	2,871.79
Less: Inventory at the end of the year	137.80	137.61
Cost of materials consumed	**3,193.49**	**2,786.38**

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		Year ended March 31, 2025	Year ended March 31, 2024
31	**Employee benefits expense**		
	Salaries, wages and bonus	12,704.57	10,375.60
	Contribution to provident and other funds	646.29	544.43
	Gratuity expense (Refer Note 21)	360.02	91.06
	Employee share-based payment expense (Refer Note 49)	4.21	(186.79)
	Compensated absences	19.76	54.85
	Staff welfare expenses	575.35	476.27
	Total	**14,310.20**	**11,355.42**
32	**Finance costs**		
	Interest and finance charges on financial liabilities measured at amortized cost	86.41	216.98
	Interest on lease liabilities	1,186.15	917.32
	Bank charges	-	410.79
	Dividend on OCCRPS	-	0.90
	Total	**1,272.56**	**1,545.99**
33	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	1,717.05	1,777.86
	Amortisation of intangible assets	23.30	111.90
	Depreciation of right of use assets	2,180.29	1,468.24
	Total	**3,920.64**	**3,358.00**
34	**Other expenses**		
	Consumption of stores and spares	665.19	563.70
	Power and fuel	2,280.23	2,053.12
	Rent	965.79	699.76
	Repairs and maintenance		
	-Buildings	230.75	288.30
	-Plant and machinery	511.77	501.26
	-Others	965.44	888.18
	Insurance	101.72	36.88
	Management Contract Expenses	344.15	239.60
	Business support expenses	391.89	448.90
	Rates and taxes	300.86	580.74
	Guest supplies	319.39	308.64
	Laundry expenses	354.62	265.84
	Communication	266.19	260.50
	Recruitment and training	16.05	62.65
	Travel and tours	445.96	357.68
	Legal and professional	1,147.82	990.43
	Contractual wages	567.97	-
	Directors' sitting fees	7.20	7.40
	Payment to statutory auditors		
	- Statutory audit	31.67	15.84
	- Limited review	25.20	21.99
	- Reimbursement of expenses	4.87	0.20
	Travel and conveyance	934.91	827.42
	Security charges	396.92	347.59
	Water charges	233.55	138.67
	Sales commission	1,847.26	1,513.77
	Sales promotion	1,486.82	1,661.15
	Bad debts	-	69.89
	Bank charges	427.45	-
	Capital work in progress written off	-	0.56
	Printing and stationery	89.87	85.38
	Corporate social responsibility expenses (refer note 53)	141.92	72.00
	Miscellaneous expenses	278.76	223.48
	Total	**15,782.19**	**13,531.52**

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	Year ended March 31, 2025	Year ended March 31, 2024
35 Income tax expenses		
a) Amount recognised in profit or loss		
Current tax		
Current tax for the year	-	-
Total	-	-
Deferred tax expense		
Recognition of previously unrecognised tax losses	-	(2,171.88)
Origination and reversal of temporary differences	2,181.84	(66.97)
Total	**2,181.84**	**(2,238.85)**
Total tax expense/(benefit)	**2,181.84**	**(2,238.85)**

b) Amount recognised in other comprehensive income

	As at Mar 31, 2025		
	Before tax	Tax (expense) / credit	Net of tax
Income tax relating to items that will not be subsequently reclassified to profit or loss			
Remeasurements of defined benefit plan	(87.38)	21.99	(65.39)
Revaluation of freehold land	-	(1,153.04)	(1,153.04)
	(87.38)	**(1,131.05)**	**(1,218.43)**

	As at March 31, 2024		
	Before tax	Tax (expense) / credit	Net of tax
Income tax relating to items that will not be subsequently reclassified to profit or loss			
Remeasurements of defined benefit plan	14.22	(3.58)	10.64
Revaluation of freehold land	14,053.96	(4,694.03)	9,359.93
	14,068.18	**(4,697.61)**	**9,370.57**

c) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:

	Year ended Mar 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit before income tax expense		7,930.03		10,973.43
Tax expense / (income) computed at Indian Tax rate	25.17%	1,995.83	25.17%	2,761.78
Tax effect of				
- Expenses not deductible in determining taxable profit	25.33%	2,008.39	43.98%	4,826.35
- Tax allowances that are deductible in determining taxable profit	-28.98%	(2,298.31)	-62.58%	(6,866.90)
- Recognition of previously unrecognised tax losses	0.00%	-	-19.79%	(2,171.88)
- Unrecognised temporary differences	6.00%	475.93	-7.18%	(788.20)
Tax expense	**27.51%**	**2,181.84**	**-20.40%**	**(2,238.85)**

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36 Fair value measurements

Financial instruments by category

	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	9,723.66	-	-	8,430.31	-	-
Trade receivables	-	-	1,422.75	-	-	1,609.15
Loans	-	-	-	-	-	3,731.51
Interest accrued on loans and advances to related parties	-	-	-	-	-	1,108.06
Employee advances	-	-	14.49	-	-	9.95
Cash and cash equivalents	-	-	632.04	-	-	348.30
Other bank balances	-	-	-	-	-	9,660.06
Bank deposits with more than 12 months maturity	-	-	15,215.73	-	-	112.90
Security deposits	-	-	1,527.75	-	-	887.96
Other receivables	-	-	640.94	-	-	39.55
Total financial assets	**9,723.66**	-	**19,453.70**	**8,430.31**	-	**17,507.44**
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	3,482.23	-	-	4,029.09
Capital creditors	-	-	79.17	-	-	40.95
Retention payable	-	-	120.80	-	-	60.47
Security deposits	-	-	143.62	-	-	155.31
Other liabilities	-	-	397.66	-	-	188.67
Total financial liabilities	-	-	**4,223.48**	-	-	**4,474.49**

The summary of financial instruments above does not include investments held by the Company in its subsidiaries amounting to INR 190.16 lakhs as on March 31, 2025 (March 31, 2024 INR 1,975.17 lakhs) which has been measured by applying the principles of Ind AS 27 - Separate Financial Statements.

This summary includes all financial instruments valued based on the principles of Ind AS 109 - Financial Instruments.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2025	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Investments at FVTPL:					
Equity instruments	6(a)	-	-	-	-
Mutual funds	6(b)	9,723.66	-	-	9,723.66
Total financial assets		**9,723.66**	-	-	**9,723.66**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed same as carrying value

As at March 31, 2025	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Loans to subsidiaries	8	-	-	-	-
Employee advances	8	-	-	-	-
Security deposits	10	-	-	-	-
Total financial assets		-	-	-	-
Financial liabilities					
Borrowings		-	-	-	-
Total financial liabilities		-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2024	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Financial investments at FVTPL:					
Equity instruments	6(a)	-	-	-	-
Mutual funds	6(b)	8,430.31	-	-	8,430.31
Total financial assets		**8,430.31**	-	-	**8,430.31**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

36 Fair value measurements (contd.)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed same as carrying value

As at March 31, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Loans to subsidiaries	8	-	-	-	-
Employee advances	8	-	-	-	-
Security deposits	10	-	-	-	-
Total financial assets		-	-	-	-
Financial Liabilities					
Borrowings		-	-	-	-
Total financial liabilities		-	-	-	-

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value:

Level 1 : Fair value is determined using NAV for mutual funds and market value listed equity shares

Level 3 : Fair value is determined using discounted cash flow method

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans				
Loans to subsidiaries	-	-	3,731.51	3,731.51
Interest accrued on loans and advances to related parties	-	-	1,108.06	1,108.06
Employee advances	14.49	14.49	9.95	9.95
Security deposits	1,527.75	1,527.75	887.96	887.96
Total financial assets	**1,542.24**	**1,542.24**	**5,737.48**	**5,737.48**
Financial liabilities				
Borrowings	-	-	-	-
Total financial liabilities	-	-	-	-

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities approximate their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using market interest rates. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

37 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, investments, financial assets measured at amortised cost.	Ageing analysis and credit assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Borrowings, trade payables and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Analysis of market rates on a real time basis, pre-closure of loans

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, non-derivative financial instruments and investment of excess liquidity.

(A) Credit risk

A significant portion of the Company's sales of Vacation Ownerships are by way of deferred payment schemes where the customer is obligated to pay the membership fee in Equated Monthly Instalments (EMIs) and the ensuing credit risk is managed by the Company in the following manner.

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Group. The member is not allowed to use the benefits of membership untill the overdue amount is regularised or fully paid in that relevant period. The Group also assesses lifetime expected credit loss by using appropriate models, as prescribed by Ind AS 109, using past trends of collections and historical credit loss experience. The categorisation of the receivables into its ageing buckets for the purposes of estimating the expected loss allowance has been profiled based on the longest overdue of that member, for example, if a member has one instalment overdue for say 12 months, the entire receivable of the member is aggregated into that ageing bucket and the credit loss allowance is determined after taking into account the credits against the member under "Contract liability- Deferred Revenue" (refer note 23 and note 26(a))

The allowances for credit loss and for revenue deferred at inception referred to above, carried at the end of every reporting period, are tested for adequacy and appropriately dealt with

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37 Financial risk management (contd.)
(i) Credit risk management

The credit loss allowance carried by the Company is as under

	March 31, 2025	March 31, 2024
Carrying value of receivables (refer note 7(a) and 7(b))	1,429.31	1,675.17
Credit loss allowance	6.56	66.02
Loss allowance %	0.5%	4%

The Company defers revenue at inception and provides for cancellation allowance based on historical trend. The amounts so deferred and the credit loss allowance are adjusted from the carrying value of receivables (refer note 7 and 28) in the same proportion, except in cases where the allowance is directly attributable to a particular contract

(iii) (a) Reconciliation of carrying value of receivables	**Amount**
Receivables as on April 1, 2023	**3,073.45**
Sale made during the year	5,501.49
Collections during the year	(6,700.36)
Write off on account of contracts cancelled during the year	(33.41)
Adjustment on account of provision	(166.00)
Receivables as on March 31, 2024	**1,675.17**
Sale made during the year	2,186.67
Collections during the year	(817.99)
Write off on account of contracts cancelled during the year	52.63
Adjustment on account of provision	(1,667.17)
Receivables as on March 31, 2025	**1,429.31**

(iii) (b) Reconciliation of loss allowance provision	**Amount**
Loss allowance on March 31, 2023	**65.30**
Allowance for credit loss recognised during the year	34.57
Adjustment on account of contracts cancelled during the year	(33.41)
Provision no longer required	(0.44)
Amounts written off during the year	-
Loss allowance on March 31, 2024	**66.02**
Allowance for credit loss recognised during the year	0.46
Adjustment on account of contracts cancelled during the year	(52.63)
Provision no longer required	(7.29)
Amounts written off during the year	-
Loss allowance on March 31, 2025	**6.56**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

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37 Financial risk management (contd.)

(B) Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2025	March 31, 2024
Floating rate		
- Expiring within one year	-	-
- Expiring beyond one year (bank loans)	-	-
Marketable securities	9,723.66	8,430.31

The marketable securities can be disposed by the Company at any point of time based on the objects and working capital requirements of the Company.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. There are no derivative financial instruments.

The amounts disclosed in the table are the contractual undiscounted cash flows, including interest. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

March 31, 2025	Carrying amount	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
Non-derivatives							
Lease liabilities	13,730.84	859.43	863.12	1,697.01	3,287.82	11,373.99	18,081.37
Trade payables	3,482.23	3,482.23	-	-	-	-	3,482.23
Other financial liabilities	741.25	724.25	-	-	17.00	-	741.25
Total non-derivative liabilities	**17,954.32**	**5,065.91**	**863.12**	**1,697.01**	**3,304.82**	**11,373.99**	**22,304.85**

March 31, 2024	Carrying amount	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
Non-derivatives							
Lease liabilities	9,532.50	571.86	584.39	1,114.06	2,235.52	8,804.87	13,310.70
Trade payables	4,029.09	4,029.09	-	-	-	-	4,029.09
Other financial liabilities	445.40	445.40	-	-	8.68	-	454.08
Total non-derivative liabilities	**14,006.99**	**5,046.35**	**584.39**	**1,114.06**	**2,244.20**	**8,804.87**	**17,793.87**

C) Market risk - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates

The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations. The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations

Interest rate sensitivity

The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

38 Capital management

Risk management

The Company's objectives when managing capital are to:

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

39 Exemption from preparing consolidated financial statements

These financial statements are the standalone financial statements of the Company. The Company has used the exemption under Paragraph 4(a) of Ind AS 110 and has elected not to prepare the consolidated financial statements. The consolidated financial statements are prepared by the holding company, Thomas Cook India Limited, Mumbai. Refer below for the details of subsidiaries of the Company:

Name of the investee	% of shares held	
	March 31, 2025	March 31, 2024
Sterling Holidays (Ooty) Limited	98%	98%
Sterling Holiday Resorts (Kodaikanal) Limited	98%	98%
Nature Trails Resorts Private Limited	100%	100%

40 Segment information

Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker.

- Sterling membership and resort operations: This segment deals with timeshare business on account of membership and the resort business.

Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

Total revenue of the Company is generated from India and all the assets of the Company has been located in India.

Major customer

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

41 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	Name of the related party
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Holding Company	Thomas Cook (India) Limited
Subsidiaries	Sterling Holiday Resorts (Kodaikanal) Limited Sterling Holidays (Ooty) Limited Nature Trails Resorts Private Limited
Key Managerial Personnel	Vikram Dayal Lalvani (Managing Director) Madhavan Menon Karunakaran (Director) Sumit Maheshwari (Director) Pravir Kumar Vohra (Independent Director) Latha Ramanathan (Independent Director) Usha Rangarajan (Independent Director) L Krishna Kumar (Chief Financial Officer) A Muthukumaran (Company Secretary)
Trust of Ultimate Holding Company	Fairfax India Charitable foundation

(b) Parent entities

The Company is controlled by following entity

Name of entity	Nature of relationship	% of holding	
		March 31, 2025	March 31, 2024
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	-	-
Thomas Cook (India) Limited	Holding Company	100%	100%

(c) Subsidiaries

Name of entity	Principal Activities	% of holding	
		March 31, 2025	March 31, 2024
Sterling Holidays (Ooty) Limited ('Ooty')	Resorts business	98%	98%
Sterling Holiday Resorts (Kodaikanal) Limited ('Kodai')	Resorts business	98%	98%
Nature Trails Resorts (Private) Limited ('NT')	Adventure holiday activities business	100%	100%

(d) Fellow subsidiaries with whom transactions have been entered

Travel Corporation (India) Limited
TC Tours Private Limited
SOTC Travel Limited

(e) Key management personnel compensation

	March 31, 2025	March 31, 2024
Mr. Vikram Dayal Lalvani (Managing Director)		
Short-term employee benefits	233.18	233.18
Post-employment benefits	12.01	12.01
Performance bonus	350.00	250.00
Employee stock options	155.87	-
Total	**751.06**	**495.19**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

41 Related party transactions (contd.)

	March 31, 2025	March 31, 2024
Mr. Krishna Kumar (Chief Financial Officer)		
Short-term employee benefits	102.49	85.93
Post-employment benefits	4.19	2.66
Performance bonus	30.80	19.95
Total	**137.48**	**108.54**
Mr. Muthukumaran Audikesavan (Company Secretary)		
Short-term employee benefits	18.46	18.98
Post-employment benefits	0.81	0.59
Performance bonus	2.21	2.49
Total	**21.48**	**22.06**
(f) Sitting fees paid to directors		
Mrs. Latha Ramanathan (Director till Aug 31, 2024)	1.70	3.70
Mr. Pravir Kumar Vohra (Director)	4.10	3.70
Mrs. Usha Rangarajan (Director from Oct 28, 2024)	1.40	-
Total	**7.20**	**7.40**
(g) Transactions with related parties		
Transactions with related parties are as follows		
Revenue from operations		
TC Tours Private Limited	106.85	60.60
Travel Corporation (India) Limited	42.72	6.54
SOTC Travel Limited	0.36	-
Total	**149.93**	**67.14**
Interest income		
Sterling Holidays (Ooty) Limited	-	20.13
Sterling Holiday Resorts (Kodaikanal) Limited	30.72	86.27
Nature Trails Resorts Private Limited	314.22	266.15
Total	**344.94**	**372.55**
Income from use of brand		
Sterling Holidays (Ooty) Limited	62.36	59.56
Sterling Holiday Resorts (Kodaikanal) Limited	39.12	38.64
Total	**101.48**	**98.20**
Reimbursement of expenses		
Thomas Cook (India) Limited	1.25	-
Rent expense		
Thomas Cook (India) Limited	5.92	8.12
SOTC Travel Limited	2.95	5.90
Sterling Holidays (Ooty) Limited	145.97	191.13
Sterling Holiday Resorts (Kodaikanal) Limited	215.02	244.65
Nature Trails Resorts Private Limited	9.16	-
	379.02	**449.80**
Management fees		
Sterling Holidays (Ooty) Limited	447.00	384.00
Sterling Holiday Resorts (Kodaikanal) Limited	370.50	318.00
Total	**817.50**	**702.00**
Income from Business support service		
Sterling Holidays (Ooty) Limited	665.12	637.88
Sterling Holiday Resorts (Kodaikanal) Limited	546.68	444.14
Nature Trails Resorts Private Limited	39.03	17.31
Thomas Cook (India) Limited	22.47	-
Total	**1,273.30**	**1,099.33**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

41 Related party transactions (contd.)

(g) Transactions with related parties (contd.)	**March 31, 2025**	**March 31, 2024**
Travel booking & other support services		
Thomas Cook (India) Limited	81.03	70.47
Services availed		
Allsec Technologies Limited	0.88	11.82
Dividend on OCCPRS		
Thomas Cook (India) Limited	-	0.90
Employee stock option expense (ESOP)		
Thomas Cook (India) Limited	4.21	(303.51)
Loans and Advances repaid		
Sterling Holidays (Ooty) Limited	-	1,240.97
Sterling Holiday Resorts (Kodaikanal) Limited	603.65	1,265.10
Nature Trails Resorts Private Limited	3,518.65	533.10
Total	**4,122.30**	**3,039.17**
Loan given		
Mr. Muthukumaran Audikesavan (Company Secretary)	-	1.19
Nature Trails Resorts Private Limited	596.31	746.31
Total	**596.31**	**747.50**
Corporate social responsibility expenses		
Fairfax India Charitable foundation	141.92	72.00
Total	**141.92**	**72.00**
(h) Outstanding balances as at the year end		
Trade payables		
Thomas Cook (India) Limited	19.23	10.63
Allsec Technologies Limited	-	0.92
SOTC Travel Limited	0.17	-
Total	**19.40**	**11.55**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

41 Related party transactions (contd.)

	March 31, 2025	March 31, 2024
Advances from customers		
TC Tours Private Limited	-	24.00
Trade Receivable		
Travel Corporation (India) Limited	16.39	0.65
TC Tours Private Limited	31.49	7.62
Nature Trails Resorts Private Limited	-	73.38
Thomas Cook (India) Limited	119.75	-
SOTC Travel Limited	0.40	-
Sterling Holidays (Ooty) Limited	23.75	-
Sterling Holiday Resorts (Kodaikanal) Limited	250.21	-
Total	**441.99**	**81.65**
Trade payables towards management & brand fees		
Sterling Holidays (Ooty) Limited	4.06	716.91
Sterling Holiday Resorts (Kodaikanal) Limited	4.14	154.23
Nature Trails Resorts Private Limited	48.01	-
Total	**56.21**	**871.14**
Loans to related parties		
Loans to subsidiaries		
Sterling Holiday Resorts (Kodaikanal) Limited	-	603.65
Nature Trails Resorts Private Limited	205.53	3,127.87
Loans to others		
Mr. Muthukumaran Audikesavan (Company Secretary)	-	0.24
Total	**205.53**	**3,731.76**
Interest accrued on loans given		
Nature Trails Resorts Private Limited	0.23	1,108.06
Total	**0.23**	**1,108.06**

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	As at March 31, 2025	As at March 31, 2024
42 Contingent liabilities		
Claims against the Company not acknowledged as debt:		
(a) In respect of income tax matters:		
In respect of Assessment Year 2015-16, the Assessing Officer (AO) had issued an order with respect to treatment of ASCF/Entitlement fee, ESOP and disallowance of brought forward loss of the demerged entity Sterling Holiday Resorts India Limited and other disallowances. The Company had filed an appeal before Commissioner of Income Tax (Appeals), Mumbai. The ld CIT(A) has given a partial relief on the accounting treatment of ASCF / Entitlement fee, also admitted the addition of ESOP and disallowance of the carry forward of losses relating to the demerged entity. Both the Income tax department and the Company has filed the cross appeal against the order of the CIT(A) before the ITAT, Mumbai.	2,450.30	2,450.30
The Assessing Officer (AO) has issued an high pitched income tax demand order for the AY 2017-18. Additions of INR 13,805.84 lakhs have been made. Consequently, a demand of INR 6,660.94 lakhs was determined as payable. On appeal before Commissioner of Income Tax (Appeals), Mumbai the ld CIT(A) has given partial relief for the additions of INR 8,212 lakhs and confirmed the additions of INR 5,592 lakhs. Both the company and the Income tax department preferred appeal before the ITAT, Mumbai against the order of CIT(A).Based on the management's assessment and the advice of external consultant, the Company believes the demand is not tenable.	6,660.94	6,660.94
The Assessing Officer (AO) has issued an income tax demand order for the AY 2001-02 & AY 2006-07. Penalty orders has been issued by the officer for the above years. Based on the management's assessment and the advice of external consultant, the Company believes the demand is not tenable. The Company had filed an appeal before Commissioner of Income Tax (Appeals), Mumbai and the learned officer has passed a favourable order reducing the penalty.	648.76	694.35
During the AY 2018-19, the Assessing officer has disallowed the usual issue of ESOP expenses and added back the Deferred income. Further, they have disallowed the long term capital loss claimed by the company for INR 408 lakhs on sale of land at Kodai and arrived at a long term capital gain of INR 749 lakhs. On appeal before the CIT(A) the ld Commissioner of Appeal have given partial relief on the deferred income and confirmed the additions of ESOP and capital gain. Both the assessee Company and department preferred cross appeal against the order of the CIT(A). There is no tax liability on account of such orders owing to brought forward losses and unabsorbed depreciation available under Income Tax Act.	201.84	201.84
For the AY 2014-15 The Principal Commissioner of Income Tax passed order U/S 263 of the Income Tax Act directing the AO to disallow the brought forward loss claimed U/S 72A in its hands pursuant to merger of Manchanda Resorts Private Limited. The AO passed the order U/S 143(3) w.r.t to Sec 263 and uploaded a demand in the e filing portal. we have not been served with the order. We have filed Appeal against the order U/S 263 of the Pr.CIT with ITAT Mumbai bench and same is pending. The merger is subject matter of A.Y 2013-14 and AO has allowed the brought forward losses for the A.Y 2013-14. The revision order of Pr.CIT for the A.Y 2014-15 of the subject matter of A.Y 2013-14 is erroneous and maintainable before law. The case is heard by ITAT Mumbai and passed a favourable order.	-	723.32
For the A.Y 2020-21, The Assessing Officer for the assessment year 2020-21 passed an order imposing a penalty of INR 6.89 lakhs for the non-deduction and non-deposit of TDS for certain payments made by the Company. The assessee Company preferred appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer.	-	6.89
For the AY 24-25, Certain employees have not linked their PAN number with Aadhaar dut to which TDS CPC applied the higer tax rate of 20% U/S 206AA and raised the demand.	22.05	-
(b) In respect of service tax matters:		
Demand towards service tax matters in respect of which favourable order was obtained during the year	-	557.04
(c) Others:		
Luxury tax related demands under appeal	6,164.90	7,164.30
GST related matters	2,104.14	1,046.63
Customer, vendor, employee and property related disputes under appeal	900.97	889.41
Stamp duty on Composite scheme of arrangement and amalgamation	493.78	-

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

42 Contingent liabilities (contd.)

Supreme Court vide their judgement dated February 28, 2018 clarified that Provident fund deduction is to be made on basic salary and on other salary components which are universally made available to all employees. The Company, based on external advice, believes that there are interpretative challenges on the application of the judgement retrospectively. Pursuant to the ruling, the Company recorded a provision of INR 45.33 lakhs in 2018-19, with respect to demands received for Manali (for the period of April 2007 to December 2015) and Munnar (for periods prior to 2013). Based on the advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision with respect to any period other than as mentioned above. The Company would update the provision in future based on clarification received from the relevant authorities.

43 Commitments	**As at March 31, 2025**	**As at March 31, 2024**
Capital commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	777.74	786.67
Intangible Assets	-	-

44 Property related matters

a) During the financial year 2011-12, pursuant to One Time Settlement (OTS) scheme, the Company had fully settled the dues of a Financial Institution (FI) and also obtained a "No Due" certificate with respect to Ooty Fernhill property. However, the FI has not released the title deeds of the properties given as security for the reason that a Third Party has filed a writ petition against the FI challenging the cancellation of sale of the said property to them. The Company is also a party to the said writ petition. The said writ petition was disposed off by Hon'ble High Court of Madras, against the Company. The Company has preferred Special Leave Petition (SLP) before the Hon'ble Supreme Court of India and the Court has ordered "Status quo" in all respects concerning the said properties. The net book value and gross book value of land and building as at March 31, 2025 in respect of the said property aggregates to INR 8,106.43 lakhs (March 31, 2024: INR 8,208.36 lakhs) and INR 9,891.74 lakhs (March 31, 2024: INR 9,096.49 lakhs) respectively. In view of the management and based on the independent legal opinion obtained, the Company has a fair chance to succeed in the appeal pending before Hon'ble Supreme Court of India.

b) The Company had in the past transferred a property at Goa and part of the sale consideration amounting to INR 527.10 lakhs (March 31, 2024: INR 527.10 lakhs) (included under "Other non current assets") was retained by the buyer pending compliance of certain conditions. The Company is confident of recovering this amount as it has taken effective steps for discharge of its obligations. The Company is also legally advised that it has the right of vendor's lien against the immovable property sold to the extent of amount due. The Company has filed a suit against the buyer for recovery of the amount. In view of the aforesaid, the above amount is considered good and recoverable by Management. Application for rejection of the plaint by the defendant has been dismissed. The Defendant filed a revision before the High Court at Goa and High Court dismissed the same. Currently case is under trial.

c) During the financial year 2015-16, Company had transferred a property of 7.3 acres out of 10.3 acres land parcel at Chail for consideration and with a condition that the buyer would construct 10 cottages in the 3 acres land retained by the Company and handover the same. However, the buyer had taken the possession of the entire parcel of land and had not fulfilled the condition. The book value of the land is INR 761.70 lakhs (March 31, 2024: INR 761.70 lakhs). The title deeds for 3 acres of land are not available with the Company. There is an arbitration award in favor of the Company which the Company is enforcing in the court of law. The Company is of the view that it has a fair chance to succeed in its plea. The High Court has ordered 'Status Quo' on the property. The Company has filed an application for appointment of the receiver.

d) Other property related matters

Property	Net carrying amount as on March 31, 2025	Net carrying amount as on March 31, 2024	Remarks
i) Kodai Valley View (Revalued - Refer Note 50)	11,116.60	10,007.30	The Company has submitted the original title documents with the District Magistrate as part of the plaint filed in response to litigation for title in 1993.The case will be heard before the District Court Kodaikanal.
ii) Puri	12,200.00	12,200.00	The registration has not been duly recorded in the revenue records in the name of the Company since the consolidation case was pending against the original owners at the time of purchase. The original owners mutated the revenue records in their name. The Company has filed writ before High court challenging the mutation of revenue records. SHRL has withdrawn the petition before High Court. SHRL has filed revision before Collector for mutation of records.
iii) Hubli	4.98	5.09	Sale deed was not registered in the name of the Company. The Company had paid the entire consideration and taken over possession of the property. Seller Company was liquidated in the past, accordingly the Company needs to take necessary legal steps to register the title in its name. The Company has approached the official liquidators office and is yet to receive next steps from them.

45 The Company holds 98% equity shares in Sterling Holidays (Ooty) Limited and Sterling Holiday Resorts (Kodaikanal) Limited and each subsidiary company is responsible for maintaining the property pursuant to the property timeshare agreement with the property time share members. However, certain property time share weeks of these two properties are unsold and retained by the Company. Pursuant to the necessary approvals obtained by the Company and subsidiary companies as required under the Companies Act, 2013, the subsidiary companies can rent out weeks sold to property timeshare members and unsold weeks retained by the Company which are vacant and earn revenue from it. The property time share members and the Company shall have no claim on the revenue generated from it. Further, pursuant to the exchange clause under property timeshare agreement, property time share members of the said property are also eligible to utilize facilities at Company's other resorts.

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46 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2024-25, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act:

		As at March 31, 2025	As at March 31, 2024
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	274.23	123.90
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.66	0.43
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
iv	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
v	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
vi	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
vii	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are	0.66	0.43

47 The composite Scheme of Arrangement and Amalgamation ("the Scheme") between Thomas Cook Insurance Services (India) Limited (now known as Sterling Holiday Resorts Limited) ("the Company"), Thomas Cook (India) Limited ("TCIL") and erstwhile Sterling Holiday Resorts (India) Limited ("SHRIL") and their respective shareholders and creditors has been sanctioned by the High Court of Judicature at Mumbai and the High Court of Judicature at Madras on July 2, 2015 and April 13, 2015, respectively, and made effective on August 18, 2015. In terms of the said Scheme, the Timeshare and Resort business of erstwhile SHRIL ("Demerged Undertaking") has been demerged and transferred to and vested with the Company as a going concern and the residual SHRIL has been amalgamated with TCIL. The appointed date of the Scheme is April 1, 2014.

In accordance with the said Scheme :

a) the assets and liabilities of the Demerged Undertaking as on April 1, 2014 have been taken over by the Company and have been recorded at their respective book values, ignoring revaluations.

b) the Equity Shares (including equity shares acquired after appointed date) held by the Company in erstwhile SHRIL were cancelled.

c) the difference of INR 22,984.06 lakhs between the book values of net assets of the Demerged Undertaking recorded in the books of the Company as above and the value of investments in erstwhile SHRIL in the books of the Company, has been adjusted against Securities Premium Account.

d) an amount of INR 274 lakhs relating to current tax provision was reversed and an amount of INR 4.2 lakhs relating to deferred tax asset was reversed into retained earnings consequent to the scheme

e) in consideration for transfer of Demerged Undertaking into the Company, 116 equity shares of TCIL of INR 1 each has been issued to the shareholders of erstwhile SHRIL for every 100 shares of INR 10 each held in erstwhile SHRIL.

f) During the current year, the Company has reassessed such provision based on independent legal advice and reversed the entire provision.

48 Assets pledged as security	As at March 31, 2025	As at March 31, 2024
Freehold land (Revalued - Refer Note 50)	15,255.80	15,255.80
Buildings	5,180.19	5,339.02
Movable assets	731.29	1,074.67

All the outstanding borrowings have been repaid but the assets are still under pledge. The Company is in the process of filing the satisfaction of charge

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

49 Share based payments

(a) Employee option plan

The options outstanding as at March 31, 2025, represent the unvested, vested and exercisable options granted by Thomas Cook India Limited, the holding company, to the employees of the Company. This disclosure is based on the information relating to the scheme shared by the holding company.

Sterling Holiday Resorts Limited Employee Stock Options Scheme 2012 - ("SHRL ESOS 2012")

As per clause 15.3.2 of the Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Limited (SHRIL) and Thomas Cook Insurance Services (India) Ltd (TCISIL), and Thomas Cook (India) Ltd. (TCIL) the SHRIL ESOS 2012 became a part of the holding company's schemes and Stock Options which had been granted but not exercised as of the Record Date, by such SHRIL employees shall lapse and in lieu of the Lapsed Options of SHRIL, TCIL shall grant 120 options for every 100 options of SHRIL. The revised Exercise Price for Grant I was INR 80.00 and for Grant II was INR 108.46. Subject to the terms of the Scheme and SEBI ESOP Guidelines, the option holder will have a period of 5 years from the date of which the Options have vested, within which the vested options can be exercised.

Thomas Cook Employees Stock Scheme 2015

Under Employee Share Option Scheme 2015 (ESOP 2015) granted by Thomas Cook India Limited, the holding Company, 33%, 33% and 34% of the options granted vest in a period of 12 months, 24 months and 36 months respectively from the grant date. Once vested the options remain exercisable for a period of 10 years from the date of grant.

Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)

Thomas Cook Employees Stock Scheme 2018 - Execom

The Exercise Price shall be equal to face value of shares i.e. INR 1 per option.

The objective of the ESOP 2018 - Execom is to reward the Execom Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Scheme shall be applicable to the Execom and Employees of TCIL, its Subsidiary companies in India and abroad, as determined by the Committee on its own discretion from time to time.

Options granted under ESOP 2018 - Execom would Vest only at the end of 5 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. The specific performance parameters will be decided by the Committee from time to time and will be communicated to the employees. The attainment of such performance parameters would be determined by the Committee from time to time which shall be a mandatory condition for vesting of options.

i) Summary of options granted under plan :

TCIL ESOP 2018 Execom	**March 31, 2025**		**March 31, 2024**	
	Avg exercise price per share option	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	1.00	187,541	1.00	200,714
Granted during the year	-	-	-	-
Exercised during the year	1.00	104,917	1.00	13,173
Forfeited during the year	1.00	-	1.00	-
	1.00	**82,624**	**1.00**	**187,541**

TCIL ESOP 2018 Management	**March 31, 2025**		**March 31, 2024**	
	Avg exercise price per share option	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	125.10	48,368	125.10	51,090
Granted during the year	-	-	-	-
Exercised during the year	125.10	6,912	125.10	2,722
Forfeited during the year	125.10	-	125.10	-
	125.10	**41,456**	**125.10**	**48,368**

ESOS 2012 (Grant II)	**March 31, 2025**		**March 31, 2024**	
	Avg exercise price per share option	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	-	-	108.46	7,050
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	7,050
	-	-	**108.46**	-

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49 Share based payments (contd.)

ESOP 2015	March 31, 2025		March 31, 2024	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	165.92	61,666	165.92	62,266
Granted during the year	-	-	-	-
Exercised during the year	165.92	14,732	165.92	600
Forfeited during the year	-	-	-	-
	165.92	**46,934**	**165.92**	**61,666**

ii) Share options outstanding at the end of year have following expiry date and exercise prices

				Share options	
	Grant date	Expiry date	Exercise price	March 31, 2025	March 31, 2024
ESOP 2018 - Execom	October 5, 2018	September 29, 2043	1.00	82,624	187,541
ESOP 2018 - Management	September 1, 2018	August 29, 2031	125.10	41,456	48,368
ESOS 2012 (Grant II)	July 30, 2014	July 27, 2024	108.46	-	-
ESOP 2015	August 25, 2015	August 24, 2025	165.92	46,934	61,666

iii) Modification of share based payment:

On implementation of Composite Scheme of arrangement and Demerger of Human Resource Business

The Holding company (TCIL) in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited (Quess) The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019 The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.

As a part of the composite scheme, Group Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.

The group employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL (1889:10,000)

In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price

The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19 The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

(b) Expense arising from share based payment transaction

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee option plan expenses	4.21	(186.79)
Employee stock expenses	-	(116.72)
Total	**4.21**	**(303.51)**

50 Revaluation of land

During the financial year 2018-19, the Company had changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018 Freehold and leasehold land will be recognized at fair value based on periodic valuation done by external independent valuers, less subsequent amortization of leasehold land

A revaluation surplus will be recorded in OCI and credited to the asset revaluation reserve in equity However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve

Fair value of the land assets was determined by an external independent valuer using the market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property

The carrying amounts as at March 31, 2025 and March 31, 2024 under cost and revaluation models are given below

Block of asset	Revaluation model		Cost model	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Freehold land	70,354.92	70,764.92	5,250.87	5,439.92
Right of use asset - land (Refer note 51)	1,812.36	1,838.00	161.91	161.91
Total	**72,167.28**	**72,602.92**	**5,412.78**	**5,601.83**

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51 Leases

(a) Movement in right of use assets and lease liabilities as per Ind AS 116 Leases

As a lessee, the company leases many assets including land and building and computer equipment's

Right of use assets	Land	Building	Computer Equipment	Total
Balance at April 1, 2023	**1,540.83**	**4,675.14**	**153.79**	**6,369.76**
Addition to right of use assets	318.43	5,308.23	56.54	5,683.20
Amortisation charge for the year	(21.26)	(1,361.76)	(85.22)	(1,468.24)
Derecognition of right of use assets	-	(158.05)	-	(158.05)
Balance at March 31, 2024	**1,838.00**	**8,463.56**	**125.11**	**10,426.67**
Addition to right of use assets	-	5,824.17	144.67	5,968.84
Amortisation charge for the year	(25.64)	(2,040.28)	(114.37)	(2,180.29)
Derecognition of right of use assets	-	-	-	-
Balance at March 31, 2025	**1,812.36**	**12,247.45**	**155.41**	**14,215.22**

Lease Liabilities	Amount
Balance at April 1, 2023	**5,624.82**
Additions	5,188.60
Deletions	(188.86)
Finance cost accrued during the period	917.32
Discharge of lease liabilities	(2,009.38)
Balance at March 31, 2024	**9,532.50**
Additions	5,983.51
Deletions	-
Finance cost accrued during the period	1,186.15
Discharge of lease liabilities	(2,971.32)
Balance at March 31, 2025	**13,730.84**
Current	2,227.44
Non-current	11,503.40

(b) Maturity analysis - contractual undiscounted cash flows

	As at March 31, 2025	As at March 31, 2024
Less than one year	2,975.67	2,270.30
1 - 2 Year	3,419.56	2,235.52
2 - 3 Year	3,287.82	2,216.15
3 - 4 Year	3,068.00	2,099.41
4 - 5 Year	2,361.88	1,428.62
More than five years	5,944.12	3,060.70
Total	**21,057.05**	**13,310.70**

Amounts recognised in profit or loss	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on lease liabilities	1,186.15	917.32
Amortisation of ROU	2,180.29	1,468.24
Expenses relating to short term leases	965.79	699.76
Total	**4,332.23**	**3,085.32**

Amounts recognised in statement of cash flow	As at March 31, 2025	As at March 31, 2024
Total cash outflow for leases	2,971.32	2,009.38

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52 Ind AS 115 - Revenue from contracts with customers

Movement in deferred acquisition costs and contract liabilities

(a) Deferred acquisition costs

	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	9,155.18	9,700.31
Additions during the year	521.39	1,521.64
Written off due to cancellation of contracts	(1,162.95)	(730.08)
Amortised during the year	(829.42)	(1,336.69)
Closing balance	**7,684.20**	**9,155.18**

(b) Contract liabilities

	Membership fee	AAC / ASF	Other resort revenue	Total
Opening balance as at April 1, 2023	69,826.02	1,408.53	1,401.60	72,636.15
Additions during the year (net)	5,501.49	1,774.62	5,526.22	12,802.33
Contracts cancelled during the year	(6,745.21)	-	-	(6,745.21)
Income recognized during the year	(4,462.14)	(1,487.57)	(5,243.27)	(11,192.98)
Adjustment on account of provision	(166.00)	-	-	(166.00)
Closing balance as at March 31, 2024	**63,954.16**	**1,695.58**	**1,684.55**	**67,334.29**

Contract liabilities

	Membership fee	AAC / ASF	Other resort revenue	Total
Opening balance as at April 1, 2024	63,954.16	1,695.58	1,684.55	67,334.29
Additions during the year (net)	2,331.65	1,147.05	7,150.09	10,628.79
Contracts cancelled during the year	(8,761.56)	-	-	(8,761.56)
Income recognized during the year	(3,210.96)	(1,539.34)	(7,250.99)	(12,001.29)
Adjustment on account of provision	1,667.17	-	-	1,667.17
Closing balance as at March 31, 2025	**55,980.46**	**1,303.29**	**1,583.65**	**58,867.40**

For contract liabilities pertaining to membership fee, services will be provided over the effective membership period and revenue is recognised over that period. Other contract liabilities pertain to consideration received in advance and are recognized as revenue in the respective period when the service is rendered.

(c) Revenue expected to be recognised in the future from Deferred Contract Liability

	As at March 31, 2025	As at March 31, 2024
AAC / ASF		
< 1 Year	830.38	956.32
More than 1 year	472.91	739.32
	1,303.29	**1,695.64**
Membership fee		
< 1 Year	3,194.32	3,581.68
1 - 2 Year	3,194.32	3,449.54
2 - 3 Year	3,194.32	3,449.54
More than 3 Years	46,397.50	53,473.40
	55,980.46	**63,954.16**

The deferred contract liability broken year wise shows summary of Membership and Annual subscription fee recognisable over the time. Annual subscription fee being the annual fees chargeable to the member every year over the life of contract.

(d) Reconciliation of revenue from contract with customer

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customer as per the contract price	44,879.88	40,780.72
Adjustments made to contract price on account of :-		
(i) Discounts / Rebates / Incentives	(418.31)	(364.00)
(ii) Other adjustments	(48.10)	69.89
Revenue from contract with customer as per the statement of Profit and Loss	**45,346.29**	**41,074.83**

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53 Corporate Social Responsibility

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Gross amount required to be spent by the company during the year	141.92	72.00
(b) Amount approved by the board to be spent during the year	141.92	72.00
(c) Amount spent during the year	141.92	72.00
(i) Construction/acquisition of any asset	-	-
(ii) on purposes other then (i) above	141.92	72.00
(d) Details of related party transactions*	-	-
(e) Details of unspent obligation	-	-

* Paid to Fairfax India Charitable foundation (Trust of Ultimate Holding Company)

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54 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	3.24	1.83	78%	Increase is on account of increase in cash and bank balances as a result of improved business operations.
Return on Equity ratio (in times)	Profits after tax	Average Shareholder's Equity	0.08	0.23	-15%	Not applicable
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	12.41	15.16	-18%	Not applicable
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	29.91	17.79	68%	Increase is due to increase in resort income and decrease in trade receivable due to cancellation from customers.
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.85	0.88	-3%	Not applicable
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.31	3.47	-33%	Increase in the balance of cash and cash equivalents enabled better current asset position thereby improved capital turnover ratio.
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	13%	32%	-19%	Not applicable
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Total Assets - Current Liabilities	8%	9%	-1%	Not applicable
Return on Investment (in %)	Earnings before interest and taxes	Total Assets	7%	8%	-1%	Not applicable

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55 Earnings per share

	As at / Year ended March 31, 2025	As at / Year ended March 31, 2024
Profit for the year attributable to the equity holders of the Company	5,748.19	13,212.28
Weighted average number of equity shares outstanding (in lakhs)	290.50	290.50
Basic and diluted earnings per share (INR)	**19.79**	**45.48**

56 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013:

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company revalued its freehold land (including right-of-use assets relating to leasehold land) during the previous year. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority

(viii) The Company has complied with the number of layers prescribed under the Companies Act, 2013

(ix) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

(x) The Company does not have any charge or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except the following:

Charge holder name	Registrar location	As at March 31, 2025	As at March 31, 2024
HDFC Bank Limited	Mumbai	8,348.50	8,348.50
Housing Development Finance Corporation Limited	Mumbai	1,300.00	1,300.00

(xi) The Company neither has borrowings nor has been sanctioned working capital during the year from banks or financial institutions on the basis of security of current assets

(xii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

57 Exceptional items

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Impairment of investment and loans in Nature Trails Resorts Private Limited Refer [Note 6(a) and 8]	1,990.77	-
Litigations settlement *	410.94	-
	2,401.71	-

* During the year, the Company had applied for full and final settlement of tax dues in relation to luxury tax litigations under the Amnesty Scheme. The aforesaid litigations were settled with the concerned authorities, by way of payment of tax dues aggregating to INR 410.94 lakhs. Accordingly, the dues settled was recognised in the statement of profit and loss as an exceptional item.

58 Subsequent events

There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 11, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Vikram Dayal Lalvani
Managing Director & Chief Executive Officer
DIN: 07115464
Place: Chennai
Date: May 5, 2025

Madhavan Menon
Director
DIN: 00008542
Place: Mumbai
Date: May 5, 2025

Krishna Kumar L
Chief Financial Officer
Membership No.: 028935
Place: Chennai
Date: May 5, 2025

Muthukumaran A
Company Secretary
Membership No.: A33894
Place: Chennai
Date: May 5, 2025

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Independent Auditor's Report

To the Members of Sterling Holidays (Ooty) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holidays (Ooty) Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

THM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

THM

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 30 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

THM

f. Based on our examination which included test checks, the Company has used accounting softwares from third party service provider for maintaining its books of account relating to general ledger and revenue. In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report in relation to controls at service organisation for such accounting software, we are unable to comment whether audit trail feature of the said softwares were enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Additionally, we are unable to comment whether the audit trail has been preserved by the company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid / provided for any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXZ1208

Place: Chennai

Date: 21 May 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The Company does not have any immovable property. Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025 *(Continued)*

during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Value Added Tax, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Value Added Tax, Income-Tax or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Value Added Tax, Income-Tax, Luxury tax or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu Luxury tax Act	Luxury tax	3,130.20	FY 1998-99 to 2017-18	Madras High Court
The Income tax Act	Income tax	2.03	AY 2018-19	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act). The Company has not raised loans during the year. Accordingly, clause

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Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025 *(Continued)*

3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

THM

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025 *(Continued)*

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXZ1208

Place: Chennai

Date: 21 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sterling Holidays (Ooty) Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

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Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holidays (Ooty) Limited for the year ended 31 March 2025 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLXZ1208

Place: Chennai

Date: 21 May 2025

Sterling Holidays (Ooty) Limited
Balance Sheet as at March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	50.99	58.55
Financial assets			
Other financial assets	4	222.52	20.10
Other tax assets (net)	5	46.79	50.29
Deferred tax assets	16	0.79	0.25
Other non-current assets	9(b)	-	7.54
Total non-current assets		**321.09**	**136.73**
Current assets			
Inventories	6	17.67	18.27
Financial assets			
i. Trade receivables	7	64.41	790.93
ii. Cash and cash equivalents	8	624.83	35.95
iii. Other financial assets	4	568.90	6.37
Other current assets	9(a)	27.89	64.08
Total current assets		**1,303.70**	**915.60**
Total assets		**1,624.79**	**1,052.33**
Equity and liabilities			
Equity			
Equity share capital	10	5.00	5.00
Other equity			
Reserves and surplus	11	1,398.15	693.35
Total equity		**1,403.15**	**698.35**
Liabilities			
Current liabilities			
Financial liabilities			
i. Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	12	5.20	1.36
b) total outstanding dues of creditors other than micro enterprises and small enterprises	12	125.60	148.90
ii. Other financial liabilities	13	18.47	19.44
Current tax liabilities	14	40.52	67.34
Other current liabilities	15	31.85	116.94
Total current liabilities		**221.64**	**353.98**
Total liabilities		**221.64**	**353.98**
Total equity and liabilities		**1,624.79**	**1,052.33**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
CIN: U55102TN1989PLC018344

Ramesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Sterling Holidays (Ooty) Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	17	3,223.69	2,987.56
Other income	18	183.13	194.88
Total income		**3,406.82**	**3,182.44**
Expenses			
Cost of materials consumed	19	283.88	272.30
Employee benefits expense	20	41.52	44.82
Finance costs	21	-	43.87
Depreciation expense	22	8.13	8.26
Other expenses	23	2,127.60	1,877.35
Total expenses		**2,461.13**	**2,246.60**
Profit before tax		**945.69**	**935.84**
Tax expense			
Current tax	24	241.43	236.00
Deferred tax	24	(0.54)	(0.13)
Total tax expense		**240.89**	**235.87**
Profit for the year		**704.80**	**699.97**
Total comprehensive income for the year		**704.80**	**699.97**
Earnings per share (Face value of INR 10 each)			
Basic and diluted earnings per share (INR)	36	1,409.60	1,399.94
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
CIN: U55102TN1989PLC018344

Rajesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Sterling Holidays (Ooty) Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2023		5.00
Changes in equity share capital during the year	10	-
Balance as at March 31, 2024		**5.00**
Changes in equity share capital during the year	10	-
Balance as at March 31, 2025		**5.00**

II) Other equity

	Note	Reserves and surplus		
		Retained earnings	**Contribution from holding company**	**Total Equity**
Balance as at April 1, 2023		**(75.20)**	**68.58**	**(6.62)**
Profit for the year	11	699.97	-	**699.97**
Other comprehensive income for the year	11	-	-	-
Balance as at March 31, 2024		**624.77**	**68.58**	**693.35**
Profit for the year	11	704.80	-	**704.80**
Other comprehensive income for the year	11	-	-	-
Balance as at March 31, 2025		**1,329.57**	**68.58**	**1,398.15**

Material accounting policies 1.3

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
CIN: U55102TN1989PLC018344

Ramesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Sterling Holidays (Ooty) Limited
Statement of Cash flows for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Profit before tax		945.69	935.84
Adjustments for:			
Depreciation expense	22	8.13	8.26
Finance costs	21	-	20.13
Interest income	18	(37.16)	(2.83)
Working capital adjustments:			
Decrease / (Increase) in trade receivables		726.52	(765.14)
Decrease in inventories		0.60	3.68
Decrease / (Increase) in other financial assets		1.30	(4.94)
Decrease in other assets		43.73	110.59
(Decrease) / Increase in trade payables		(19.46)	0.88
(Decrease) / Increase in other liabilities		(85.09)	33.42
(Decrease) in other financial liabilities		(0.97)	(0.80)
Cash generated from operating activities		**1,583.29**	**339.09**
Income taxes paid		(264.75)	(279.60)
Net cash from operating activities		**1,318.54**	**59.49**
Cash flows from investing activities			
Purchase of property, plant and equipment		(0.57)	(30.09)
Investment in bank deposits		(1,100.00)	-
Maturity of bank deposits		333.75	-
Interest received		37.16	2.83
Net cash (used in) investing activities		**(729.66)**	**(27.26)**
Cash flows from financing activities			
Interest paid		-	(20.13)
Repayment of borrowings		-	(0.19)
Net cash (used in) financing activities		-	**(20.32)**
Net increase in cash and cash equivalents		588.88	11.91
Cash and cash equivalents at the beginning of the year		35.95	24.04
Cash and cash equivalents at end of the year	8	**624.83**	**35.95**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

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1.1. Reporting entity

Sterling Holiday (Ooty) Limited (the "Company") is engaged in providing resort operations and maintenance services [being leisure hospitality services]. The Company's registered office is at Purva Primus, 4th Floor, 236, Okkiyampettai, Old Mahabalipuram Road, Thoraipakkam, Chennai - 600097. Sterling Holiday Resorts Limited ('Parent company') holds 98% of the share capital. The ultimate holding company is Fairfax Financial Holdings Limited, Canada.

1.2. Basis of preparation

1.2.1. Statement of compliance

Basis of measurement

These financial statements have been prepared under the historical cost basis except for the following items:

Items basis	Measurement
Certain financial assets and liabilities	Fair value

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

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BSR & Co. LLP * Chartered Accountants *

Material accounting policies (continued)

Going Concern

During the year Company has earned profit before tax of INR 945.69 (March 31, 2023 INR 935.84). The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company.

Based on the continued profitability, approved cash flow projections for the next 12 months, availability of assets (land, buildings, trade receivables etc.) for securitization/monetization for additional funds, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

1.2.2. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupees (INR) which is the Company's functional and presentation currency. All amounts have been presented in lakhs of Indian Rupees (INR), unless otherwise stated.

1.2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chairman – Whole Time Director (WTD) of the Company has been identified as the chief operating decision maker of the Company who assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 32 for segment information presented.

1.2.4. Current / Non-current classification

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.3.1. Revenue recognition

The Company's business is to provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Under Ind AS 115 an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied.

Income from resort operations and maintenance services (being leisure hospitality services) comprising of sale of food and beverages, room rentals and other services are recognised when these are sold and when services are rendered.

Material accounting policies (continued):

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

1.3.2. Income taxes

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/ expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Company offsets the current tax assets as against the liability for provision for tax.

(b) Deferred Tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss and does not give rise to equal deductible and taxable temporary differences at the time of the transaction. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred taxes on items classified under Other comprehensive income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

B S R & Co. LLP Chartered Accountants

Material accounting policy (continued)

1.3.3. Impairment of assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are Company at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units or CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1.3.4. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realizable value. Cost is determined using the Weighted average method. The cost comprises of purchase price, non-refundable taxes and delivery handling cost incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for slow moving/ non-moving items, wherever necessary.

1.3.5. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

1.3.6. Property, Plant and Equipment

Recognition and measurement

The Company adopts the cost measurement approach for property, plant and equipment other than freehold and leasehold land.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Material accounting policies (continued)

Depreciation methods, estimated useful lives and residual value:
Based on technical evaluation carried out, depreciation on property, plant and equipment is provided, on a pro-rata basis, on Straight Line Method (SLM) over the estimated useful lives of the assets, which equates to the useful lives prescribed under Schedule II to the Companies Act, 2013, as follows:

Asset class	Useful life as per Companies act	Useful life as per management
Buildings	60	30- 60
Plant and machinery	15	15
Furniture and fixtures – general	10	10
Furniture and fixtures – others	8	8
Office equipment	5	5
Computer equipment – Servers & Network	6	6
Computer equipment – Desktop, laptop and end-user items	3	3
Electrical installations	10	10
Vehicles	8	8

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

1.3.7. Financial instruments
Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1.3.8. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Effective interest method
The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Material accounting policy (continued)

1.3.9. Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

(d) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

I. Classification of financial assets:

The Company classifies its financial assets in the following measurement categories:

a. Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b. Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

II. Measurement of financial asset:

A. Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i. Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Material accounting policy (continued)

ii. **Fair value through other comprehensive income (FVOCI):**
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. **Fair value through profit or loss:**
Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

B. **Equity instruments:**
The Company subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

III. **Impairment of financial assets**
The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Material accounting policy (continued)

IV. De-recognition of financial assets:

A financial asset is derecognised only when

i. The Company has transferred the rights to receive cash flows from the financial asset or
ii. retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.10. Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

I. Measurement of financial liabilities:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

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Material accounting policy (continued)

II. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

1.3.11. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.3.12. Provisions (other than for employee benefits)

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.3.13. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (refer Note 36).

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Material accounting policy (continued)

2A. Critical estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The areas involving critical judgements:
Note 30 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
Note 1.3.6- Estimation of useful lives of property, plant and equipment and intangible assets
Note 26 - determine the fair value of financial assets or liability based on unobservable inputs
Note 16 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;

2B. Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2024:

Asset description	Plant and machinery	Furniture and fixtures	Office equipment	Electrical installations	Computer equipment	Total
I. Gross Block						
Balance as at April 1, 2023	22.90	6.74	0.88	16.70	1.94	49.16
Additions	2.90	20.58	-	6.61	-	30.09
Disposals	-	-	-	-	-	-
Balance as at March 31, 2024	**25.80**	**27.32**	**0.88**	**23.31**	**1.94**	**79.25**
II. Accumulated depreciation						
Balance as at April 1, 2023	4.47	2.25	0.74	4.05	0.93	12.44
Depreciation for the year	1.95	3.58	0.02	2.22	0.49	8.26
Disposals	-	-	-	-	-	-
Balance as at March 31, 2024	**6.42**	**5.83**	**0.76**	**6.27**	**1.42**	**20.70**
Net block (I-II)						
Balance as at March 31, 2024	19.38	21.49	0.12	17.04	0.52	58.55
Balance as at March 31, 2023	18.43	4.49	0.14	12.65	1.01	36.72

Reconciliation of carrying amount for the year ended March 31, 2025

Asset description	Plant and machinery	Furniture and fixtures	Office equipment	Electrical installations	Computer equipment	Total
I. Gross Block						
Balance as at April 1, 2024	25.80	27.32	0.88	23.31	1.94	79.25
Additions	-	-	-	-	0.57	0.57
Disposals	-	-	-	-	-	-
Balance as at March 31, 2025	**25.80**	**27.32**	**0.88**	**23.31**	**2.51**	**79.82**
II. Accumulated depreciation						
Balance as at April 1, 2024	6.42	5.83	0.76	6.27	1.42	20.70
Depreciation for the year	1.85	3.38	0.02	2.28	0.60	8.13
Disposals	-	-	-	-	-	-
Balance as at March 31, 2025	**8.27**	**9.21**	**0.78**	**8.55**	**2.02**	**28.83**
Net block (I-II)						
Balance as at March 31, 2025	17.53	18.11	0.10	14.76	0.49	50.99
Balance as at March 31, 2024	19.38	21.49	0.12	17.04	0.52	58.55

4 Other financial assets	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
Security deposits	4.75	18.80	4.75	20.10
Bank Deposits with maturity period of more than 12 months from the reporting date	-	203.72	-	-
Bank Deposits with maturity period of less than 12 months from the reporting date	562.53	-	-	-
Other receivables	1.62	-	1.62	-
Total	**568.90**	**222.52**	**6.37**	**20.10**

5 Other tax assets	As at March 31, 2025	As at March 31, 2024
TDS receivable	46.79	50.29
Total	**46.79**	**50.29**

6 Inventories		
Food and beverages	11.36	12.73
Operating supplies	6.31	5.54
Total	**17.67**	**18.27**

7 Trade receivables		
Current - Unsecured		
Considered good	64.41	790.93
Considered doubtful	-	-
	64.41	**790.93**
Less: Loss allowance	-	-
Total	**64.41**	**790.93**
Of the above, trade receivables from related parties are as below		
Total trade receivables from related parties (Refer Note 28)	-	722.29
Loss allowance	-	-
Net trade receivables from related parties	-	**722.29**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 26

As at March 31, 2025

			Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	12.11	16.66	35.36	-	0.28	-	-	64.41
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	12.11	**16.66**	**35.36**	**-**	**0.28**	**-**	**-**	**64.41**

As at March 31, 2024

			Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	17.24	-	580.22	193.47	-	-	-	**790.93**
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	17.24	**-**	**580.22**	**193.47**	**-**	**-**	**-**	**790.93**

8 Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts	619.32	34.71
Cash on hand	5.51	1.24
Total	**624.83**	**35.95**

9(a) Other current assets		
Prepaid expenses	16.95	7.17
Advances to suppliers	10.94	56.91
Total	**27.89**	**64.08**

9(b) Other non current assets		
Prepaid expenses	-	7.54
	-	**7.54**

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10 Equity share capital

Authorised equity share capital

Authorised	March 31, 2025	March 31, 2024
50000 (March 31, 2024: 50000) equity shares of INR 10 each	5.00	5.00
Issued, subscribed and paid-up		
50000 (March 31, 2024: 50000) equity shares of INR 10 each	5.00	5.00
As at March 31, 2025	**5.00**	**5.00**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares				
At the commencement of the year	0.50	5.00	0.50	5.00
Shares issued during the year	-	-	-	-
At the end of the year	**0.50**	**5.00**	**0.50**	**5.00**

All issued shares are fully paid up

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held.

c) Shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries/associates

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares of INR 10 each held by the Holding Company	0.49	4.90	0.49	4.90

d) Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	% of total shares in class	Number *in lakhs*	% of total shares in class
Equity shares of INR 10 each held by				
Sterling Holiday Resorts Limited (Holding Company)	0.49	98%	0.49	98%

e) Shares reserved for issue under options

There are no shares reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at March 31, 2025 (March 31, 2024: NIL)

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

-No bonus shares have been issued during the period of five years immediately preceding the reporting date.
-No shares have been issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.
-No shares have been bought back during the period of five years immediately preceding the reporting date.

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	As at March 31, 2025	As at March 31, 2024
11 Reserves and surplus		
Retained earnings	1,329.57	624.77
Total	**1,329.57**	**624.77**

Movement in reserves and surplus balances is as follows :

a) Retained earnings

Opening balance	624.77	(75.20)
(Loss) / Profit for the year	704.80	699.97
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation	-	-
Closing balance	**1,329.57**	**624.77**

b) Contribution from holding company

	As at March 31, 2025	As at March 31, 2024
Opening balance	68.58	68.58
Additions during the year	-	-
Closing balance	**68.58**	**68.58**

The loan received from holding company has been measured at fair value by discounting the expected future cashflows at a discount rate based on the risk and other factors applicable to the Company's cashflows. The difference between the carrying value and the fair value has been considered as capital contribution by the holding company considering the substance of the transaction.

Retained earnings
Retained earnings represents the amount of accumulated earnings of the Company.

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12 Trade payables

	As at March 31, 2025	As at March 31, 2024
Dues to micro and small enterprises (Refer Note 33)	5.20	1.36
Dues to creditors other than micro and small enterprises	125.60	148.90
Total	**130.80**	**150.26**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 26

As at March 31, 2025

		Outstanding for following periods from the date of invoice				
Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	5.19	0.01	-	-	5.20
Total outstanding dues of creditors other than micro, small and medium enterprises	26.95	-	76.17	22.48	-	-	125.60
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
As at March 31, 2024	**26.95**	**-**	**81.36**	**22.49**	**-**	**-**	**130.80**

		Outstanding for following periods from the date of invoice				
Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	-	1.36	-	-	-	1.36
Total outstanding dues of creditors other than micro, small and medium enterprises	28.31	-	118.99	1.60	-	-	148.90
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
	28.31	**-**	**120.35**	**1.60**	**-**	**-**	**150.26**

13 Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
Security deposits	18.47	19.31
Others	-	0.13
	18.47	**19.44**

14 Current tax liabilities

Provision for income tax	40.52	67.34
Total	**40.52**	**67.34**

15 Other current liabilities

Contract liability - Advance received from customers	14.33	94.54
Statutory dues payable	17.52	22.40
Total	**31.85**	**116.94**

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16 Deferred tax assets

a) **Tax effect of items constituting deferred tax assets:**

	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment	0.36	0.25
Others	0.43	-
Total deferred tax assets	**0.79**	**0.25**
Deferred tax asset as per the balance sheet	0.79	0.25

b) **Movement of Deferred tax balances**

Particulars	For the year ended March 31, 2025				
	At April 1, 2024	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Property, plant and equipment	0.25	0.11	-	-	0.36
Others	-	0.43	-	-	0.43
Tax assets / (liabilities) before set-off	**0.25**	**0.54**	-	-	**0.79**
Set-off of tax				-	-
Net tax asset / (liability)				-	**0.79**

Particulars	For the year ended March 31, 2024				
	At April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Property, plant and equipment	(0.76)	1.01	-	-	0.25
Others	0.88	(0.88)	-	-	-
Total assets (liabilities) before set-off	**0.12**	**0.13**	-	-	**0.25**
Set-off of tax				-	-
Net tax asset / liability				-	0.25

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	Year ended March 31, 2025	Year ended March 31, 2024
17 Revenue from operations		
(a) Disaggregation of revenue:		
Income from resorts:		
- Room rentals	2,486.90	2,304.16
- Food and beverages	480.44	406.48
- Others	141.37	140.51
Other operating revenues		
-Admission fee	90.79	110.69
-Service charges	24.19	25.72
Total	**3,223.69**	**2,987.56**
On the basis of timing of transfer of goods or services		
At a point in time	3,223.69	2,987.56
	3,223.69	**2,987.56**
(b) Movement in contract liabilities as per Ind AS 115 - Revenue from contracts with customers		
Opening balance	94.54	66.09
Additions during the year (net)	14.33	94.54
Income recognized during the year	(94.54)	(66.09)
Closing balance	**14.33**	**94.54**
Contract liabilities pertain to advances received from customers which will be recognized as revenue when the service is rendered		
18 Other income		
Income from skill development training	-	0.64
Management services income	145.97	191.13
Interest income	37.16	2.83
Miscellaneous	-	0.28
Total	**183.13**	**194.88**
19 Cost of materials consumed		
Inventory of materials at the beginning of the year	12.73	3.57
Add: Purchases	282.51	281.46
Less: Inventory of materials at the end of the year	11.36	12.73
Cost of materials consumed	**283.88**	**272.30**
20 Employee benefits expense		
Salaries, wages and bonus	25.55	36.60
Staff welfare expenses	15.97	8.22
Total	**41.52**	**44.82**

Note - Pursuant to the resort maintanence agreement entered with Sterling Holiday Resorts Limited ('Holding Company') on April 1, 2023, payroll management is handled by holding company and the expenses will be reimbursed to the holding Company by the Company. Compliance with respect to PF, ESI, gratuity and leave encashment are also done by the holding Company.Accordingly, during the year, the Company has recognised the charges from holding company as Management and brand fees.

21 Finance cost		
Interest and finance charges on financial liabilities measured at amortized cost	-	20.13
Bank charges	-	23.74
Total	-	**43.87**
22 Depreciation expense		
Depreciation of property, plant and equipment	8.13	8.26
Total	**8.13**	**8.26**

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23 Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spares	70.87	79.69
Power and fuel	167.99	171.93
Rent	45.20	32.53
Repairs and maintenance:		
- Building	24.05	19.39
- Plant and machinery	55.88	41.63
- Others	78.32	48.97
Insurance	0.23	-
Rates and taxes	55.72	24.99
Guest supplies	36.68	37.86
Laundry expenses	36.80	34.86
Communication	12.71	6.11
Printing & Stationery	6.70	9.65
Travel and tours	37.35	33.36
Legal and professional	8.76	1.46
Contractual wages	38.25	-
Business support expenses	665.12	637.88
Management and brand fees	509.36	443.56
Payment to statutory auditors:		
- Statutory audit	4.85	4.29
- Reimbursement of expenses	0.32	-
Travel and conveyance	15.14	21.40
Security charges	26.33	28.35
Water charges	39.35	25.00
Sales commission	140.92	153.53
Sales promotion	16.17	12.68
Corporate social responsibility	11.00	3.00
Bank Charges	15.34	-
Miscellaneous expenses	8.19	5.23
Total	**2,127.60**	**1,877.35**

24 Income tax expenses

a) Amount recognised in profit or loss

Current tax		
Current tax for the year	241.43	236.00
Total	**241.43**	**236.00**
Deferred tax expense		
Origination and reversal of temporary differences	(0.54)	(0.13)
Total	**(0.54)**	**(0.13)**
Total tax expense/(benefit)	**240.89**	**235.87**

b) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:

	Year ended March 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit before income tax expense		945.69		935.84
Tax expense - (income) computed at Indian Tax rate	25.17%	238.01	25.17%	235.53
Tax effect of				
- Expenses not deductible in determining taxable profit	0.66%	6.25	1.20%	11.26
- Tax allowances that are deductible in determining taxable profit	-0.40%	(3.74)	-1.23%	(11.52)
- Unrecognised temporary differences	0.04%	0.37	0.06%	0.60
Tax expense	**25.47%**	**240.89**	**25.20%**	**235.87**

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25 Fair value measurements

Financial instruments by category

	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	64.41	-	-	790.93
Cash and cash equivalents	-	-	624.83	-	-	35.95
Other financial assets	-	-	791.42	-	-	26.47
Total financial assets	-	-	**1,480.66**	-	-	**853.35**
Financial liabilities						
Trade payables	-	-	130.80	-	-	150.26
Other financial liabilities	-	-	18.47	-	-	19.44
Total financial liabilities	-	-	**149.27**	-	-	**169.70**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. There are no financial instruments that are measured at fair value through OCI or PL. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Trade payables	12	-	-	130.80	130.80
Other financial liabilities	13	-	-	18.47	18.47
Total financial liabilities		-	-	**149.27**	**149.27**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Trade payables	12	-	-	-	-
Other financial liabilities	13	-	-	-	-
Total financial liabilities		-	-	-	-

There are no transfers between levels 1 and 2 during the year

(ii) Valuation technique used to determine fair value:
Fair value of the financial instruments is determined using discounted cash flow method. All of the resulting fair value estimates are included under level 3.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Trade payables	130.80	130.80	150.26	150.26
Other financial liabilities	18.47	18.47	19.44	19.44
Total financial liabilities	**149.27**	**149.27**	**169.70**	**169.70**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, borrowings, interest accrued other financial assets and other financial liabilities approximate their fair values, due to their short-term nature. Hence the carrying amount is considered as the fair value

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26 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, investments, financial assets measured at amortised cost.	Ageing analysis and credit assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Borrowings, trade payables and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Analysis of market rates on a real time basis, pre-closure of loans

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

(A) Credit risk

Credit risk arises from cash and cash equivalents carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

(i) Credit risk management

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:
The Company provides for expected credit loss based on the following:
The credit loss allowance carried by the Company is as under:

	As at March 31, 2025	As at March 31, 2024
Carrying value of receivables (refer note 7)	64.41	790.93
Credit loss allowance	-	-
Loss allowance %	0.0%	0%

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(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company also manages its financing requirements through borrowings from the holding company which does not have any fixed repayment schedule.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows, including interest. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

As at March 31, 2025	Carrying amount	Less than 3 months	Within one year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives						
Trade payables	130.80	130.80	-	-	-	130.80
Other financial liabilities	18.47	18.47	-	-	-	18.47
Total non-derivative liabilities	**149.27**	**149.27**	-	-	-	**149.27**

As at March 31, 2024	Carrying amount	Less than 3 months	Within one year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives						
Trade payables	150.26	150.26	-	-	-	150.26
Other financial liabilities	19.44	19.44	-	-	-	19.44
Total non-derivative liabilities	**169.70**	**169.70**	-	-	-	**169.70**

27 Capital management

Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

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28 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	Name of the related party
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Intermediate Holding Company	Thomas Cook (India) Limited
Holding Company	Sterling Holiday Resorts Limited
Key Managerial Personnel	Ramesh Shanmugam (Director) Vikram Dayal Lalvani (Director) L Krishna kumar (Director)
Trust of Ultimate Holding Company	Fairfax India Charitable foundation

(b) Parent entities

The Company is controlled by following entity

Name of entity	Nature of relationship	% of holding	
		March 31, 2025	March 31, 2024
Sterling Holiday Resorts Limited	Holding company	98%	98%

(c) Transactions with related parties

Transactions with related parties are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services		
TC Tours Limited	5 56	4 94
Travel Corporation (India) Limited (merged with Thomas Cook (India) Limited)	-	0 33
Brand expenses		
Sterling Holiday Resorts Limited	62 36	59 56
Rent Income		
Sterling Holiday Resorts Limited	145 97	191 13
Management fees		
Sterling Holiday Resorts Limited	447 00	384 00
Interest on borrowings		
Sterling Holiday Resorts Limited	-	20 13
Expenses in connection with Business support service		
Sterling Holiday Resorts Limited	665 12	637 88
Corporate social responsibility expenses		
Fairfax India Charitable foundation	11 00	3 00

(d) Outstanding balances as at year end

	As at March 31, 2025	As at March 31, 2024
The following balances are outstanding at the end of the reporting period:		
Trade receivables		
Sterling Holiday Resorts Limited	-	721 93
Travel Corporation (India) Limited	-	0 36
Trade payable		
TC Tours Limited	0 16	-
Sterling Holiday Resorts Limited	23 75	-

	As at March 31, 2025	As at March 31, 2024
29 Corporate Social Responsibility		
(a) Gross amount required to be spent by the company during the year	11.00	3.00
(b) Amount approved by the board to be spent during the year	11.00	3.00
(c) Amount spent during the year	11.00	3.00
(i) Construction/acquisition of any asset	-	-
(ii) on purposes other then (i) above	11.00	3.00
(d) Details of related party transactions*	11.00	3.00
(e) Details of unspent obligation		

* Paid to Fairfax India Charitable foundation (Trust of Ultimate Holding Company)

30 Contingent liabilities

Claims against the Company not acknowledged as debt:

(a) Luxury tax related demands	3,130.20	3,130.20
(b) Income tax related matter	2.03	2.03

31 Sterling Holiday Resorts Limited (SHRL) holds 98% equity shares in the Company and the Company is responsible for maintaining the property Ooty Elkhill, pursuant to the property timeshare agreement with the property timeshare members. However, certain property timeshare weeks are unsold and retained by SHRL. Pursuant to the necessary approvals obtained by the Company as required under the Companies Act, 2013, the Company is permitted to rent out weeks sold to property timeshare members and unsold weeks retained by SHRL which are vacant and earn revenue from it. The property timeshare members shall have no claim on the revenue generated by the Company. Further, pursuant to the exchange clause under property timeshare agreement, property timeshare members of the said property are also eligible to utilize facilities at SHRL's other resorts.

32 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker.

- Resort operations: This segment deals with timeshare business on account of resort business.

Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

Total revenue of the Company is generated from India and all the assets of the Company has been located in India.

Major customer

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

33 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2024-25, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		As at March 31, 2025	As at March 31, 2024
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.20	1.36
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
iv	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
v	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
vi	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
vii	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

34 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	5.88	2.59	127%	Increase is on account of increase in cash and bank balances and repayment of borrowings as a result of improved business operations
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	14.17	-100%	The Company has made repayment of borrowings during the year resulting in nil debt service coverage ratio
Return on Equity ratio (in times)	Net Profits after taxes Preference Dividend	Average Shareholder's Equity	0.67	2.01	-134%	The Company has been making profits due to which the accumulated losses of the Company has been absorbed during the year resulting in positive Return on Equity ratio
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	15.80	13.54	17%	Not applicable
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivables	7.54	7.32	3%	Not applicable
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.02	1.79	12%	Not applicable
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets Current liabilities	2.98	5.32	-44%	The decline in the Net Capital Turnover Ratio during the year is primarily attributable to an increase in net working capital, consequent to a rise in current financial assets
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	22%	23%	-1.57%	Not applicable
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Total Assets - Current Liabilities	67%	140%	-73%	The decline in Return on Capital Employed (ROCE) during the year is primarily attributable to an increase in total assets, arising from a higher balance of cash and cash equivalents and bank deposits

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35 Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not revalued its property, plant and equipment during the current or previous year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(x) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

36 Earnings per share

	As at / Year end March 31, 2025	As at / Year end March 31, 2024
Profit for the year attributable to the equity holders of the Company	704.80	699.97
Weighted average number of equity shares outstanding	50,000	50,000
Basic and diluted earnings per share (INR)	**1,409.60**	**1,399.94**

37 Subsequent events

There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
CIN: U55102TN1989PLC018344

Ramesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L.
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st and 2nd Floors
No. 1, Harrington Road, Chetpet
Chennai – 600 031, India
Telephone: +91 44 4608 3100
Fax: +91 44 4608 3199

Independent Auditor's Report

To the Members of Sterling Holiday Resorts (Kodaikanal) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holiday Resorts (Kodaikanal) Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

THM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

THM

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 30 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

THM

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used accounting softwares from third party service provider for maintaining its books of account relating to general ledger and revenue. In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report in relation to controls at service organisations for such accounting softwares, we are unable to comment whether audit trail feature of the softwares were enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Additionally, we are unable to comment whether the audit trail has been preserved by the company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid / provided for any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLYA7914

Place: Chennai

Date: 21 May 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

THM

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025 *(Continued)*

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Value Added Tax, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Value Added Tax, Income-Tax or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Value Added Tax, Income-Tax or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount* (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu Goods and Services Tax Act, 2017	Goods and Services Tax	111.84	FY 2017-18	Appellate Deputy Commissioner, Madurai

* Net of amounts paid under protest

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

THM

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025 *(Continued)*

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act). The Company has not raised loans during the year. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause

Annexure A to the Independent Auditor's Report on the Financial Statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025 *(Continued)*

3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLYA7914

Place: Chennai

Date: 21 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sterling Holiday Resorts (Kodaikanal) Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

Annexure B to the Independent Auditor's Report on the financial statements of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended 31 March 2025 *(Continued)*

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. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

T H Mahadevan

Partner

Membership No.: 224352

ICAI UDIN:25224352BMMLYA7914

Place: Chennai

Date: 21 May 2025

Sterling Holiday Resorts (Kodaikanal) Limited
Balance Sheet as at March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	25.26	31.34
Financial assets			
Other financial assets	4	19.08	19.08
Other tax assets	5	30.26	1.10
Deferred tax assets	13	1.47	0.64
Total non-current assets		**76.07**	**52.16**
Current assets			
Inventories	6	19.87	22.40
Financial assets			
i. Trade receivables	7	25.63	189.10
ii. Cash and cash equivalents	8	117.21	26.93
iii. Other financial assets	4	4.95	2.83
Other current assets	9	9.36	27.89
Total current assets		**177.02**	**269.15**
Total assets		**253.09**	**321.31**
Equity and liabilities			
Equity			
Equity share capital	10	5.00	5.00
Other equity			
Reserves and surplus	11	(178.30)	(521.01)
Total equity		**(173.30)**	**(516.01)**
Liabilities			
Current liabilities			
Financial liabilities			
i. Borrowings	12	-	605.47
ii. Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	14	7.17	0.92
b) total outstanding dues of creditors other than micro enterprises and small enterprises	14	303.88	92.08
iii. Other financial liabilities	15	33.27	34.06
Other current liabilities	16	43.58	95.03
Current tax liabilities	17	38.49	9.76
Total current liabilities		**426.39**	**837.32**
Total liabilities		**426.39**	**837.32**
Total equity and liabilities		**253.09**	**321.31**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
CIN: U92490TN1987PLC014215

Ramesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	18	1,992.05	1,923.15
Other income	19	221.87	246.70
Total income		**2,213.92**	**2,169.85**
Expenses			
Cost of materials consumed	20	192.02	185.21
Employee benefits expense	21	14.64	32.61
Finance costs	22	30.71	108.28
Depreciation expense	23	6.08	7.12
Other expenses	24	1,513.33	1,336.78
Total expenses		**1,756.78**	**1,670.00**
Profit / (Loss) before tax		**457.14**	**499.85**
Income tax expense			
Current tax	25	115.25	42.00
Deferred tax	25	(0.82)	(0.64)
Total tax expense		**114.43**	**41.36**
Profit for the year		**342.71**	**458.49**
Total comprehensive income for the year		**342.71**	**458.49**
Earnings per share (Face value of INR 10 each)			
Basic and diluted earnings per share (INR)	36	685.42	916.98
Material accounting policies	1-3		

The notes referred to above form an integral part of the financial statements.

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Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
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Date: May 2, 2025

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2023		5.00
Changes in equity share capital during the year	10	-
Balance as at March 31, 2024		**5.00**
Changes in equity share capital during the year	10	-
Balance as at March 31, 2025		**5.00**

II) Other equity

Particulars	Note	Reserves and surplus		
		Retained earnings	Contribution from holding company	Total Equity
Balance as at April 1, 2023		**(1,091.28)**	**111.78**	**(979.50)**
Profit for the year	11	458.49	-	458.49
Other comprehensive income for the year	11	-	-	-
Balance as at March 31, 2024		**(632.79)**	**111.78**	**(521.01)**
Profit for the year	11	342.71	-	342.71
Other comprehensive income for the year	11	-	-	-
Balance as at March 31, 2025		**(290.08)**	**111.78**	**(178.30)**
Material accounting policies	1.3			

The notes referred to above form an integral part of the financial statements.

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Chartered Accountants
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T H Mahadevan
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Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of cash flows for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Profit before tax		457.14	499.85
Adjustments for:			
Depreciation and amortisation	23	6.08	7.12
Finance costs	22	30.71	86.27
Interest income	19	-	(1.60)
Provision / Liabilities no longer required written back	19	(6.41)	-
Working capital adjustments:			
Decrease / (Increase) in trade receivables		163.47	(170.00)
Decrease / (Increase) in inventories		2.53	(11.17)
(Increase) in other financial assets		(2.12)	(8.34)
Decrease / (Increase) in other assets		18.53	(12.21)
Increase in trade payables		224.44	31.00
(Decrease) / Increase in other liabilities		(51.43)	32.05
(Decrease) in other financial liabilities		(0.80)	(2.10)
Cash generated from operating activities		**842.14**	**450.87**
Income taxes paid (including TDS receivable)		(115.68)	3.33
Net cash from operating activities		**726.46**	**454.20**
Cash flows from investing activities			
Interest received		-	1.60
Net cash from / (used in) investing activities		**-**	**1.60**
Cash flows from financing activities			
Interest paid		(30.71)	(86.27)
Repayment of borrowings		(605.47)	(361.27)
Net cash (used in) financing activities		**(636.18)**	**(447.54)**
Net increase in cash and cash equivalents		90.28	8.26
Cash and cash equivalents at the beginning of the year		26.93	18.67
Cash and cash equivalents at end of the year	8	**117.21**	**26.93**
Material accounting policies	1-3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

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Sterling Holiday Resorts (Kodaikanal) Limited
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DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
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DIN: 00420790
Place: Chennai
Date: May 2, 2025

1.1. Reporting entity

Sterling Holiday Resorts (Kodaikanal) Limited (the "Company") is engaged in providing resort operations and maintenance services (being leisure hospitality services). The Company's registered office is at Purva Primus, 4th Floor, 236, Okkiyampettai, Old Mahabalipuram Road, Thoraipakkam, Chennai - 600097. Sterling Holiday Resorts Limited ('Parent company') holds 98% of the share capital. The ultimate holding company is Fairfax Financial Holdings Limited, Canada.

1.2. Basis of preparation

1.2.1. Statement of compliance

Basis of measurement

These financial statements have been prepared under the historical cost basis except for the following items:

Items basis	Measurement
Certain financial assets and liabilities	Fair value

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

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Material accounting policies (continued)

Going Concern

The financial statements for the year ended March 31, 2025 reflect that the Company has accumulated losses of INR 292.08 lakhs (March 31, 2024: INR 632.79 lakhs) (which have eroded the net worth of the Company) as at the balance sheet date. During the year Company has earned profit before tax of INR 457.14 (March 31, 2024 INR 499.85). The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company.

Based on the continued profitability, approved cash flow projections for the next 12 months, availability of assets (land, buildings, trade receivables etc.) for securitization/monetization for additional funds, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

1.2.2. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupees (INR) which is the Company's functional and presentation currency. All amounts have been presented in lakhs of Indian Rupees (INR), unless otherwise stated.

1.2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chairman – Whole Time Director (WTD) of the Company has been identified as the chief operating decision maker of the Company who assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 32 for segment information presented.

1.2.4. Current / Non-current classification

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.2.5. Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Material accounting policies (continued):

1.3.1. Revenue recognition

The Company's business is to provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Under Ind AS 115 an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied.

Income from resort operations and maintenance services (being leisure hospitality services) comprising of sale of food and beverages, room rentals and other services are recognised when these are sold and when services are rendered.

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

1.3.2. Income taxes

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/ expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Company offsets the current tax assets as against the liability for provision for tax.

Material accounting policy (continued)

(b) Deferred Tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss and does not give rise to equal deductible and taxable temporary differences at the time of the transaction. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred taxes on items classified under Other comprehensive income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

1.3.3. Impairment of assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are Company at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units or CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1.3.4. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realizable value. Cost is determined using the Weighted average method. The cost comprises of purchase price, non-refundable taxes and delivery handling cost incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for slow moving/ non-moving items, wherever necessary.

Material accounting policies (continued)

1.3.5. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

1.3.6. Property, Plant and Equipment

Recognition and measurement

The Company adopts the cost measurement approach for property, plant and equipment other than freehold and leasehold land.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value:
Based on technical evaluation carried out, depreciation on property, plant and equipment is provided, on a pro-rata basis, on Straight Line Method (SLM) over the estimated useful lives of the assets, which equates to the useful lives prescribed under Schedule II to the Companies Act, 2013, as follows:

Asset class	Useful life as per Companies act	Useful life as per management
Buildings	60	30- 60
Plant and machinery	15	15
Furniture and fixtures – general	10	10
Furniture and fixtures – others	8	8
Office equipment	5	5
Computer equipment – Servers & Network	6	6
Computer equipment – Desktop, laptop and end-user items	3	3
Electrical installations	10	10
Vehicles	8	8

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Material accounting policy (continued)

1.3.7. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1.3.8. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

1.3.9. Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

(d) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Material accounting policy (continued)

I. Classification of financial assets:

The Company classifies its financial assets in the following measurement categories:

a. Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b. Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

II. Measurement of financial asset:

A. Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i. Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Material accounting policy (continued)

B. Equity instruments:

The Company subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

III. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

IV. De-recognition of financial assets:

A financial asset is derecognised only when

i. The Company has transferred the rights to receive cash flows from the financial asset or
ii. retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Material accounting policy (continued)

1.3.10. Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

- a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

I. Measurement of financial liabilities:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

II. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

1.3.11. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Material accounting policy (continued)

1.3.12. Provisions (other than for employee benefits)

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.3.13. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (refer Note 36).

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2A. Critical estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The areas involving critical judgements:

Note 30 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 1.3.6- Estimation of useful lives of property, plant and equipment and intangible assets

Note 26- determine the fair value of financial assets or liability based on unobservable inputs

Note 13 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;

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3 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2024:

Asset description	Building	Computer equipment	Plant and machinery	Office equipment	Electrical installations	Vehicles	Furniture and fixtures	Total
I. Gross Block								
Balance as at April 1, 2023	1.31	1.08	36.77	4.53	11.28	7.87	4.10	66.94
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	**1.31**	**1.08**	**36.77**	**4.53**	**11.28**	**7.87**	**4.10**	**66.94**
II. Accumulated depreciation								
Balance as at April 1, 2023	0.19	0.73	16.66	0.67	4.73	3.04	2.47	28.49
Depreciation for the year	0.02	0.12	2.68	0.03	2.20	0.58	1.48	7.11
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	**0.21**	**0.85**	**19.34**	**0.70**	**6.93**	**3.62**	**3.95**	**35.60**
Net block (I-II)								
Balance as at March 31, 2024	1.10	0.23	17.43	3.83	4.35	4.25	0.15	31.34
Balance as at March 31, 2023	1.12	0.35	20.11	3.86	6.55	4.83	1.63	38.45

Reconciliation of carrying amount for the year ended March 31, 2025:

Asset description	Building	Computer equipment	Plant and machinery	Office equipment	Electrical installations	Vehicles	Furniture and fixtures	Total
I. Gross Block								
Balance as at April 1, 2024	1.31	1.08	36.77	4.53	11.28	7.87	4.10	66.94
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**1.31**	**1.08**	**36.77**	**4.53**	**11.28**	**7.87**	**4.10**	**66.94**
II. Accumulated depreciation								
Balance as at April 1, 2024	0.21	0.85	19.34	0.70	6.93	3.62	3.95	35.60
Depreciation for the year	0.03	0.06	3.63	0.02	1.56	0.63	0.15	6.08
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**0.24**	**0.91**	**22.97**	**0.72**	**8.49**	**4.25**	**4.10**	**41.68**
Net block (I-II)								
Balance as at March 31, 2025	1.07	0.17	13.80	3.81	2.79	3.62	-	25.26
Balance as at March 31, 2024	1.10	0.23	17.43	3.83	4.35	4.25	0.16	31.34

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	As at March 31, 2025		As at March 31, 2024	
4 Other financial assets	Current	Non current	Current	Non current
Security deposits	4.95	19.08	2.83	19.08
Total	**4.95**	**19.08**	**2.83**	**19.08**

	As at March 31, 2025	As at March 31, 2024
5 Other tax assets		
TDS receivable	30.26	1.10
Total	**30.26**	**1.10**

6 Inventories		
Food and beverages	11.27	15.64
Operating supplies	8.60	6.76
Total	**19.87**	**22.40**

7 Trade receivables		
Secured - Considered good	25.63	189.10
Considered doubtful	-	-
	25.63	**189.10**
Less: Loss allowance	-	-
Total	**25.63**	**189.10**
Of the above, trade receivables from related parties are as below		
Total trade receivables from related parties (Refer Note 29)	-	154.42
Less allowance	-	-
Net trade receivables from related parties	-	**154.42**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 29

Trade receivables ageing schedule
As at March 31, 2025

			Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	11.25	8.36	6.02	-	-	-	-	25.63
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	11.25	**8.36**	**6.02**	-	-	-	-	**25.63**

As at March 31, 2024

			Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
Considered good	15.88	-	29.49	143.73	-	-	-	189.10
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	15.88	-	**29.49**	**143.73**	-	-	-	**189.10**

	As at March 31, 2025	As at March 31, 2024
8 Cash and cash equivalents		
Balances with banks	113.06	23.57
Cash on hand	4.15	3.36
Total	**117.21**	**26.93**

	As at March 31, 2025		As at March 31, 2024	
9 Other assets	Current	Non Current	Current	Non Current
Prepaid expenses	7.32	-	8.97	-
Advances - Considered good				
Advances to suppliers	1.80	-	18.62	-
Advances to related party	0.24	-	0.30	-
Total	**9.36**	-	**27.89**	-

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10 Equity share capital

Authorised	March 31, 2025	March 31, 2024
50000 (March 31, 2024: 50000) equity shares of INR 10 each	5.00	5.00
Issued, subscribed and paid-up		
50000 (March 31, 2024: 50000) equity shares of INR 10 each	5.00	5.00
As at March 31, 2025	**5.00**	**5.00**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares				
At the commencement of the year	0.50	5.00	0.50	5.00
Shares issued during the year	-	-	-	-
At the end of the year	**0.50**	**5.00**	**0.50**	**5.00**

All issued shares are fully paid up.

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the Company. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held.

c) Shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries/associates

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares of INR 10 each held by the Holding Company	0.49	4.90	0.49	4.90

d) Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2025		March 31, 2024	
	Number *in lakhs*	% of total shares in class	Number *in lakhs*	% of total shares in class
Equity shares of INR 10 each held by				
Sterling Holiday Resorts Limited (Holding Company)	0.49	98%	0.49	98%

e) Shares reserved for issue under options

There are no shares reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at March 31, 2025 (March 31, 2024: NIL)

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

-No bonus shares have been issued during the period of five years immediately preceding the reporting date.
-No shares have been issued for consideration other than cash during the period of 5 years immediately preceding the reporting date
-No shares have been bought back during the period of five years immediately preceding the reporting date.

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	As at March 31, 2025	As at March 31, 2024
11 Reserves and surplus		
Retained earnings	(290.08)	(632.79)
Total	**(290.08)**	**(632.79)**

Movement in reserves and surplus balances is as follows :

a) Retained earnings

Opening balance	(632.79)	(1,091.28)
Profit for the year	342.71	458.49
Closing balance	**(290.08)**	**(632.79)**

b) Capital contribution from holding company

	As at March 31, 2025	As at March 31, 2024
Opening balance	111.78	111.78
Additions during the year	-	-
Closing balance	**111.78**	**111.78**

The loan received from holding company has been measured at fair value by discounting the expected future cashflows at a discount rate based on the risk and other factors applicable to the Company's cashflows. The difference between the carrying value and the fair value has been considered as capital contribution by the holding company considering the substance of the transaction.

Retained earnings
Retained earnings represents the amount of accumulated earnings of the Company

	As at March 31, 2025	As at March 31, 2024
12 Current borrowings		
Unsecured loan from holding company	-	603.65
Interest accrued but not due on borrowings	-	1.82
Total	**-**	**605.47**

Unsecured loan from holding company

Unsecured loan amounting to INR 603.65 lakhs outstanding as on March 31, 2025 (March 31, 2024: INR 906.95 lakhs) from Sterling Holiday Resorts Limited (holding company) carries an interest rate of 9.25% p.a. (March 31, 2024: 9.25% p.a) and is repayable on demand.

Particulars	March 31, 2025	March 31, 2024
Current borrowings	-	603.65
Net debt	**-**	**603.65**

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13 Deferred tax assets and liabilities

	As at March 31, 2025	As at March 31, 2024
a) Tax effect of items constituting deferred tax assets:		
Property, plant and equipment	1.47	0.64
Total deferred tax assets	**1.47**	**0.64**
Deferred tax assets as per the balance sheet	1.47	0.64

The company had recognized deferred tax asset on carried forward losses only to the extent of deferred tax liabilities during the year ended March 31, 2025. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has legally enforceable right to set off current assets and deferred tax liabilities relate to income taxes levied by the same taxation authority

b) Movement of Deferred tax balances

Particulars	For the year ended March 31, 2025				
	As at April 1, 2024	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Property, plant and equipment	0.64	0.82	-	-	1.47
Unabsorbed depreciation allowance and business loss carry forward	-	-	-	-	-
Provisions	-	-	-	-	-
Total assets (liabilities) before set-off	**0.64**	**0.82**	-	-	**1.47**
Set-off of deferred tax liabilities pursuant to set-off provisions	-	-	-	-	-
Net tax asset / liability	-	-	-	-	**1.47**

Particulars	For the year ended March 31, 2024				
	As at April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	DTL	DTA
Movement in deferred tax balances					
Property, plant and equipment	-	0.64	-	-	0.64
Unabsorbed depreciation allowance and business loss carry forward	-	-	-	-	-
Provisions	-	-	-	-	-
Total assets (liabilities) before set-off	-	**0.64**	-	-	**0.64**
Set-off of deferred tax liabilities pursuant to set-off provisions	-	-	-	-	-
Net tax asset / liability	-	**0.64**	-	-	**0.64**

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	As at March 31, 2025	As at March 31, 2024
14 Trade payables		
Dues to micro and small enterprises (Refer Note 33)	7.17	0.92
Dues to creditors other than micro and small enterprises	303.88	92.08
Total	**311.05**	**93.00**

Trade payables ageing schedule

As at March 31, 2025

	Outstanding for following periods from the due date of invoice					
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	-	7.17	-	-	-	7.17
Total outstanding dues of creditors other than micro, small and medium enterprises	19.59	-	284.29	-	-	-	303.88
Disputed dues of micro small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
	19.59	-	**291.46**	-	-	-	**311.05**

As at March 31, 2024

	Outstanding for following periods from the due date of invoice					
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	-	0.92	-	-	-	0.92
Total outstanding dues of creditors other than micro, small and medium enterprises	32.85	-	59.23	-	-	-	92.08
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro small and medium enterprises	-	-	-	-	-	-	-
	32.85	-	**60.15**	-	-	-	**93.00**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 29

	As at March 31, 2025	As at March 31, 2024
15 Other financial liabilities		
Current		
Security deposits	33.27	34.06
Total	**33.27**	**34.06**
16 Other current liabilities		
Contract liability - Advance received from customer	27.51	78.05
Statutory dues payable	16.07	16.98
Total	**43.58**	**95.03**
17 Current Tax Liability		
Provision for income tax	38.49	9.76
Total	**38.49**	**9.76**

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	Year ended March 31, 2025	Year ended March 31, 2024
18 Revenue from operations		
(a) Disaggregation of revenue:		
Income from resorts:		
- Room rentals	1,392.22	1,326.12
- Food and beverages	338.73	321.07
- Others	115.05	108.44
Other operating revenues		
- Admission fee	127.57	146.24
- Service charges	18.48	21.28
Total	**1,992.05**	**1,923.15**
On the basis of timing of transfer of goods or services		
At a point in time	1,992.05	1,923.15
	1,992.05	**1,923.15**

(b) Movement in contract liabilities as per Ind AS 115 - Revenue from contracts with customers	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	78.05	59.48
Additions during the year (net)	27.51	78.05
Income recognized during the year	(78.05)	(59.48)
Closing balance	**27.51**	**78.05**

Contract liabilities pertain to advances received from customers which will be recognized as revenue when the service is rendered

19 Other income		
Management services income	215.02	244.65
Scrap sales	-	0.45
Interest Income	-	1.60
Provision / Liabilities no longer required written back	6.41	-
Miscellaneous Income	0.44	-
Total	**221.87**	**246.70**
20 Cost of materials consumed		
Inventory of materials at the beginning of the year	15.64	2.27
Add: Purchases	187.65	198.58
Less: Inventory of materials at the end of the year	11.27	15.64
Cost of materials consumed	**192.02**	**185.21**
21 Employee benefits expense		
Salaries, wages and bonus	7.16	29.82
Staff welfare expenses	7.48	2.79
Total	**14.64**	**32.61**

Note - Pursuant to the resort maintenance agreement entered with Sterling Holiday Resorts Limited ('Holding Company') on April 1, 2023, payroll management will be handled by holding company and the expenses will be reimbursed to the holding Company by the Company. Compliance with respect to PF, ESI, gratuity and leave encashment are also done by the holding Company. Accordingly, during the year, the Company has recognised the charges from holding company as Management and brand fees.

22 Finance cost		
Interest and finance charges on financial liabilities measured at amortized cost	30.71	86.27
Bank charges	-	22.01
Total	**30.71**	**108.28**
23 Depreciation expense		
Depreciation of property, plant and equipment	6.08	7.12
Total	**6.08**	**7.12**

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	Year ended March 31, 2025	Year ended March 31, 2024
24 Other expenses		
Consumption of stores and spares	42 83	40 91
Power and fuel	115 44	127 74
Rent	15 68	13 48
Repairs and maintenance		
- Building	10 34	24 66
- Plant and machinery	24 37	22 85
- Others	20 89	23 08
Rates and taxes	37 22	43 26
Guest supplies	15 55	16 58
Laundry expenses	33 40	23 03
Communication	10 67	9 15
Travel and tours	31 89	26 57
Legal and professional	3 73	5 19
Contractual wages	24 10	-
Business support expenses	544 42	444 14
Management and brand fees	409 62	356 64
Payment to statutory auditors		
As Auditor		
- Statutory audit	4 85	4 62
- Reimbursement of expenses	0 31	1 58
Travel and conveyance	35 31	28 54
Security charges	30 70	25 28
Sales commission	77 01	89 61
Sales promotion	1 40	2 35
Printing and stationery	4 64	3 65
Bank charges	17 32	-
Miscellaneous expenses	1 64	3 87
Total	**1,513.33**	**1,336.78**

	Year ended March 31, 2025	Year ended March 31, 2024
25 Income tax expense		
a) Amount recognised in profit or loss		
Current tax		
Current tax for the year	115 25	42 00
Total	**115.25**	42 00
Deferred tax expense		
Origination and reversal of temporary differences	(0 82)	(0 64)
Total	**(0.82)**	**(0.64)**
Total tax expense/(benefit)	**114.43**	**41.36**

b) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:

	Year ended March 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit before income tax expense		457 14		499 85
Tax expense - (income) computed at Indian tax rate	25 17%	115 06	25 17%	125 79
Tax effect of				
- Expenses not deductible in determining taxable profit	0 55%	2 50	1 42%	7 12
- Tax allowances that are deductible in determining taxable profit	-0 89%	(4 08)	16 16%	80 76
- Recognition of previously unrecognised tax losses	0 00%	-	-17 53%	(87 63)
- Unrecognised temporary differences	0 21%	0 95	-16 94%	(84 68)
Tax expense	**25.03%**	**114.43**	**8.27%**	**41.36**

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26 Fair value measurements

Financial instruments by category

	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	25.63	-	-	189.10
Cash and cash equivalents	-	-	117.21	-	-	26.93
Other financial assets	-	-	24.03	-	-	21.91
Total financial assets	-	-	**166.87**	-	-	**237.94**
Financial liabilities						
Borrowings	-	-	-	-	-	605.47
Trade payables	-	-	311.05	-	-	93.00
Other financial liabilities	-	-	33.27	-	-	34.06
Total financial liabilities	-	-	**344.32**	-	-	**732.53**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. There are no financial instruments that are measured at fair value through OCI or PL. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2025	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Liabilities					
Borrowings	12	-	-	-	-
Trade payables	14	-	-	-	-
Other financial liabilities	15	-	-	-	-
Total financial liabilities		-	-	-	-

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2024	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Liabilities					
Borrowings	12	-	-	-	-
Total financial liabilities		-	-	-	-

There are no transfers between levels 1 and 2 during the year

(ii) Valuation technique used to determine fair value:
Fair value of the financial instruments is determined using discounted cash flow method. All of the resulting fair value estimates are included under level 3

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	-	-	605.47	605.47
Trade payables	311.05	311.05	93.00	93.00
Other financial liabilities	33.27	33.27	34.06	34.06
Total financial liabilities	**344.32**	**344.32**	**732.53**	**732.53**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, borrowings, interest accrued other financial assets and other financial liabilities approximate their fair values, due to their short-term nature. Hence the carrying amount is considered as the fair value

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27 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, investments, financial assets measured at amortised cost	Ageing analysis and credit assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Borrowings, trade payables and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Analysis of market rates on a real time basis, pre-closure of loans

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

Provision for expected credit losses

The Company provides for expected credit loss based on the following:

The credit loss allowance carried by the Company is as under:

	March 31, 2025	March 31, 2024
Carrying value of receivables (refer note 7)	25.63	189.10
Credit loss allowance	-	-
Loss allowance %	0.0%	0%

The estimated gross carrying amount at default is Nil (March 2024: Nil) for deposits. Consequently there are no expected credit loss recognised for these financial assets.

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(B) Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:
a) all non-derivative financial liabilities, and
b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:	Carrying amount	Less than 3 months	Within one year	Between 1 and 2 years	Between 2 and 5 years	Total
As at March 31, 2025						
Non-derivatives						
Borrowings	-	-	-	-	-	-
Trade payables	311.05	311.05	-	-	-	311.05
Other financial liabilities	33.27	33.27	-	-	-	33.27
Total non-derivative liabilities	**344.32**	**344.32**	-	-	-	**344.32**
As at March 31, 2024						
Non-derivatives						
Borrowings	605.47	605.47	-	-	-	605.47
Trade payables	93.00	93.00	-	-	-	93.00
Other financial liabilities	34.06	34.06	-	-	-	34.06
Total non-derivative liabilities	**732.53**	**732.53**	-	-	-	**732.53**

(C) Market risk - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations. The Company does not have any credit facilities from any banks or finan a result, changes in interest rates are not likely to substantially affect its business or results of operations.

Interest rate sensitivity

The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations.

28 Capital management

Risk management

The Company's objectives when managing capital are to:
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company borrowed from the holding company at 9.25% per annum (March 31, 2024: 9.25% per annum) in order to meet its capital requirements. During the year company has repaid the borrowings.

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29 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	Name of the related party
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Intermediate Holding Company	Thomas Cook (India) Limited
Holding Company	Sterling Holiday Resorts Limited
Key Managerial Personnel	Ramesh Shanmugam (Director) Vikram Dayal Lalvani (Director) L Krishna kumar (Director)
Trust of Ultimate Holding Company	Fairfax India Charitable foundation

(b) Parent entities

The Company is controlled by following entity:

Name of entity	Type of relationship	Ownership interest held by the Group	
		March 31, 2025	March 31, 2024
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	-	-
Thomas Cook (India) Limited	Intermediate Holding Company	-	-
Sterling Holiday Resorts Limited	Holding Company	98%	98%

(c) Transactions with related parties

Transactions with related parties are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services		
TC Tours Limited	2.30	6.61
Brand expenses		
Sterling Holiday Resorts Limited	39.12	38.64
Rental income		
Sterling Holiday Resorts Limited	215.02	244.65
Management fees		
Sterling Holiday Resorts Limited	370.50	318.00
Interest on borrowings		
Sterling Holiday Resorts Limited	30.71	86.27
Expenses in connection with Business support service		
Sterling Holiday Resorts Limited	546.68	444.14

(d) Outstanding balances as at year end

	As at March 31, 2025	As at March 31, 2024
The following balances are outstanding at the end of the reporting period:		
Trade receivables		
TC Tours Limited	-	0.19
Sterling Holiday Resorts Limited	-	154.23
Trade Payables		
Sterling Holiday Resorts Limited	250.21	-
Borrowings		
Sterling Holiday Resorts Limited	-	603.65

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		As at March 31, 2025	As at March 31, 2024
30	**Contingent liabilities**		
	Claims against the Company not acknowledged as debt:		
	(a) GST related demands	117.35	117.35

31 Sterling Holiday Resorts Limited (SHRL) holds 98% equity shares in the Company and the Company is responsible for maintaining the property Kodai By the Lake, pursuant to the property timeshare agreement with the property timeshare members. However, certain property timeshare weeks are unsold and retained by SHRL. Pursuant to the necessary approvals obtained by the Company as required under The Companies Act, 2013, the Company is permitted to rent out weeks sold to property timeshare members and unsold weeks retained by SHRL which are vacant and earn revenue from it. The property timeshare members shall have no claim on the revenue generated by the Company. Further, pursuant to the exchange clause under property timeshare agreement, property timeshare members of the said property are also eligible to utilize facilities at SHRL's other resorts.

32 Segment information

Description of segments and principal activities
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chairman-Whole Time Director (WTD) of the Company has been identified as the chief operating decision maker of Sterling Holiday Resorts Limited who assesses the financial performance and position of the Company, and makes strategic decisions.The Company has only one reportable segment - "Leisure Hospitality and Resorts"

Geographical information
The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

Major customer
The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

33 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2024-25, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		As at March 31, 2025	As at March 31, 2024
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	7.17	0.92
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
iv	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
v	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
vi	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
vii	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

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34 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.42	0.32	29%	Increase is on account of increase in cash and bank balances as a result of improved business operations
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	-	1.17	-100%	The Company has repaid the loan during the year
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.60	1.28	-53%	The ratio has decreased on account of repayment of borrowings
Return on Equity ratio (in times)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.99)	(0.49)	105%	An increase in ROE is a result from both reduction in net income and shareholders' equity during the year
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	9.09	13.01	-30%	The ratio has decreased on account of increase in average inventory.
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	18.55	18.28	2%	Not applicable
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.93	2.42	-62%	Decrease is on account of payment to creditors on time during the current year as compared to previous year
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(7.99)	(3.38)	136%	The decline in the Net Capital Turnover Ratio during the year is primarily attributable to an increase in net working capital, consequent to a rise in current financial assets
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	17%	24%	-7%	Not applicable
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed =Equity Share Capital + Other Equity	-282%	-118%	-164%	The decline in Return on Capital Employed (ROCE) during the year is primarily attributable to an increase in total assets, arising from a higher balance of cash and cash equivalents

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35 Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not revalued its property, plant and equipment during the current or previous year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(x) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

36 Earnings per share

	As at / Year end March 31, 2025	As at / Year end March 31, 2024
Profit for the year attributable to the equity holders of the Company	342.71	458.49
Weighted average number of equity shares outstanding	50,000	50,000
Basic and diluted earnings per share (INR)	**685.42**	**916.98**

37 Subsequent events

There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
CIN: U92490TN1987PLC014215

Ramesh Shanmugam
Director
DIN: 06646158
Place: Chennai
Date: May 2, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 2, 2025

Nature Trails Resorts Private Limited
Balance Sheet as at March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Assets	Note	As at March 31, 2025	As at March 31, 2024
Non-current assets			
Property, plant and equipment	2	42.05	5,274.37
Capital work-in-progress	3	-	1.47
Right of use assets	36	-	5.22
Financial assets			
Other financial assets	4	2.04	10.50
Other tax assets	5	14.88	11.50
Total non-current assets		**58.97**	**5,303.06**
Current assets			
Inventories	6	-	7.93
Financial assets			
i. Trade receivables	7	51.46	11.75
ii. Cash and cash equivalents	8	190.50	21.04
Other current assets	9	4.09	33.82
Total current assets		**246.05**	**74.54**
Total assets		**305.02**	**5,377.60**
Equity and liabilities			
Equity			
Equity share capital	10	147.58	147.58
Other equity			
Reserves and surplus	11	(233.53)	(1,142.66)
Other reserves	12	-	1,469.28
Total equity		**(85.95)**	**474.20**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	36	-	7.25
Provision for employee benefit obligations	17	-	96.45
Deferred tax liabilities (net)	18	-	303.13
Total non-current liabilities		-	**406.83**
Current liabilities			
Financial liabilities			
i. Borrowings	13	205.76	4,235.93
ii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	14	-	2.94
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14	11.79	136.16
iii. Lease liabilities	36	-	1.13
iv. Other financial liabilities	15	-	66.33
Provisions			
Provision for employee benefit obligations	17	-	21.73
Other current liabilities	16	173.42	32.35
Total current liabilities		**390.97**	**4,496.57**
Total liabilities		**390.97**	**4,903.40**
Total equity and liabilities		**305.02**	**5,377.60**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Nature Trails Resorts Private Limited
CIN: U55100MH2005PTC150901

Vikram Dayal Lalvani
Director
DIN: 07115464
Place: Chennai
Date: May 5, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 5, 2025

Nature Trails Resorts Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	19	853.30	744.40
Other income	20	4.41	20.81
Total income		**857.71**	**765.21**
Expenses			
Cost of materials consumed	21	165.00	133.15
Employee benefits expense	22	313.00	282.04
Finance costs	23	314.85	279.41
Depreciation and amortisation expense	24	57.60	52.79
Other expenses	25	421.32	354.35
Total expenses		**1,271.77**	**1,101.74**
Loss before tax and exceptional item		**(414.06)**	**(336.53)**
Exceptional items	39	(268.81)	-
Loss before tax		**(682.87)**	**(336.53)**
Tax expense:			
Current tax	26	162.73	-
Deferred tax		(303.13)	(23.18)
Total tax expense:		**(140.40)**	**(23.18)**
Loss for the year		**(542.47)**	**(313.35)**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability / (asset)		(17.68)	10.72
Revaluation gain on land		-	141.96
Income tax relating to items that will not be reclassified to profit or loss		-	(10.97)
Other Comprehensive (loss) / income for the year, net of tax		**(17.68)**	**141.71**
Total Comprehensive loss for the year		**(560.15)**	**(171.64)**
Earnings per share (Face value of INR 100 each)			
Basic and diluted earnings per share (in INR)	31	(367.58)	(212.33)
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

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DIN: 07115464
Place: Chennai
Date: May 5, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 5, 2025

Nature Trails Resorts Private Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2023		147.58
Changes in equity share capital during the year		-
Balance as at March 31, 2024	11	**147.58**
Changes in equity share capital during the year		-
Balance as at March 31,2025	11	**147.58**

II) Other equity

Particulars	Reserves and surplus				Other comprehensive income		Total Equity
	Securities premium	Retained earnings	Capital redemption reserve	Total	Remeasurements of defined benefit liability / (asset)	Revaulation reserve	
Balance as at April 1, 2023	**1,366.29**	**(2,216.32)**	**10.00**	**(840.03)**	**-**	**1,338.29**	**498.26**
Loss for the year	-	(313.35)	-	(313.35)	-	-	**(313.35)**
Other comprehensive income for the year (net of tax)	-	-	-	-	10.72	-	**10.72**
Transfer to retained earnings - Actuarial gain / (loss) (Net of tax)	-	10.72	-	10.72	(10.72)	-	-
Revaluation gain on sale of land (net of tax)	-	-	-	-	-	130.99	**130.99**
Balance as at March 31, 2024	**1,366.29**	**(2,518.95)**	**10.00**	**(1,142.66)**	**-**	**1,469.28**	**326.62**
Loss for the year	-	(542.47)	-	(542.47)	-	-	**(542.47)**
Other comprehensive income for the year (net of tax)	-	-	-	-	(17.68)	-	**(17.68)**
Transfer to retained earnings - Actuarial gain / (loss) (Net of tax)	-	(17.68)	-	(17.68)	17.68	-	**-**
Transfer to retained earnings - On account of slump sale (Note 27)	-	1,469.28	-	1,469.28	-	(1,469.28)	**-**
Balance as at March 31,2025	**1,366.29**	**(1,609.82)**	**10.00**	**(233.53)**	**-**	**-**	**(233.53)**

Material accounting policies (Refer Note 1.3)

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

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Date: May 5, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 5, 2025

Nature Trails Resorts Private Limited
Statement of Cash flows for the year ended March 31, 2025
(All amounts in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Loss before tax		(682.87)	(336.53)
Adjustments for:			
Depreciation and amortisation expense	24	-	52.79
Finance costs	23	314.85	279.41
Provision / liabilities no longer required written back	20	(1.85)	(8.04)
Loss on slump sale	39	268.81	(0.04)
Working capital adjustments:			
(Increase) in trade receivables		(39.71)	(5.49)
Decrease / (Increase) in inventories		7.93	(5.68)
(Increase) in other financial assets		8.46	(2.04)
Decrease / (Increase) in other assets		29.73	(27.70)
(Decrease) / Increase in trade payables		(127.31)	103.79
(Decrease) in employee benefit obligations		(118.18)	(2.21)
(Decrease) / Increase in other financial liabilities		(66.33)	55.08
(Decrease) / Increase in other liabilities		(22.96)	(16.00)
Cash from operating activities		**(429.43)**	**87.34**
Income taxes paid		(143.78)	(4.54)
Net cash (used) from operating activities		**(573.21)**	**82.80**
Cash flows from investing activities			
Sale / (Purchase) of property, plant and equipment and intangible assets		5,089.64	(134.60)
Interest received		-	0.04
Net cash from / (used) in investing activities		**5,089.64**	**(134.56)**
Cash flows from financing activities			
Interest paid		(1,422.91)	(35.66)
Repayment of borrowings (related party)		(3,518.65)	(189.39)
Repayment of borrowings (Term loan)		-	(585.75)
Proceeds from borrowings (related party)		596.31	868.91
Payment of lease liability		(1.72)	(1.03)
Net cash (used in) / from financing activities		**(4,346.97)**	**57.08**

Nature Trails Resorts Private Limited
Statement of Cash flows for the year ended March 31, 2025
(All amounts in lakhs of Indian rupees, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Net increase in cash and cash equivalents		169.46	5.32
Cash and cash equivalents at the beginning of the year		21.04	15.72
Cash and cash equivalents at end of the year (Refer note 8)	8	**190.50**	**21.04**
Material accounting policies	1.3		

The notes referred to above form an integral part of the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
Nature Trails Resorts Private Limited
CIN: U55100MH2005PTC150901

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

Vikram Dayal Lalvani
Director
DIN : 07115464
Place: Chennai
Date: May 5, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 5, 2025

2 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2024:

Asset description	Gross block				Accumulated depreciation				Revaluation	Net block	
	As at April 1, 2023	Additions	Disposals/adjustments	As at March 31, 2024	As at April 1, 2023	Depreciation for the year	Disposals/adjustments	As at March 31, 2024		As at March 31, 2023	As at March 31, 2024
Freehold land	4,188.02	-	-	4,188.02	-	-	-	-	141.96	4,188.02	4,329.98
Buildings	1,337.60	111.89	-	1,449.49	562.35	34.60	-	596.95	-	775.25	852.54
Computer equipment	7.60	-	-	7.60	7.60	-	-	7.60	-	-	-
Plant and machinery	152.68	11.83	-	164.51	88.54	10.82	-	99.36	-	64.14	65.15
Furniture and fixtures	98.56	1.19	-	99.75	86.92	3.14	-	90.06	-	11.64	9.69
Office equipment	4.26	-	-	4.26	4.26	-	-	4.26	-	-	-
Vehicles	5.60	-	-	5.60	5.60	-	-	5.60	-	-	-
Electrical installations	60.14	8.22	-	68.36	48.34	3.01	-	51.35	-	11.80	17.01
Total	**5,854.46**	**133.13**	**-**	**5,987.59**	**803.61**	**51.57**	**-**	**855.18**	**141.96**	**5,050.85**	**5,274.37**

Reconciliation of carrying amount for the year ended March 31,2025:

Asset description	Gross block				Accumulated Depreciation				Revaluation	Net carrying amount	
	As at April 1, 2024	Additions / Adjustments	Disposals / Transfer	As at March 31, 2025	As at April 1, 2024	Depreciation for the year	Disposals / Adjustments	As at March 31, 2025		As at March 31, 2024	As at March 31, 2025
Freehold land	4,329.98	-	4,329.98	-	-	-	-	-	-	4,329.98	-
Buildings	1,449.49	210.08	1,579.09	80.48	596.95	39.30	595.92	40.33	-	852.54	40.15
Computer Equipment	7.60	-	-	7.60	7.60	-	-	7.60	-	-	-
Plant and Machinery	164.51	23.45	163.38	24.58	99.36	11.14	87.46	23.04	-	65.15	1.54
Furniture and Fixtures	99.75	6.78	93.58	12.95	90.06	1.80	79.10	12.76	-	9.69	0.19
Office Equipment	4.26	1.03	1.03	4.26	4.26	0.11	0.11	4.26	-	-	-
Vehicles	5.60	4.60	4.60	5.60	5.60	-	-	5.60	-	-	-
Electrical Installations	68.36	32.48	98.39	2.45	51.35	5.25	54.32	2.28	-	17.01	0.17
Total	**6,129.55**	**278.42**	**6,270.05**	**137.92**	**855.18**	**57.60**	**816.91**	**95.87**	**-**	**5,274.37**	**42.05**

Refer Note 33 for capital commitments.
Refer note 27 for other current liabilities transferred on slump sale of business

Revaluation of land

The revalued land consists of freehold (Refer note 36)

Fair value or the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition or the specific property. As at the date of revaluation on March 31,2024, the properties' fair values are based on valuations performed by Knight Frank (I) Pvt Ltd an accredited independent valuer who has relevant valuation experience for similar properties in India and is not a registered valuer as defined under rule 2 or Companies (Registered Valuers and Valuation) Rules. 2017. If land were measured using cost model. The carrying amounts would be as follows:

Block of asset	Revaluation model		Cost model	
	As at March 31,2025	As at March 31, 2024	As at March 31,2025	As at March 31, 2024
Freehold land	-	4,329.98	-	2,305.44
Total	**-**	**4,329.98**	**-**	**2,305.44**

3 Capital work in progress

Reconciliation of gross carrying amount for the year ended March 31,2025 and March 31, 2024

Asset description	As at April 1, 2023	Additions	Capitalisation during the year	As at March 31, 2024	As at April 1, 2024	Additions	Capitalisation during the year	As at March 31, 2025
Capital work in progress	-	134.23	132.76	1.47	1.47	-	(1.47)	-
	-	**134.23**	**132.76**	**1.47**	**1.47**	-	**(1.47)**	-

Capital work in progress mainly comprises of resort properties under construction/renovation.

10 Equity share capital

	As at March 31,2025	As at March 31, 2024
Authorised		
200,000 (March 31, 2024: 200,000) equity shares of INR 100 each	200.00	200.00
Issued, subscribed and fully paid up		
147,578 (March 31, 2024: 147,578) equity shares of INR 100 each	147.58	147.58
	147.58	**147.58**

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at March 31,2025		As at March 31, 2024	
	Number of shares (in lakhs)	Amount (in lakhs)	Number of shares (in lakhs)	Amount (in lakhs)
Equity shares				
At the commencement of the year	147,578	147.58	147,578	147.58
Shares issued during the year	-	-	-	-
At the end of the year	**147,578**	**147.58**	**147,578**	**147.58**

(b) Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the company. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, in proportion to the number of equity shares held.

(c) Shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries/associates

	As at March 31,2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 100 each held by the Holding Company	147,578	147.58	147,578	147.58

(d) Particulars of shareholders holding more than 5% shares of a class of shares

	As at March 31,2025		As at March 31, 2024	
	Amount	% of total shares in class	Amount	% of total shares in class
Equity shares of INR 100 each held by				
Sterling Holiday Resorts Limited and its nominees (Holding Company)	147,578	100%	147,578	100%

(e) Shares reserved for issues under options

There are no shares reserved for issue under options and contracts/commitments for sales of shares/ disinvestment as at March 31,2025 (March 31, 2024: NIL)

(f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

-No bonus shares have been issued during the period of five years immediately preceding the reporting date.
-No shares have been issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.
-No shares have been bought back during the period of five years immediately preceding the reporting date.

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	As at March 31, 2025	As at March 31, 2024
11 Other equity -Reserves and surplus		
Retained earnings	(1,609.82)	(2,518.95)
Securities premium	1,366.29	1,366.29
Capital redemption reserve	10.00	10.00
Total	**(233.53)**	**(1,142.66)**
Movement in reserves and surplus balances is as follows :		
a) Retained earnings		
Opening balance	(2,518.95)	(2,216.32)
Loss for the year	(542.47)	(313.35)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation (net of income tax)	(17.68)	10.72
Revaluation reserve	1,469.28	-
Closing balance	**(1,609.82)**	**(2,518.95)**
b) Securities premium		
Opening balance	1,366.29	1,366.29
Additions during the year	-	-
Deductions/adjustments during the year	-	-
Closing balance	**1,366.29**	**1,366.29**
c) Capital redemption reserve		
Opening balance	10.00	10.00
Additions during the year	-	-
Deductions/adjustments during the year	-	-
Closing balance	**10.00**	**10.00**

Retained earnings
Retained earnings represents the amount of accumulated losses of the Company

Securties premium
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

12 Other reserves

	Other reserves		
	Remeasurement of post employment benefit plans	**Revaluation reserve**	**Total**
As at April 1, 2023	-	1,338.29	1,338.29
Additions during the year	(10.72)	141.96	131.24
Transfer to retained earnings	10.72	-	10.72
Income tax effect on revaluation of property, plant & equipment	-	(10.97)	(10.97)
As at March 31, 2024	-	**1,469.28**	**1,469.28**
Additions during the year	17.68	-	17.68
Income tax effect on revaluation of property, plant & equipment	-	-	-
Transfer to retained earnings	(17.68)	(1,469.28)	(1,486.96)
As at March 31,2025	-	-	-

Revaluation reserve
During the year, the Company had measurred freehold land from cost model to revaluation model (w.e.f. April 1, 2018). Land has been fair valued by external independent valuers performed on March 31, 2024. Consequently, any increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accumulated in other reserves in shareholders' equity. Refer note 35.

Movement in revaluation reserve	As at March 31, 2025	As at March 31, 2024
Opening balance	1,469.28	1,338.29
Revaluation surplus during the year	-	141.96
Income tax effect	-	(10.97)
Transferred to retained earnings on account of slump sale	(1,469.28)	-
Closing balance	-	**1,469.28**

Remeasurement of defined benefit plans
Remeasurement of defined benefit plans represents remeasurement of the net defined benefit liabilities comprise of acturial gain/loss.

	As at March 31, 2025	As at March 31, 2024
13 Current borrowings		
Loans from shareholders		
Unsecured loan from shareholders	205.53	3,127.87
Interest payable on unsecured loan	0.23	-
Total current borrowings	**205.76**	**3,127.87**

	As at March 31,2025	As at March 31, 2024
4 Other financial assets		
Security deposits	-	8.46
Deposits under lien with banks with maturity period more than 12 months	2.04	2.04
Total	**2.04**	**10.50**
5 Other tax assets		
TDS receivables net of provision for tax	14.88	11.50
Total	**14.88**	**11.50**
6 Inventories		
Food and beverages	-	0.85
Operating supplies	-	7.08
Total	-	**7.93**
7 Trade receivables		
Unsecured, considered good	51.46	11.75
Credit impaired	-	8.66
	51.46	**20.41**
Less: Loss allowance	-	(8.66)
Total	**51.46**	**11.75**

Ageing of trade receivables
As at March 31, 2025

			Outstanding for following periods from due date of payment					
	Unbilled	**Not due**	**Less than 6**	**6 months - 1**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables								
Considered good	-	-	51.46	-	-	-	-	51.46
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								-
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	-	**51.46**	-	-	-	-	**51.46**

As at March 31, 2024

			Outstanding for following periods from due date of payment					
	Unbilled	**Not due**	**Less than 6**	**6 months - 1**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables								
Considered good	-	-	11.05	-	0.70	-	-	11.75
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	8.66	8.66
Disputed Trade Receivables								-
Considered good	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	-	**11.05**	-	**0.70**	-	**8.66**	**20.41**

8 Cash and cash equivalents

Bank Balances		
On Current Accounts	190.50	389.26
Cash on hand	-	42.97
Total	**190.50**	**432.23**

9 Other current assets

Prepaid expenses	0.15	6.18
Employee advances	-	1.18
Advances to suppliers	2.35	13.64
Balances with statutory authorities	1.59	12.82
	4.09	**33.82**

	As at March 31,2025	As at March 31, 2024
14 Trade payables		
Dues to micro and small enterprises (Refer Note 38)	-	2.94
Dues to creditors other than micro and small enterprises	11.79	136.16
Total	**11.79**	**139.10**

Ageing schedule

As at March 31, 2025

			Outstanding for following periods from the date of transaction				
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro, small and medium	-	-	11.79	-	-	-	11.79
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium	-	-	-	-	-	-	-
	-	-	**11.79**	-	-	-	**11.79**

As at March 31, 2024

			Outstanding for following periods from the date of transaction				
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro, small and medium enterprises	-	1.92	1.02	-	-	-	2.94
Total outstanding dues of creditors other than micro, small and medium	24.10	12.78	9.18	90.10	-	-	136.16
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium	-	-	-	-	-	-	-
	24.10	-	**10.20**	**90.10**	-	-	**139.10**

	As at March 31,2025	As at March 31, 2024
15 Other financial liabilities		
Current		
Creditors for capital expenditure	-	63.48
Retention payable	-	2.85
	-	**66.33**

The Company's exposure to liquidity risks related to other financial liabilities is disclosed in Note 28.

16 Other current liabilities

Salaries, wages, bonus and other employee payables	-	13.14
Advance received from customers	-	4.67
Statutory liabilities	10.69	14.54
Provision for income tax	162.73	-
Total	**173.42**	**32.35**

17 Provision for employee benefit obligations

	As at March 31, 2025			As at March 31, 2024		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Compensated absences	-	-	-	1.24	5.86	7.10
Gratuity	-	-	-	20.49	90.59	111.08
Total	-	-	-	**21.73**	**96.45**	**118.18**

(i) Compensated absences

	March 31, 2025	**March 31, 2024**
Current compensated absences expected to be settled within the next 12 months	-	1.24

(ii) Post employment obligations

a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is unfunded.

	March 31, 2025	**March 31, 2024**
Defined benefit obligation at the beginning of the period	-	112.06
Current service cost	-	6.20
Past service cost	-	-
Interest expense	-	7.80
Total amount recognised in profit or loss	-	**14.00**
Remeasurements		
(Gain)/loss from change in demographic assumptions	-	0.31
(Gain)/loss from change in financial assumptions	-	(11.09)
Experience (gains)/losses	-	0.06
Total amount recognised in other comprehensive income	-	**(10.72)**
Benefit payments	-	(4.27)
Defined benefit obligation at the end of the period	-	**111.07**

(iii) Defined contribution plans

The Company has also certain defined contribution plans. Contributions are made to provident fund and Employee State Insurance (ESI) in India for employees at the rate of 12% and 3.25% respectively of basic salary as per regulations. The contributions are made to registered provident fund administered by Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 23.54 lakhs (March 31, 2024: INR 23.63 lakhs).

(iv) Principal actuarial assumptions used in valuation of gratuity	**March 31, 2025**	**March 31, 2024**
Discount rate	-	7.10%
Salary growth rate	-	6.00%
Attrition rate	-	15.00%

Estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

(v) Sensitivity analysis

The below table summarises the impact of movement in key assumptions on the present value obligation as at the balance sheet date:

	March 31, 2025	**March 31, 2024**
Discount rate:		
+ 100 basis points	-	(4.72)
- 100 basis points	-	5.15
Salary escalation rate:		
+ 100 basis points	-	5.61
- 100 basis points	-	(5.22)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to the significant actuarial assumptions the same method (present value of defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability in the balance sheet.

The methods and types of assumption used in preparing the sensitivity analysis did not change compared to the prior period.

18 Deferred tax liabilities

	As at March 31,2025	As at March 31, 2024
a) Tax effect of items constituting deferred tax liabilities:		
Fair valuation of land	-	520.72
Total deferred tax liabilities	-	**520.72**
Set-off of tax	-	217.59
Deferred tax liability as per the balance sheet	-	**303.13**
Tax effect of items constituting deferred tax assets:		
Unabsorbed depreciation allowance	-	217.59
Total deferred tax assets	-	**217.59**
Set-off of tax	-	217.59
Deferred tax asset as per the balance sheet	-	-

b) Movement of Deferred tax balances

Particulars	For the Year ended March 31, 2025					
	At April 1, 2024	Recognised in Profit and Loss	Recognised in OCI	Transferred to Provision for tax	DTL	DTA
Movement in deferred tax balances						
Fair valuation of land	(520.72)	520.72	-		-	-
Unabsorbed depreciation allowance	217.59	(217.59)	-	-	-	-
Tax assets /(liabilities) before set-off	**(303.13)**	**303.13**	-	-	-	-
Set-off of tax					-	-
Net tax asset / (liability)					-	-

Particulars	For the Year ended March 31, 2024					
	At April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	Transferred to Provision for tax	DTL	DTA
Movement in deferred tax balances						
Fair valuation of land	(509.75)	-	(10.97)	-	(520.72)	(0.00)
Unabsorbed depreciation allowance	194.41	23.18	-	-	-	217.59
Tax assets /(liabilities) before set-off	**(315.34)**	**23.18**	**(10.97)**	-	**(520.72)**	**217.59**
Set-off of tax					217.59	(217.59)
Net tax asset / (liability)				-	**(303.13)**	

c) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxabale profit will be available which the group can use the benefits therefrom.

	As at March 31, 2025		As at March 31, 2024	
	Gross amount	Unrecognised Tax effect	Gross amount	Unrecognised Tax effect
Tax losses	-	-	2,271.22	571.62
Deductible temporary difference	-	-	122.85	30.92
Total	-	-	**2,394.07**	**602.54**

d) Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

	March 31, 2025	Expiry date	March 31, 2024	Expiry date
Expire	-	-	2,271.22	2025-2032
Never Expire	-	-	-	-
	-		**2,271.22**	-

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		Year ended March 31, 2025	Year ended March 31, 2024
19	**Revenue from operations**		
	Revenue from contract with customers		
	Income from resorts:		
	- Room rentals	641.79	666.77
	- Food and beverages	181.45	57.86
	- Campsites and activity camps	30.06	19.77
	Total	**853.30**	**744.40**
	Disaggregation of revenue from contracts with customers		
	At a point in time	853.30	744.40
20	**Other income**		
	Liabilities no longer required written back	1.85	8.04
	Interest income	-	0.04
	Management services income	-	12.73
	Income from termination of lease contracts	2.56	-
	Total	**4.41**	**20.81**
21	**Cost of materials consumed**		
	Inventory of materials at the beginning of the year	0.85	2.25
	Add: Purchases	164.15	131.75
	Less: Inventory of materials at the end of the year	-	0.85
	Cost of materials consumed	**165.00**	**133.15**
22	**Employee benefits expense**		
	Salaries, wages and bonus	273.79	237.03
	Contribution to provident and other funds	23.54	23.63
	Gratuity	13.61	14.00
	Compensated absences	0.13	- 0.69
	Staff welfare expenses	1.93	8.07
	Total	**313.00**	**282.04**
23	**Finance cost**		
	Interest on financial liabilities measured at amortized cost	314.22	278.56
	Interest on lease liabilities	0.63	0.85
	Total	**314.85**	**279.41**
24	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	56.58	51.57
	Depreciation of right of use assets	1.02	1.22
	Total	**57.60**	**52.79**

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	Year ended March 31,2025	Year ended March 31, 2024
25 Other expenses		
Consumption of stores and spares	18.50	14.64
Power and fuel	118.32	103.39
Rent	6.74	0.18
Repairs and maintenance:		
- Building	3.40	-
- Plant and machinery	13.58	18.22
- Others	29.08	39.67
Insurance	3.60	6.10
Rates and taxes	19.62	18.90
Guest supplies	5.33	2.39
Laundry expenses	6.19	4.60
Communication	8.67	5.73
Travel and tours	38.49	30.07
Legal and professional	14.70	10.79
Contractual wages	9.36	-
Water charges	1.57	1.44
Payment to statutory auditors:		
- Statutory audit	7.92	7.92
- Reimbursement of expenses	0.40	0.75
Travel and conveyance	24.46	18.38
Recruitment & Training	1.68	-
Security charges	33.71	24.94
Sales commission	12.21	26.59
Sales promotion	1.41	0.08
Business support expenses	32.46	11.33
Bank charges	0.39	1.04
Printing and stationery	1.86	1.70
Miscellaneous expenses	7.67	5.50
Total	**421.32**	**354.35**

	Year ended March 31,2025	Year ended March 31, 2024
26 Income tax expense		
a) Amount recognised in profit or loss		
Current tax		
Current tax for the year	162.73	-
Fringe benefit tax related to prior years	-	-
Total	**162.73**	-
Deferred tax expense		
Increase/(Decrease) in deferred tax assets	(303.13)	(23.18)
Increase/(Decrease) in deferred tax liabilities	-	-
Total	**(303.13)**	**(23.18)**
Total tax expense/(benefit)	**(140.40)**	**(23.18)**

b) Amount recognised in other comprehensive income

	As at Mar 31, 2025		
	Before Tax	Tax (expense) / credit	Net of tax
Income tax relating to items that will not be subsequently reclassified to profit or loss			
Remeasurements of defined benefit plan	(17.68)	-	(17.68)
Revaluation of freehold land	-	-	-
	(17.68)	-	**(17.68)**

	As at Mar 31, 2024		
	Before Tax	Tax (expense) / credit	Net of tax
Income tax relating to items that will not be subsequently reclassified to profit or loss			
Remeasurements of defined benefit plan	10.72	-	10.72
Revaluation of freehold land	141.96	(10.97)	130.99
	152.68	**(10.97)**	**141.71**

c) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:

	Year ended March 31,2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Loss before income tax expense				(336.53)
Tax expense / (income) computed at Indian Tax rate	25.17%		25.17%	-
Tax effect of:				
- Expenses not deductible in determining taxable profit				
- Tax allowances that are deductible in determining taxable profit				
- Recognition of previously unrecognised tax losses		0.00%	6.89%	(23.18)
- Unrecognised temporary differences				
Tax expense			**6.89%**	**(23.18)**

27 Nature Trails Resorts Private Limited is engaged in business of operations, campsites and activity camps. The Company is a 100% subsidiary of Sterling Holiday Resorts Limited ('Holding company'). Thomas Cook India Limited is the intermediate holding company and Fairfax Financial Holdings Limited, Canada, is the ultimate holding company.

Nature trails is focused on adventure-driven experiences, attracting activity-seeking travelers which is an emerging and fast-growing demographic for Thomas Cook India Limited in the domestic segment. Hence, the Company, along with TCIL decided to transfer Nature trails resorts business to TCIL to enable faster growth of such business through synergies, optimization of resources and enhanced services to customers.

The proposed transaction was approved by the board on 3rd February 2025 and Nature Trails Resorts Private Limited entered into a Business transfer agreement "BTA" with Thomas cook India Limited on March 19, 2025 for the sale and divestment of entire business operations of three resorts, as a going concern on a slump sale basis, for a consideration of approximately 522,500,000/-. The transaction was an all-cash deal.

As per BTA, the undertaking along with all related assets and liabilities (refer table below) stands transferred and vested in Thomas cook India Limited from 1 March 2025.

Particulars	**Ref**	**Amount as at 1 March 2025**	**Amount as at 31 March 2024**
Assets			
Non-current assets			
Property plant and equipment		5,452.92	5,229.82
Capital work in progress		119.21	1.47
Other financial assets		14.46	8.46
Other non current assets		1.49	-
Current assets			
Inventories		18.10	7.93
Trade receivables		60.10	11.75
Cash & bank balances		31.64	21.04
Other current assets		41.74	21.01
Total	**A**	**5,739.65**	**5,301.48**
Liabilities			
Non-current liabilities			
Long term provisions		141.42	118.19
Financial liabilities		2.85	-
Current liabilities		-	-
Trade payables		225.37	134.49
Other financial liabilities		-	66.33
Other current liabilities		11.57	21.72
Total	**B**	**381.20**	**340.72**
Net assets transferred	**C=(A-B)**	5,358.45	-
Consideration received	**D**	5,225.00	-
Less: Gratuity adjusted	**E**	(135.36)	-
Net consideration	**F=(D-E)**	5,089.64	-
Loss on Slump sale	**(C-F)**	**268.81**	-

28 Fair value measurements

Financial instruments by category

	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	51.46	-	-	11.75
Cash and cash equivalents	-	-	190.50	-	-	21.04
Employee advances	-	-	-	-	-	1.18
Other financial assets	-	-	2.04	-	-	10.50
Total financial assets	-	-	**244.00**	-	-	**44.47**
Financial liabilities						
Borrowings	-	-	205.76	-	-	4,235.93
Trade payables	-	-	11.79	-	-	139.10
Capital creditors	-	-	-	-	-	63.48
Retention payable	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	66.33
Total financial liabilities	-	-	**217.55**	-	-	**4,504.84**

This summary includes all financial instruments valued based on the principles of Ind AS 109- Financial Instruments.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities and assets approximate their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

(ii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Employee advances	-	-	1.18	1.18
Security deposits	-	-	8.46	8.46
Total financial assets	-	-	**9.64**	**9.64**
Financial liabilities				
Borrowings	205.76	205.76	4,235.93	4,235.93
Total financial liabilities	**205.76**	**205.76**	**4,235.93**	**4,235.93**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities approximate their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using market interest rates. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

29 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis and credit rating	Diversification of portfolio and Assessment of customer credit worthiness at inception and throught the credit period
Liquidity risk	Borrowings, trade payables and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Analysis of market rates on a real time basis, pre-closure of loans

The company's risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, non-derivative financial instruments and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures towards outstanding receivables.

(i) Credit risk management

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

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29 Financial risk management (continued)

(A) Credit risk (continued)

(c) Reconciliation of loss allowance provision- Trade receivables	**Amount**
Loss allowance on April 1, 2023	**8.66**
Changes in loss allowances due to	
-Provision made in the year	-
-Recoveries	-
Loss allowance on March 31, 2024	**8.66**
Changes in loss allowances due to	
-Provision made in the year	-
-Recoveries	(8.66)
Loss allowance on March 31, 2025	-

(B) Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the financial assets and liabilities.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:
a) all non-derivative financial liabilities, and
b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:	**Carrying amount**	**Less than 3 months**	**Within one year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Total**
As at March 31, 2025						
Non-derivatives						
Borrowings (including interest accrued)	205.76	205.76	-	-	-	205.76
Lease liabilities	-	-	-	-	-	-
Trade payables	11.79	11.79	-	-	-	11.79
Other financial liabilities	-	-	-	-	-	-
Total non-derivative liabilities	**217.55**	**217.55**	**-**	**-**	**-**	**217.55**
As at March 31, 2024						
Non-derivatives						
Borrowings (including interest accrued)	4,235.93	72.33	4,525.26	-	-	4,597.59
Lease liabilities	8.38	0.48	1.59	2.29	5.99	10.35
Trade payables	139.10	139.10	-	-	-	139.10
Other financial liabilities	66.33	66.33	-	-	-	66.33
Total non-derivative liabilities	**4,449.74**	**278.24**	**4,526.85**	**2.29**	**5.99**	**4,813.37**

C) Market risk - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations. The Company does not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect its business or results of operations.

	March 31, 2025	**March 31, 2024**
Variable rate borrowings	-	-
Fixed rate borrowings	205.53	3,127.87

	March 31, 2025			**March 31, 2024**		
	Weighted average interest rate	**Balance loan amount**	**% of total loans**	**Weighted average**	**Balance loan amount**	**% of total loans**
Borrowings from banks and others	9.25%	205.53	100.00%	9.25%	3,127.87	0.00%

Sensitivity analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of change in the interest rates. If the weighted average rate of the variable interest rate borrowings increase/decrease by 1% the interest expense will increase/decrease by INR Nil (March 31, 2024: INR Nil)

30 Segment information

Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker.

- Resort operations: This segment deals with business of resorts, campsites and activity camps.

Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

Total revenue of the Company is generated from India and all the assets of the Company has been located in India.

Major customer

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

31 Earnings per share

	As at / Year end March 31, 2025	As at / Year end March 31, 2024
Profit for the year attributable to the equity holders of the Company	(542.47)	(313.35)
Weighted average number of equity shares outstanding (in lakhs)	1.48	1.48
Basic and diluted earnings per share (INR)	**(367.58)**	**(212.33)**

32 Commitments

Capital commitments	**As at 31-Mar-25**	**As at 31-Mar-24**
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	-	134.76

33 Capital management

Risk management

The Company's objectives when managing capital are to:

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

	As at 31-Mar-25	As at 31-Mar-24
Total liabilities	205.76	4,235.93
Less: Cash and cash equivalents and other bank balances	2.04	2.04
Adjusted net debt	207.80	4,237.97
Total equity	(85.95)	474.20
Adjusted net debt to equity ratio	**(2.42)**	**8.94**

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34 Related party transactions

(a) Parent entities

The Company is controlled by following entity:

Name of entity	Type
Fairfax Financial Holdings Limited, Canada	Ultimate holding company
Thomas Cook (India) Limited	Intermediate holding company
Sterling Holiday Resorts Limited	Holding company

(b) Directors of the Company including Key management personnel

Mr. Ramesh Shanmugam
Mr. Vikram Dayal Lalvani
Mr. L Krishna Kumar

(c) Transactions with related parties

Transactions with related parties are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Business support Income		
Sterling Holiday Resorts Limited	9.16	-
Interest on borrowings		
Sterling Holiday Resorts Limited	314.22	266.15
Business support expenses		
Sterling Holiday Resorts Limited	39.03	11.33
Loans and advances borrowed		
Sterling Holiday Resorts Limited	596.31	868.91
Loans and advances repaid		
Sterling Holiday Resorts Limited	3,518.65	195.98
Sales of Services		
Thomas Cook (India) Limited	-	1.26

(d) Outstanding balances at the year end

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Short term borrowings		
Sterling Holiday Resorts Limited	205.53	3,127.87
Interest payable		
Sterling Holiday Resorts Limited	0.23	1,108.06
Trade Payable		
Sterling Holiday Resorts Limited	-	76.83
Trade Receivable		
Sterling Holiday Resorts Limited	51.46	-

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35 Revaluation of land

During the financial year 2018-19, the Company has changed its accounting policy with respect to measurement of freehold land from the cost model to revaluation model with effect from April 1, 2018. Freehold land will be recognized at fair value based on periodic valuation done by external independent valuers.
A revaluation surplus will be recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.
Fair value of the land assets was determined by an external independent valuer using the market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property.

36 Movement in right of use assets and lease liabilities as per Ind AS 116 Leases

As a lessee, the company leases many assets including land and building, vehicles

Right of use assets	**Land**
Balance at April 1, 2023	**6.45**
Addition to right of use assets	-
Depreciation charge for the year	(1.22)
Derecognition of right of uses assets	-
Balance at March 31, 2024	**5.23**
Addition to right of use assets	-
Depreciation charge for the year	(1.02)
Derecognition of right of uses assets	(4.21)
Balance at March 31, 2025	-

Lease Liabilities	**Amount**
Balance at April 1, 2023	**9.41**
Deletions	-
Finance cost accrued during the year	0.85
Discharge of lease liabilities	(1.88)
Balance at March 31, 2024	**8.38**
Additions	-
Deletions	(7.29)
Finance cost accrued during the year	0.63
Discharge of lease liabilities	(1.72)
Balance at March 31, 2025	-
Current	-
Non-current	-

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Nature Trails Resorts Private Limited
Notes to the financial statements for the year ended March 31,2025
(All amounts are in lakhs of Indian rupees, unless otherwise stated)

37 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31,2025	March 31, 2024	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.63	0.02	3696%	Increase is on account of repayment of borrowings from bank during the current year and increase in cash balance due to improved collections.
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.03	0.05	-46%	Debt equity ratio has been decreased due to repayment of loan during the year
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	(0.19)	(0.02)	885%	The decrease is due to increase in net loss for the year compared to previous year
Return on equity (in %)	Net loss after tax	Average shareholders fund	-279%	-56%	399%	The loss has increased compared to previous year due to loss on slump sale
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	41.61	26.16	59%	Inventory managed better in the current year
Trade Receivables turnover ratio (in times)	Revenue from operations	Average Accounts Receivable	27.00	82.67	-67%	Decrease in receivables is due to improved collection during the current year
Trade payables turnover ratio (in times)	Net Credit Purchases	Average Trade Payables	3.26	1.44	126%	Decrease is on account of payment to creditors on time during the current year as compared to previous year
Net capital turnover ratio (in times)	Revenue from operations	Average Working Capital (Working capital = Current assets- Current liabilities)	(5.89)	(0.17)	3398%	The changes in the net capital turnover ratio as the loss has been increased during the year.
Net profit ratio (in %)	Net loss after tax	Revenue from operations	-64%	-42%	51%	The net profit turnover ratio has been increased due to loss incurred
Return on Capital employed (in %)	Earning before interest and taxes	Capital Employed = Net worth + Total Debt	115%	-6%	-1880%	The increase is due to increase in loss for the year

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38 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2024-25, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		March 31, 2025	March 31, 2024
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	2.94
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
iv	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
v	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
vi	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
vii	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

39 Exceptional item

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Loss on Slump Sale	268.81	-
	268.81	**-**

40 Subsequent events

There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these financial statements.

41 Reporting under Rule 11(d) of the Companies (Audit and Auditor's) Rules, 2014

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company revalued its freehold land (including right-of-use assets relating to leasehold land) during the previous year. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The Company has not entered any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(ix) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

T H Mahadevan
Partner
Membership No.: 224352
Place: Chennai
Date: May 21, 2025

For and on behalf of the Board of Directors of
Nature Trails Resorts Private Limited
CIN: U55100MH2005PTC150901

Vikram Dayal Lalvani
Director
DIN: 07115464
Place: Chennai
Date: May 5, 2025

Krishna Kumar L
Director
DIN: 00420790
Place: Chennai
Date: May 5, 2025

Docusign Envelope ID: 0502BC05-8777-430A-8F96-7DBFEFD163CB

TRAVEL CIRCLE INTERNATIONAL (MAURITIUS) LTD

FINANCIAL STATEMENTS
YEAR ENDED
31 MARCH 2025

Docusign Envelope ID: 0502BC05-8777-430A-8F96-7DBFEFD163CB

For the year ended 31 March 2025

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For the year ended 31 March 2025

Corporate data

		Date appointed
Directors:	Mr Mohinder Dyall	26-May-17
	Ms Sangeeta Bissessur	11-Sept-18

Company Secretary: Apex Financial Services (Mauritius) Ltd

Up to 2 August 2024
Apex House, Bank Street
Twenty Eight, Cybercity
Ebene 72201,
Mauritius

From 3 August 2024
6th Floor, Two Tribeca
Tribeca Central,
Trianon 72261,
Mauritius

Registered office: Apex Financial Services (Mauritius) Ltd

Up to 2 August 2024
Apex House, Bank Street
Twenty Eight, Cybercity
Ebene 72201,
Mauritius

From 3 August 2024
6th Floor, Two Tribeca
Tribeca Central,
Trianon 72261,
Mauritius

Auditor: Baker Tilly
Level 2, Tribeca Central,
Trianon 72261,
Republic of Mauritius

Bankers: SBI (Mauritius) Ltd
6th & 7th Floor SBI Tower Mindspace,
Bhumi Park, 45, Ebene Cybercity
Republic of Mauritius

The Mauritius Commercial Bank Ltd,
Sir William Newton Street,
Port Louis
Republic of Mauritius

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Commentary of the directors

The directors of Travel Circle International (Mauritius) Ltd, the "Company", have the pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2025.

Incorporation

The Company was incorporated in the Republic of Mauritius on 26 May 2017 under the Mauritius Companies Act 2001 as a private company with liability limited by shares.

Principal activity

The principal activity of the Company is to hold investments.

Results and dividends

The results for the year are as shown on page 9.

The directors do not recommend the payment of any dividend for the year under review (2024: USD Nil).

Directors

The present membership of the Board is set out on page 2.

Directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

· select suitable accounting policies and then apply them consistently;
· make judgments and estimates that are reasonable and prudent;
· state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
· prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the IFRS Accounting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards"), as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for Companies holding a Global Business Licence. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditor, **Baker Tilly**, has indicated its willingess to continue in office and a resolution concerning its re-appointment will be proposed at the Annual Meeting.

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Certificate from the Secretary to the members of Travel Circle International (Mauritius) Ltd

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Travel Circle International (Mauritius) Ltd** under section 166(d) of the Mauritius Companies Act 2001, during the financial year ended 31 March 2025.

Kristen Rungen

For Apex Financial Services (Mauritius) Ltd
Company Secretary

Registered Office:
6th Floor, Two Tribeca
Tribeca Central
Trianon 72261
Republic of Mauritius

Date: 28 May 2025

Docusign Envelope ID: 0502BC05-8777-430A-8F96-7DBFEFD163CB

Level 2, Tribeca Central,
Trianon 72261
Mauritius

T: +230 460 8800
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www.bakertilly.mu

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Travel Circle International (Mauritius) Ltd
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Travel Circle International (Mauritius) Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 8 to 36 give a true and fair view of the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

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Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Travel Circle International (Mauritius) Ltd

Report on the Audit of the Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate data, commentary of the directors and certificate from the secretary.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report has been prepared for and only for the Company's Shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed to our prior consent in writing.

Baker Tilly

Baker Tilly

Date: 28/05/2025

Sin C. LI, CPA, CGMA
Licensed by FRC

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Statement of financial position as at 31 March 2025

	Notes	2025 USD	2024 USD
Assets			
Non-current assets			
Investments in subsidiaries	8	**24,606,816**	24,606,816
Total non-current assets		**24,606,816**	24,606,816
Current assets			
Loans	9	**55,373,080**	55,197,287
Other receivables	10	**53,217**	-
Investment in fixed deposits	11	**1,124,469**	205,833
Cash and cash equivalents	12	**1,555,468**	1,318,942
Total current assets		**58,106,234**	56,722,062
Total assets		**82,713,050**	81,328,878
Equity and liabilities			
Equity			
Stated capital	13.1	**4,133,001**	4,133,001
Share premium	13.2	**5**	5
Optionally convertible redeemable preference shares	14	**25,910,000**	25,910,000
Accumulated losses		**(5,108,747)**	(4,534,653)
Total equity		**24,934,259**	25,508,353
Liabilities			
Current liabilities			
Borrowings	15	**57,405,122**	55,668,118
Forward exchange contracts	17	**198,015**	-
Payables	16	**175,654**	152,407
Current liabilities		**57,778,791**	55,820,525
Total liabilities		**57,778,791**	55,820,525
Total equity and liabilities		**82,713,050**	81,328,878

Authorised and approved by the Board on 28 May 2025 and signed on its behalf by:

Mr Mohinder Dyall

Ms Sangeeta Bissessur

The notes on pages 12 to 36 form an integral part of these financial statements.

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Statement of comprehensive income for the year ended 31 March 2025

	Note	2025 USD	2024 USD
INCOME			
Interest income - related parties		**3,838,385**	3,961,685
Interest income - bank		**-**	43,273
Total income		**3,838,385**	4,004,958
EXPENDITURE			
Interest expense - related parties		**3,692,387**	3,936,347
Professional fees		**379,593**	195,363
Foreign exchange losses		**198,015**	291,538
Other expenses		**122,125**	22,591
Accounting fees		**12,000**	12,000
Audit fees		**5,974**	5,162
Interest expense - bank		**2,289**	232,292
Corporate guarantee fees		**96**	32,325
Processing fees		**-**	62,795
Total expenditure		**4,412,479**	4,790,413
Loss before tax		**(574,094)**	(785,455)
Tax expense	18	**-**	-
Loss for the year		**(574,094)**	(785,455)
Total comprehensive loss the year		**(574,094)**	(785,455)

The notes on pages 12 to 36 form an integral part of these financial statements.

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Statement of changes in equity for the year ended 31 March 2025

	Stated capital	Share premium	Optionally convertible redeemable Preference shares	Accumulated losses	Total equity
	USD	USD	USD	USD	USD
At 31 March 2024	**4,133,001**	**5**	**25,910,000**	**(4,534,653)**	**25,508,353**
Loss for the year	**-**	**-**	**-**	**(574,094)**	**(574,094)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(574,094)**	**(574,094)**
At 31 March 2025	**4,133,001**	**5**	**25,910,000**	**(5,108,747)**	**24,934,259**
At 31 March 2023	4,133,001	5	25,910,000	(3,749,198)	26,293,808
Loss for the year	-	-	-	(785,455)	(785,455)
Total comprehensive loss for the year	-	-	-	(785,455)	(785,455)
At 31 March 2024	4,133,001	5	25,910,000	(4,534,653)	25,508,353

The notes on pages 12 to 36 form an integral part of these financial statements.

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Statement of cash flows for the year 31 March 2025

	Notes	2025 USD	2024 USD
Operating activities			
Loss before tax		**(574,094)**	(785,455)
Adjustments for:			
Interest income		**(3,838,385)**	(4,004,958)
Interest expense		**3,694,676**	4,168,639
Operating loss before working capital changes		**(717,803)**	(621,774)
Changes in working capital:			
Change in payables		**23,247**	(122,560)
Change in receivables		**(53,217)**	78,371
Total changes in woking capital		**(29,970)**	(44,189)
Net cash used in operating activities		**(747,773)**	(665,963)
Investing activities			
Investment in fixed deposits	11	**-**	(265,648)
Fixed deposit redeemed	11	**-**	1,665,590
Net cash (used in)/generated from investing activities		**-**	1,399,942
Financing activities			
Loans from related parties	9	**3,506,185**	12,124,815
Loans to related parties	9	**-**	(2,929,469)
Repayment of borrowings - related parties	15	**(1,620,000)**	(8,130,000)
Repayments of borrowings - bank	15	**-**	(5,000,000)
Additions in borrowings	15	**-**	4,460,000
Interest paid	15	**(336,020)**	(823,644)
Interest received	9	**352,770**	476,735
Net cash generated from financing activities		**1,902,935**	178,437
Net change in cash and cash equivalents		**1,155,162**	912,417
Cash and cash equivalents, at beginning of the year		**1,318,942**	406,526
Cash and cash equivalents, at end of the year		**2,474,104**	1,318,942
Cash and cash equivalents made up of:			
Cash at bank	12	**1,555,468**	1,318,942

For reconciliation of liabilities arising from financial activities, refer to ***Note 20***

The notes on pages 12 to 36 form an integral part of these financial statements.

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Notes to the financial statements
For the year ended 31 March 2025

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Travel Circle International (Mauritius) Ltd, the "Company", was incorporated on 26 May 2017 in the Republic of Mauritius under the Mauritius Companies Act 2001 as a private company with liability limited by shares. The Company holds a Global Business Licence issued (formerly Category 1 Global Business Licence) by the Financial Services Comission. The Company's registered office is 6th floor, Two Tribeca, Tribeca Central, Trianon 72261, Republic of Mauritius.

The principal activity of the Company is to hold investments.

2. Basis of preparation

(a) Statement of compliance

The financial statements of Travel Circle International (Mauritius) Ltd have been prepared in accordance with the IFRS Accounting Standards ("IFRS") and in compliance with the requirements of Mauritius Companies Act 2001.

Details of the Company's accouting policies are included in note 4.

(b) Basis of measurement

The financial statements have been prepared on the going concern basis using historical cost basis except as otherwise stated in the notes to the financial statements.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar ("USD") which is the Company's functional currency. All amounts have been rounded to the nearest USD unless otherwise stated.

(d) Use of estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

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3. Application of new and revised International Financial Reporting Standards ("IFRS")

Up to the date of issue of these financial statements, the IASB has issued the following amendments which are effective for annual periods beginning on or after 01 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16); and
- Classification of Liabilities as Current or Non-current Liabilities with Covenants (Amendments to IAS 1).

The application of the new and revised IFRS Accounting Standards did not have any an impact on the financial statements.

Standards and interpretations issued and not yet effective for the financial year ended 31 March 2025

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors do not expect that the adoption of the standards listed below would have an impact on the financial statements.

Amendments to:	**Effective for accounting period beginning on or after**	
Lack of exchangeability – Amendments to IAS 21	1 January 2025	Applicable
Classification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	1 January 2026	Not Applicable
Annual Improvements to IFRS Accounting Standards- Volume 11	1 January 2026	Applicable
Contracts Referencing Nature dependent – Amendments to IFRS 9 and IFRS 7	1 January 2026	Applicable
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027	Applicable
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027	Applicable
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).	To be determined	Not Applicable

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3. Application of new and revised International Financial Reporting Standards ("IFRS") (Cont'd)

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Company does not expect these amendments to have a material impact on its operations of its financial statements.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its operations or financial statements.

Annual Improvements to IFRS Accounting Standards — Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

The Company does not expect these amendments to have a material impact on its operations or financial statements.

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3 Application of new and revised International Financial Reporting Standards ("IFRS") (Cont'd)

Contracts referencing Nature Dependent – Amendments to IFRS 9 and IFRS 7

In December 2024, the Board issued contracts Referencing Nature- Dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own use' requirements;
- Permitting hedge accounting if these contracts are used as hedging instruments; and
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The Company does not expect these amendments to have a material impact on its operations or financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted

The Company does not expect these amendments to have a material impact on its operations or financial statements.

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4 Summary of material accounting policies

4.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

4.2 Foreign currency

Functional and presentation

The financial statements are presented in United State Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

4.3 Revenue recognition

Dividend income is recognised when the right to receive payment is established.

Interest income is accounted on an accrual basis unless collectability is in doubt.

4.4 Operating expenses

Operating expenses are accounted on an accrual basis in the statement of comprehensive income.

4.5 Impairment of non financial assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. When an indication of an impairment loss exists, the carrying amount of the asset is assessed and is written down to its recoverable amount.

4.6 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.
Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss ("FVTPL")
- fair value through other comprehensive income ("FVOCI")

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

Financial assets - Business model assessment

The Company make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets:

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within finance income or finance costs, except for impairment losses which are presented within other expenses.

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Financial assets at amortised cost

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loan to related party and most of its receivables fall into this category of financial instruments.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include accruals.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Company holds investment in Travel Circle International (Mauritius) Ltd, an unquoted company and the objective of holding this investment is not for returns from capital appreciation or investment income. Hence the directors consider the cost of this investment to be a fair reflection of the fair value.

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Impairment

Non-derivative financial assets

Financial instruments

The Company recognise loss allowances for ECLs on financial assets measured at amortised cost.

The Company measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment.

The Company assumes that the credit risk on a financial asset has increased significantly if its is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expect to receive).

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Impairment (Cont'd)

Non-derivative financial assets

Credit-impaired financial assets

At each reporting date, the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company have a policy of writing off the gross carrying amount when the financial asset is 90 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Derecognition

The Company derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enter into transactions whereby it transfers assets recognised in their statement of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company makes use of a simplified approach in accounting for its loans and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company writes off a financial asset when there is information indicating that the borrowers are in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include payables and borrowings.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the year of the borrowings using the effective interest method.

Borrowing costs are expensed in the year in which they are incurred.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs or finance income.

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4. Summary of material accounting policies (Cont'd)

4.6 Financial instruments (Cont'd)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.7 Derivative financial instruments

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

The fair value of foreign exchange contracts is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.

4.8 Investments in susidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are initially shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

The Company holds investments in subsidiaries, and is required to present consolidated financial statements. In accordance with the Fourteeth Schedule of the Mauritius Companies Act, Section 212, the Company may not prepare group financial statements as it is wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, content and form of the financial statements, these financial statements present the financial position, financial performance and cashflow of the Company.

No consolidated financial statements have been prepared as the directors of the Company have taken advantage of the exemption under section 10.4 of IFRS 10 - Consolidated Financial Statements and the Mauritius Companies Act 2001, which exempts a company holding a Global Business Licence from preparing consolidated financial statements when it is a wholly owned or a virtually wholly owned subsidiary of any company.

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4 Summary of material accounting policies (Cont'd)

4.9 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

4.10 Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, together with other short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. The Company has elected to present the statement of cash flows using the indirect method.

4.11 Equity and reserves

Stated capital is determined using the nominal values of shares that have been issued. The amount received in excess of the nominal values is classified as share premium.

Accumulated losses include all the current and prior years' results as disclosed in the statement of comprehensive income.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4.12 Taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those claims from, or obligations to fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

4.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses.

All known risks at the reporting date are reviewed in detail and provision is made where necessary.

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4. Summary of material accounting policies (Cont'd)

4.14 Critical accounting estimates and judgements

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Significant management judgements

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Recognition of deferred tax

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Estimation uncertainties

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of loans

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its loans. The directors consider a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Impairment of investments in subsidaries

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. The directors have assessed the recoverable amount of the investments and confirmed that the carrying amounts have not suffered any impairment in value at the reporting date.

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5 Financial instrument risk

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company risk management policies are designed to identify and analyse these risks, to set up appropriate risk limits and controls, and to monitor the risks.

The Company's risk is managed at group level and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

The Company's financial assets and financial liabilities by category are summarised below:

	2025	2024
	USD	USD
Financial assets		
Amortised cost		
Current		
Loans	**55,373,080**	55,197,287
Investment in fixed deposits	**1,124,469**	205,833
Cash and cash equivalents	**1,555,468**	1,318,942
Current assets	**58,053,016**	56,722,062
Total financial assets	**58,053,016**	56,722,062

	2025	2024
	USD	USD
Financial liabilities		
Amortised cost		
Current		
Borrowings	**57,405,122**	55,668,118
Forward exchange contracts	**198,015**	-
Payables	**175,654**	152,407
	57,778,791	55,820,525
Total financial liabilities	**57,778,791**	55,820,525

** Financial asssets exclude prepayments and other receivables* ***USD 53,218*** *(2024: USD Nil).*

The most significant financial risk to which the Company is exposed are described below:

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5.1 Market risks analysis

Foreign currency exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures from future commercial transactions and recognised assets and recognised liabilities. Foreign currency risk, as defined in IFRS 7, arises as the value of future transaction, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

To mitigate exposure, the Company has entered into a Forward Exchange Contract, as detailed in Note 17, effectively managing currency fluctuations. While all financial assets and liabilities are denominated in USD, these contracts enhance the Company's foreign exchange risk management.

All the Company's financial assets and liabilities are denominated in USD. Consequently, the Company is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has interest-bearing financial assets and financial liabilities in the form of loans and borrowings respectively. The interests thereon are at fixed rate.

5.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised overleaf:

	2025	2024
	USD	USD
Current		
Loans	**55,373,080**	55,197,287
Investment in fixed deposits	**1,124,469**	205,833
Cash and cash equivalents	**1,555,468**	1,318,942
Current assets	**58,053,016**	56,722,062
Total	**58,053,016**	56,722,062

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5 Financial instrument risk (Cont'd)

5.2 Credit risk analysis (Cont'd)

The directors have assessed the loans due from related parties and concluded that these loans have no expected credit loss to be recognised. Furthermore, the holding company has undertaken to make good any loss suffered by the Company in the event of any default arising out from these loans. Also, the Company, acting as an investment vehicle, forms part of a group where the treasury functions are centrally managed and all loans within group companies are managed at the holding company level.

The credit risk for cash and cash equivalents is considered negligible, since the Company transacts with reputable banks. The cash and cash equivalents are held with bank and financial institution conterparties which are rated BBB- to AA+ based on Fitch's and Moody's ratings as illustrated below:

Bank	Ratings
The Mauritius Commercial Bank Ltd	AAA
SBI (Mauritius) Ltd	BBB

None of the above financial assets are secured by collaterals or other credit enhancements.

5.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages its liquidity needs by carefully monitoring its cash outflows due in day-to-day business and also by securing the financial support of its holding companies and financial institutions.

The Company considers expected cash flows from financial assets in assessing liquidity risk, in particular its cash resources and loans.

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5 Financial instrument risk (Cont'd)

5.3 Liquidity risk analysis (Cont'd)

The Company considers expected cash flows from financial assets in assessing liquidity risk, in particular its cash resources and loans.

The following are the contractual maturities of financial liabilities:

31 March 2025	**Carrying amount USD**	**Contractual cash flows USD**	**Less than one year USD**	**1-5 years USD**
Borrowings	**57,405,122**	**57,405,122**	**57,405,122**	**-**
Forward exchange contracts	**198,015**	**198,015**	**198,015**	**-**
Payables	**175,654**	**175,654**	**175,654**	**-**
	57,778,791	**57,778,791**	**57,778,791**	**-**

31 March 2024	**Carrying amount USD**	**Contractual cash flows USD**	**Less than one year USD**	**1-5 years USD**
Borrowings	55,668,118	55,668,118	55,668,118	-
Payables	152,407	152,407	152,407	-
	55,820,525	55,820,525	55,820,525	-

6 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure its ability to continue as a going concern; and
- to provide an adequate return to shareholders and stakeholders.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, that is, equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, reduce capital, issue new shares, or sell assets to reduce debts.

6 Capital management policies and procedures (Cont'd)

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital:

	2025 **USD**	2024 USD
Debt	**57,405,122**	55,668,118
Cash and cash equivalents	**(1,555,468)**	(1,318,942)
Net debt	**55,849,654**	54,349,176
Equity	**24,934,259**	25,508,353
Total capital	**80,783,913**	79,857,530
Gearing ratio	**69.13%**	68.06%

Debt includes loans from related parties but excludes loans from banks (Note 15).

7 Fair value measurement

7.1 Fair value measurement of financial instruments

The Company's financial assets and liabilities are measured at their carrying amounts, which approximate their fair values.

The Company, acting as an investment vehicle in the group, has invested in a number of unquoted companies engaged in diversified business activities. The Company's policy is to revalue its financial assets on an annual basis for financial reporting purposes in collaboration with its holding company. The valuation is discussed at appropriate authority level and due consideration is given to impairment losses. The directors consider that it is not relevant and practicable to adjust for any fair value movement at the Company's level given the business model in which the Company operates within the Group.

7.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of investments in subsidiaries, investment in fixed deposit and prepayments and it did not have any non-financial liabilities.

For non-financial assets, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis.

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8 Investments in subsidiaries

8.1 Movement during the year

	2025	2024
	USD	USD
At 01 April and 31 March	**24,606,816**	24,606,816

8.2 Details pertaining to the investments are as follows:

Name of companies	**Country of Incorporation**	**% Holding**
Kuoni Australia Holding Pty Ltd	Australia	100%
Asian Trails Holdings Ltd	Republic of Mauritius	80%
Reem Tours and Travel LLC	United Arab Emirates	100%
Gulf Dunes LLC (Note 8.5)	United Arab Emirates	100%
Desert Adventures Tourism LLC	United Arab Emirates	100%
Kuoni Private Safaris (Pty) Ltd	Republic of South Africa	100%
Private Safaris (EA) Ltd	Kenya	100%
DEI Holdings Limited	United Arab Emirates	51%

8.3 As the Company forms part of a group, the impairment assessment for financial reporting is done at group level. The directors consider that these investments have not suffered any impairment at the reporting date.

8.4 The Company holds 49% each of the shares of Reem Tours and Travel LLC, Gulf Dunes LLC and Desert Adventures Tourism LLC and the remaining 51% shares are indirectly held by the Company through distinct nominees. The Company maintains beneficial ownership of these investments.

8.5 The Company has not received any dividend income during the current financial year (2024: USD nil).

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9 Loans

	2025	2024
	USD	USD
Current		
Loans to related companies (Notes (i))	**55,373,080**	55,197,287

(i) The loans are unsecured, receivable within twelve months, repayable on demand and partly interest-free and partly bear interest.

(ii) Interest due on the loans to related companies for the year amounted to **USD 12,443,310** (2024: USD 8,959,348).

(iii) Expected credit losses

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all its loans receivable as these items do not have a significant financing component.

The directors consider no expected credit loss is to be recognised for the loans receivable as the borrowers form part of the same group of companies and the holding companies have undertaken to make good of any loss suffered by the Company in the event of any default arising out from these loans receivable.

10 Other receivables

	2025	2024
	USD	USD
Other receivables	**53,217**	-

11 Investment in fixed deposits

	2025	2024
	USD	USD
At 01 April	205,833	1,605,775
Investment during the year	917,167	205,000
Redeemed during the year	-	(1,665,590)
Interest element	1,469	60,648
At 31 March	1,124,469	205,833

(i) At 31 March 2025, the Company held fixed deposits with maturity dates of 21 September 2025 and 25 September 2025 and interest rates which are 4.40% (2024: 5%) per annum. The Company holds bank deposits amounting to USD 1,124,469, which are subject to a lien. These funds have been pledged as security to the forward exchange contracts with the Mauritius Commercial Bank Ltd for a notional value of AUD 8,763,245, maturing on 30 September 2025. The lien limits the Company's access to these funds for operational purposes; however, Management has assessed the impact and confirms that this does not materially affect the Company’s financial position or liquidity.

(ii) Interest accrued on the investment in fixed deposits for the year amounted to **USD 1,469** (2024: USD 60,648).

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12 Cash and cash equivalents

	2025	2024
	USD	USD
Cash at bank (USD)	**1,555,468**	1,318,942

13.1 Stated capital

	2025	2024
	USD	USD
4,133,001 ordinary shares of USD 1 each	**4,133,001**	4,133,001

Balance consist of the issue of 1 ordinary share of par value USD 1 to Thomas Cook (Mauritius) Holding Company Limited, at a price of USD 6.18, thus resulting in a premium of USD 5.18 (Note 13.2).

Rights attached to the ordinary shares are as per the Mauritius Companies' Act, as follows:

(i) the right to vote on a poll for every share held at a meeting of the Company on any resolution;
(ii) the right to an equal share in dividends authorised by the Board; and
(iii) the right to an equal share in the distribution of the surplus assets of the Company.

13.2 Share premium

	2025	2024
	USD	USD
Share premium	**5**	5

14 Optionally convertible redeemable preference shares ("OCRPS")

	2025	2024
	USD	USD
Nominal value	**23,649,535**	23,649,535
Share premium (Note 13.2)	**2,260,465**	2,260,465
Total	**25,910,000**	25,910,000

The OCRPS are redeemable at the option of the issuer anytime during the tenure of these shares. At the end of 20 years from date of issue, the OCRPS shall be converted into ordinary shares.

The OCRPS carry the following rights:

- to receive notice of and attend shareholder meetings generally and class meetings of the OCRPS but no right to vote on any matters to be considered by the shareholders generally, provided that each OCRPS shall have the right to vote on any matter to be considered by holders of the OCRPS shares.
- right to dividend out of profits, only if, dividend is also declared to equity shareholders. OCRPS dividend would be non-cumulative. However, the Board would have the right to change the dividend rights at any time during the tenure of the OCRPS.

In prior years, 3,139,535 OCRPS have been issued at a premium of USD 0.72 per share, resulting in a premium of USD 2,260,465.

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15 Borrowings

	2025	2024
	USD	USD
Current		
Loans from related parties (Note (ii))	**57,405,122**	55,668,118
Total current	**57,405,122**	55,668,118
Total borrowings	**57,405,122**	55,668,118

(i) The loans from the related parties are interest-bearing, unsecured and repayable within twelve months. The directors consider the carrying amount of the loans to be a reasonable approximation of the fair values.

(ii) Interest accrued on the loans for the year amounted to USD **11,545,122** (2024: USD 8,188,118).

16 Payables

	2025	2024
	USD	USD
Accruals	**110,702**	76,272
Due to a related party	**64,952**	76,135
Total	**175,654**	152,407

The amount due to the related party is interest-free, unsecured and repayable within twelve months.

17 Forward exchange contracts

As part of its foreign exchange risk management strategy, the Company has entered into forward exchange contracts to hedge its exposure arising on its loan receivables denominated in foreign currency. These contracts are used to mitigate the impact of exchange rate volatility on financial transactions denominated in foreign currencies.

As at 31 March 2025, the Company holds forward exchange contracts with a notional value of AUD 8,763,245, maturing on 30 September 2025, linked to anticipated foreign currency inflows and outflows. The fair value of these contracts, recognized in the financial statements, amounts to USD 198,015, classified under Financial Liability in accordance with IFRS 9 – Financial Instruments.

Management continuously monitors exchange rate movements to assess and adjust the hedging strategy as necessary.

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18 Taxation

The Company, being the holder of Global Business Licence, is liable to income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15%.

The Company will be able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

Capital gains are outside the scope of the Mauritian tax while trading profits made by the Company from the sale of shares are exempt from tax. Dividends and redemption proceeds paid by the Company to its shareholders do not attract withholding tax. The foregoing is based on the taxation laws and practices currently in force in Mauritius and may be subject to change.

The foregoing is based on current interpretation and practice and is subject to any future changes in Mauritian tax laws.

The income tax on the Company's (loss)/profit before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

	2025	2024
	USD	USD
Loss before tax	**(574,094)**	(784,455)
Tax at 3%	**(17,223)**	(23,564)
Non-allowable expenses	**109,896**	122,892
Exempt income	**(92,121)**	(95,080)
Tax loss utilied	**(552)**	(4,248)
Tax expense	**-**	-

Reconciliation of effective tax rate

	2025	2024
	USD	USD
Up to year ending:		
31-Mar-24	**-**	302,868
31-Mar-25	**-**	152,974
31-Mar-26	**455,095**	455,095
31-Mar-27	**536,265**	536,265
31-Mar-28	**172,209**	172,209
31-Mar-29	**-**	(142,062)
31-Mar-30	**18,402**	-
	1,181,971	1,477,349

Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%. No provision for deferred tax asset has been recognised as no taxable income is probable in the foreseeable future.

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19 Related party transactions

During the year ended 31 March 2025, the Company had transactions with related entities. The nature, volume of transactions and balances with related parties are as follows.

Name of related party	Nature of Relationship	Nature of transactions	**Volume of transactions 2025**	Volume of transactions 2024	**Debit/ (Credit) balances at 31-Mar 2025 USD**	Debit/ (Credit) balances at 31-Mar 2024 USD
Thomas Cook (India) Limited	Holding company	Borrowings	**(1,012,978)**	336,164	**(55,982,247)**	(54,969,269)
Thomas Cook (Mauritius) Holding Company Limited	Holding company	Borrowings	**(724,027)**	(37,153)	**(1,422,876)**	(698,849)
Asian Trails Holdings Ltd	Subsidiary	Loans	**1,503,854**	2,188,061	**29,590,623**	28,086,769
DEI Holdings Limited	Subsidiary	Loans	**(1,114,248)**	(3,211,833)	**17,335,003**	18,449,251
Desert Adventures Tourism LLC	Subsidiary	Loans	**-**	(3,712,154)	**-**	-
Kuoni Australia Holding Pty. Ltd	Subsidiary	Loans	**459,247**	118,112	**7,221,649**	6,762,402
Private Safaris Africa	Subsidiary	Loans	**(374,811)**	(260,092)	**809,036**	1,183,847
Horizon Travel Services	Subsidiary	Interest receivable	**(298,249)**	(1,139,217)	**416,769**	715,018
Thomas Cook (Mauritius) Holding Company Limited	Holding company	Payables	**11,183**	77,485	**(64,952)**	(76,135)
SOTC Travel Limited	Holding company	OCRPS	**-**	-	**(11,600,000)**	(11,600,000)
Thomas Cook (India) Limited	Holding company	OCRPS	**-**	-	**(14,310,000)**	(14,310,000)

The terms and conditions are described in Notes 8, 13, 14 and 15 to these financial statements.

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20 Reconciliation of liabilities arising from financing activities

2025	**At 01 April 2024 USD**	**Cash flows USD**	**Non-cash flows USD**	**At 31 March 2025 USD**
Loans from related parties	**55,668,118**	**1,737,004**	**-**	**57,405,122**
Total	**55,668,118**	**1,737,004**	**-**	**57,405,122**

2024	At 01 April 2023 USD	Cash flows USD	Non-cash flows USD	At 31 March 2024 USD
Loans from related parties	56,330,227	(662,109)	-	55,668,118
Loan from banks	5,012,896	(5,012,896)	-	-
Total	61,343,123	(5,675,005)	-	55,668,118

21 Holding companies

The holding companies are SOTC Travel Limited and Thomas Cook (India) Limited, companies incorporated in the Republic of India and Thomas Cook (Mauritius) Holding Company Limited, a company incorporated in the Republic of Mauritius.

22 Events after reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

SHAH MULEWA & ASSOCIATES
Chartered Accountants

To

The Members of

Horizon Travel Services LLC

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying financial statements of Horizon Travel Services LLC (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Management and Board of Director's Responsibility for the Special Purpose Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

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completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Restriction on distribution or use

This report is intended solely for the information and use of the Board of Directors of the Company and its ultimate holding company, including their boards of directors for foreign entities in India. It should not be used, referred to, or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, its Board of Directors, and the ultimate holding company's Board of Directors for our audit work, this report, or the opinions expressed herein.

For Shah Mulewa & Associates
Chartered Accountants

CA Abhishek Shah
Partner
Mem no. 158892

Date: 09th July 2025

UDIN: 25158892BMOFDN7690

Place: Mumbai

Horizon Travel Services LLC
Balance Sheet as at 31 March 2025
(Amount in USD, unless otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
a. Property, plant and equipment	2	19,966	29,242
b. Right of use assets	3	8,00,153	9,84,810
c. Other intangible assets	4	25,45,662	25,81,435
d. Financial assets:			
i. Investments	5	40,337	40,337
ii. Other financial Assets	6	36,925	35,239
e. Income tax assets (net)	7	1,437	7,391
f. Deferred tax assets (net)	23	14,07,867	17,82,437
g. Other non-current assets	8	5,543	7,206
Total non-current assets		**48,57,890**	**54,68,096**
Current assets			
a Financial assets			
i. Trade receivables	9	7,06,172	12,11,640
ii. Cash and cash equivalents	10	28,88,653	30,13,644
iii. Bank balances other than cash and cash equivalent	11	-	-
iii. Other financial assets	6	3,77,367	2,45,193
b Other current assets	8	17,41,428	16,44,302
Total current assets		**57,13,620**	**61,14,778**
Total assets		**1,05,71,509**	**1,15,82,874**
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	11	9,75,000	9,75,000
b. Other equity	12	(52,69,227)	(71,63,651)
Total equity		**(42,94,227)**	**(61,88,651)**
Liabilities			
Non-current liabilities			
a. Financial liabilities:			
i. Lease Liabilities	25	8,18,945	10,36,810
ii. Other financial liabilities	14	4,82,151	5,07,151
Total non-current liabilities		**13,01,096**	**15,43,961**
Current liabilities			
a. Financial liabilities			
i Borrowings	25b	47,70,000	70,70,000
ii Lease Liabilities	25	2,17,866	2,06,233
iii. Trade payables	13		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		28,16,831	35,99,285
iv Other financial liabilities	14	22,56,259	17,42,947
b. Other current liabilities	15	35,03,684	36,09,099
Total current liabilities		**1,35,64,640**	**1,62,27,564**
Total liabilities		**1,48,65,736**	**1,77,71,525**
Total equity and liabilities		**1,05,71,509**	**1,15,82,874**

See accompanying notes to the financial statements 1-30
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Shah Mulewa & Associates
Chartered Accountants
Firm Registration No.: 0143170W

Abhishek Shah
Partner
Membership No. 158892

For and on behalf of the Board of Directors of
Horizon Travel Services LLC

Sameer Shelar
Chief Financial Officer

Place: Mumbai
Date: 09-07-2025

Horizon Travel Services LLC
Statement of Profit and Loss for the year 31 March 2025
(Amount in USD, unless otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	16	6,15,55,287	5,47,52,506
Other income	17	14,64,099	9,25,840
Total income		**6,30,19,386**	**5,56,78,345**
Expenses			
Cost of services	18	5,42,68,263	4,86,52,066
Employee benefits expense	19	34,02,811	31,57,981
Finance costs	20	8,00,313	8,13,144
Depreciation and amortization expense	21	2,42,480	2,98,139
Other expenses	22	19,58,281	17,32,477
Total expenses		**6,06,72,149**	**5,46,53,808**
Profit before exceptional items and tax		**23,47,237**	**10,24,537**
Exceptional losses/ (gains)		-	-
Profit before tax		**23,47,237**	**10,24,537**
Income Tax expense			
Current tax	23	78,243	6,675
Adjustment of tax relating to earlier periods	23	-	-
Deferred tax	23	3,74,570	3,03,116
Total income tax expense		**4,52,813**	**3,09,791**
Profit for the year		**18,94,424**	**7,14,746**
Total comprehensive income for the year, net of tax		**18,94,424**	**7,14,746**
Earnings per share	24		
Basic earnings per share		**1.94**	**0.73**
Diluted earnings per share		**1.94**	**0.73**

See accompanying notes to the financial statements 1-30
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Shah Mulewa & Associates
Chartered Accountants
Firm Registration No.: 0143170W

Abhishek Shah
Partner
Membership No. 158892

For and on behalf of the Board of Directors of
Horizon Travel Services LLC

Sameer Shelar
Chief Financial Officer

Place: Mumbai
Date: 09-07-2025

Horizon Travel Services LLC
Statement of cash flows for the year ended 31 March 2025
(Amount in USD, unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities		
Profit after tax	**18,94,424**	**7,14,746**
Adjustments for:		
Depreciation, amortisation and impairment - property, plant and equipment	57,824	79,708
Depreciation and impairment - right of use asset	1,84,656	2,18,432
Provision for doubtful debts and advances	-	22,156
Non-cash interest expense Inter company	4,95,954	5,99,704
Deferred Income Taxes	3,74,570	3,03,116
Operating profit/loss before working capital changes	**30,07,428**	**19,37,862**
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	5,05,468	(5,35,117)
Deferred Revenue	-1,33,860	5,63,241
Other Assets	-95,463	(3,56,346)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	-7,82,454	6,66,582
Other Long Term liabilities	-25,000	(1,558)
Movement in ROU liabilities	-2,06,232	(2,19,507)
Accrued expenses	-1,05,415	11,77,118
Cash generated from operations	**21,64,472**	**32,32,275**
Net Income tax (paid)/ refund	5,954	(1,050)
Net cash inflows/used from/in operating activities (A)	**21,70,426**	**32,31,225**
Cash flow from investing activities		
Capital expenditure on property, plant and equipment	-12,774	(95,578)
Proceeds from sale of property, plant and equipment	-	13,000
Investment in subsidiary company	-	(10,000)
Net cash inflows/used from/in investing activities (B)	**-12,774**	**(92,578)**

Horizon Travel Services LLC
Statement of cash flows for the year ended 31 March 2025
(Amount in USD, unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from financing activities		
Repayment of inter company loan short	17,357	(3,21,381)
inter company loan short	-23,00,000	(12,00,000)
Net cash inflows/used from/in financing activities (C)	**-22,82,643**	**(15,21,381)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**-1,24,991**	**16,17,266**
Cash and cash equivalents at the beginning of the year	30,13,644	**13,96,379**
Cash and cash equivalents at the end of the year	**28,88,653**	**30,13,645**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise (Refer note 9)		
Balances with banks:		
in current accounts	28,88,653	30,13,644
Cash on hand	-	-
Total	**28,88,653**	**30,13,644**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standa Cash flows'.

See accompanying notes to the financial statements
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Shah Mulewa & Associates
Chartered Accountants
Firm Registration No.: 0143170W

Abhishek Shah
Partner
Membership No. 158892

For and on behalf of the Board of Directors of
Horizon Travel Services LLC

Sameer Shelar
Chief Financial Officer

Place: Mumbai
Date: 09-07-2025

Horizon Travel Services LLC
Statement of changes in equity for the year ended March 31, 2025
(Amount in USD, unless otherwise stated)

(A) Equity share capital

Equity shares of INR 10 /- each issued, subscribed and fully paid

	Note No.	Amount
Balance as at 01 April 2023	11	**9,75,000.00**
Changes in Equity Share Capital during the current year		-
Balance as at 01 April 2024		**9,75,000.00**
Equity shares issued to holders of share warrants		-
Balance as at 31 March 2025		**9,75,000.00**

(B) Other equity

For the year ended 31 March 2025

Particulars	Surplus/ (deficit) in the Statement of Profit and Loss		Total
Balance as at 01 April 2023	**(78,78,397.14)**		**(78,78,397.14)**
Profit for the year	7,14,746.02		7,14,746.02
Other comprehensive income	-		-
Total Comprehensive Income	**7,14,746.02**		**7,14,746.02**
warrant application money received	-		-
Balance as at 01 April 2024	**(64,48,905.10)**		**(64,48,905.10)**
Profit for the year	18,94,424.57		18,94,424.57
Other comprehensive income	-		-
Total Comprehensive Income	**18,94,424.57**		**18,94,424.57**
			-
Equity shares issued to holders of share warrants			
Dividends paid on equity shares	-		-
Balance as at 31 March 2025	**(45,54,480.53)**		**(45,54,480.53)**

See accompanying notes to the financial statements
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Shah Mulewa & Associates
Chartered Accountants
Firm Registration No.: 0143170W

Abhishek Shah
Partner
Membership No. 158892

For and on behalf of the Board of Directors of
Horizon Travel Services LLC

Sameer Shelar
Chief Financial Officer

Place: Mumbai
Date: 09-07-2025

1.1 General Information

Horizon Travel Services, LLC (the "Company") was formed in the State of Delaware in 2017 and is a wholly owned subsidiary of Thomas Cook India Limited. The Company's office is located in New York. The Company works on B2B business model and primarily provide travel products and services to tour and travel providers from across the globe for tours in United States.

1.2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

Basis of Preparation of Financial Statements

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

(a) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2023 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2024 are the first set of financial statements prepared in accordance with Ind AS. Refer note 5 for an explanation of how the Company has adopted Ind AS.

Accounting policies have been consistently applied to all the years presented unless otherwise stated. (except where a newly issued Indian accounting standard is initially adopted or a revision to an existing Indian accounting standard requires a change in the accounting policy hitherto in use). The Financial Statements are presented in Indian Rupees (Which is also the

Accounting Estimates

The Company use's estimates and assumptions in the preparation of our financial statements in accordance with accounting principles generally accepted in the United States ("GAAP"). The Company's estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of our financial statements. These estimates and assumptions also affect the reported amount of net income or loss during any period. The actual financial results could differ significantly from these estimates. The significant estimates underlying our financial statements include revenue recognition; recoverability of current and long-lived assets, intangible assets and goodwill; income and transactional taxes, such as potential settlements related to occupancy and excise taxes; loss contingencies; deferred loyalty rewards; and provisions for credit losses, customer refunds.

Seasonality

The Company generally experiences seasonal fluctuations in the demand for our travel services. For example, traditional leisure travel bookings are generally the highest in the first three quarters as travelers plan and book their spring, summer, and winter holiday travel. The number of bookings typically decreases in the fourth quarter. The company receives advance bookings from its travel agents all throughout the year, however the revenue is recognized on the arrival i.e., Travel date.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Company considers all highly liquid debt instruments and other similar short-term investments purchased with an original maturity of three months or less to be cash equivalents

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company's financial statement.

Accounts Receivable from Customers and Allowance for Expected Credit Losses

Accounts receivables are reported net of expected credit losses. The Company estimates expected credit losses upon recognition of the financial assets. The Company has identified the relevant risk characteristics of its customers and the related receivables and prepayments, which include the following: size, type (alternative accommodations vs. hotels) or geographic location of the customer, or a combination of these characteristics. The Company considers the historical credit loss experience, current economic conditions, supportable forecasts of future economic conditions, and any recoveries in assessing the expected credit losses. Other key factors that influence the expected credit loss analysis include customer demographics, payment terms offered in the normal course of business to customers, the nature of competition, and industry-specific factors that could impact the Company's receivables.

Property and Equipment
Property and equipment are stated at cost. When assets are retired or disposed of, their costs and related accumulated depreciation are removed from the account and any gain or loss is included in earnings. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the related assets. Land is not depreciated in accordance with U.S. GAAP. Repair and maintenance expenditures which do not extend the useful lives of the related assets are expensed as incurred.

Trademarks
Trademarks are recorded at cost and are amortized on a straight-line basis over their expected useful life of ten years. See note 3 for additional information.

Website and Internal-use Software Capitalization
Acquisition costs and certain direct development costs associated with website and internal-use software are capitalized and include external direct costs of services and payroll costs for employees devoting time to the software projects principally related to platform development, including support systems, software coding, designing system interfaces, and installation and testing of the software. These costs are recorded as property and equipment and are generally amortized beginning when the asset is substantially ready for use. Costs incurred for enhancements that are expected to result in additional features or functionalities are capitalized and amortized over the estimated useful life of the enhancements. Costs incurred during the preliminary project stage, as well as maintenance and training costs, are expensed as incurred. See note 3 for additional information.

Lease
On January 1, 2019, the Company adopted Accounting Standards Update 2016-02, "Leases", ("ASC 842"). ASC 842 revises the accounting for leases. Under the new lease standard, lessees are required to recognize an operating lease right-of-use assets and a lease liability for substantially all leases. The new lease standard will continue to classify leases as either financing or operating, with classification affecting the pattern of expense recognition.
The Company determines if an arrangement is a lease, or contains a lease, when a contract is signed. The Company determines if a lease is an operating or finance lease and records a lease asset and a lease liability upon lease commencement, which is the date when the underlying asset is made available for use by the lessee. The Company has operating leases for office space. For office space, the Company has elected to combine the fixed payments to lease the asset and any fixed non-lease payments (such as maintenance or utility charges) when determining its lease payments.
The Company uses its incremental borrowing rate as its discount rate to determine the present value of its remaining lease payments to calculate its lease assets and lease liabilities because the rate implicit in the lease is not readily determinable. The incremental borrowing rate approximates the rate the Company would pay to borrow in the currency of the lease payments on a collateralized basis for the weightedaverage life of the lease. Operating lease assets also include any prepaid lease payments and lease incentives received prior to lease commencement.
The Company recognizes operating lease costs and the amortization of finance lease assets on a straight-line basis over the lease term. The interest component of a finance lease is recognized using the effective interest method over the lease term. Certain of the Company's lease agreements include rent payments which are adjusted periodically based on an index or rate. Any change in payments due to such adjustments are recognized as variable lease expenses as they are incurred. Variable lease expenses also include costs for property taxes, insurance, and services provided by the lessor which are charged based on usage or performance (such as maintenance or utility charges).

Impairment of Long-lived Assets
The Company reviews long-lived assets, including intangible assets and operating lease assets, whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The assessment of possible impairment is based upon the Company's ability to recover the carrying value of the assets from the estimated undiscounted future net cash flows, before interest and taxes, of the related asset group. The amount of impairment loss, if any, is measured as the excess of the carrying value of the asset over the present value of estimated future cash flows, using a discount rate commensurate with the risks involved and based on assumptions representative of market participants. The Company has determined that there are no impairment losses for the year ending March 31, 2024.

Revenue

The Company recognizes revenue in accordance with ASC 606 and as such, the Company identifies a contract with a customer, identifies the performance obligations in the contract, determines the transaction price, allocates the transaction price to each performance obligation in the contract and recognizes revenue when (or as) the Company satisfies a performance obligation

The company recognizes revenue upon transfer of control of our promised services in an amount that reflects the consideration we expect to be entitled to in exchange for those services.

We offer travel services on a stand-alone and package basis through the merchant business model. Under the merchant model, we facilitate the booking of hotel rooms, alternative accommodations, and destination services from our travel suppliers, and we are the merchant of record for such bookings.

Merchant Booking: Under this business model we provide our empaneled travel agents to access our booking platform “Premiere” to access hotel room reservations through our contracts with suppliers (lodging, sightseeing), which provide us with rates and availability information for rooms but for which we have no control over the rooms and do not bear inventory risk. Our travel agent pays us for merchant hotel transactions (VIP/FIT) before/after arrival dates depending on nature of contract signed with them. We record the payment in deferred merchant bookings until the stayed night occurs, at which point we recognize the revenue, as this is when our performance obligation is satisfied. Payments to suppliers are generally due within 30 days of check-in or stay. Cancellation fees are collected and remitted to the supplier, if applicable.

Groups/Escorted: They are generally prepaid to us, we send quotes to agencies depending on their travel requests, revenue from both groups and escorted are recognized at a point in time on arrival dates.

Prepaid Merchant Bookings: We classify payments made to suppliers in advance of performance obligations as prepaid

Disaggregation of Revenue:

The Company provide 3 types of tour services:

1. VIP Service: In this service individual travelers willing to travel US make the booking through the Company’s authorized travel agents. During the year 69% of the total revenue was generated from VIP service.
2. Group Service: In this service group travelers willing to travel US make the booking through the Company’s authorized travel agents. During the year 26% of the total revenue was generated from Group service.
3. Escorted Services: In this service Company offers a comprehensive selection of multi-lingual and language exclusive escorted coach programs that represent the essence of both the natural and man-made wonders of the USA. Booking is done through the Company’s authorized travel agents. During the year 5% of the total revenue was generated from Group service.

Fair Value Recognition, Measurement and Disclosure

The carrying amounts of cash and cash equivalents and restricted cash and cash equivalents reported on our balance sheet are approximately fair value as we maintain them with various high-quality financial institutions. The accounts receivables are short-term in nature and are generally settled shortly after the sale.

We disclose the fair value of our financial instruments based on the fair value hierarchy using the following three categories:

Level 1 — Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 — Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Valuations based on unobservable inputs reflecting the Company’s own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Income Taxes

The Company, with the consent of its members, has elected to be treated as an “C” corporation under Section 1362 of the Internal Revenue Code. The Company records income taxes under the liability method. Deferred tax assets and liabilities reflect our estimation of the future tax consequences of temporary differences between the carrying amounts of assets and liabilities for book and tax purposes. We determine deferred income taxes based on the differences in accounting methods and timing between financial statement and income tax reporting. Accordingly, we determine the deferred tax asset or liability for each temporary difference based on the enacted tax rates expected to be in effect when we realize the underlying items of income and expense.

We consider many factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience by jurisdiction, expectations of future taxable income, and the carryforward periods available to us for tax reporting purposes, as well as other relevant factors. We may establish a valuation allowance to reduce deferred tax assets to the amount we believe is more likely than not to be realized. Due to inherent complexities arising from the nature of our businesses, future changes in income tax law, tax sharing agreements or variances between our actual and anticipated operating results, we make certain judgments and estimates. Therefore, actual income taxes could materially vary from these estimates. All deferred income taxes are classified as long-term on our balance sheets.

Selling and Marketing Expenses

The Company's advertising expenses are reported in "Selling and marketing expenses" in the Statements of Income. Selling and marketing expenses consist of performance marketing expenses. Performance marketing expenses are expenses generally measured by return on investment or an increase in bookings over a specified time period. These expenses consist primarily of the costs of: (1) search engine keyword purchases; (2) referrals from meta-search and travel research websites; (3) affiliate programs; (4) offline and online brand marketing;

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Mumbai
FRN:143170W
Chartered Accountants

Personnel
Personnel expenses consist of compensation to the Company's personnel, including salaries, stockbased compensation, bonuses, payroll taxes and employee health and other benefits.
The Company maintains a defined contribution 401(k) savings plan covering certain U.S. employees.

Technology and Content
Technology and content expenses consist primarily of: (1) software license and system maintenance fees; (2) outsourced data center and cloud computing costs; (3) payments to contractors; and (4) data communications and other expenses associated with operating the Company's services.

Goodwill
We assign the value of the consideration transferred to acquire a business to the tangible assets and identifiable intangible assets acquired and liabilities assumed on the basis of their fair values at the date of acquisition. Any excess purchase price over the fair value of the net tangible and intangible assets acquired is allocated to goodwill. During 2018, Thomas Cook India Limited acquired 100% shareholding of AlliedTPro which generated the goodwill amounted to $2,462,283.
Goodwill is evaluated for impairment on an annual basis. During FY 2023-24, the Company performed its annual goodwill impairment test and concluded that there was no impairment of goodwill.

Certain Risks and Concentrations
Our business is subject to certain risks and concentrations including dependence on relationships with travel suppliers and hotels, dependence on third-party technology providers, exposure to risks associated with online commerce security and payment related fraud. We also rely on global distribution system partners and third-party service providers for certain fulfillment services.
Financial instruments, which potentially subject us to concentration of credit risk, consist primarily of cash and cash equivalents. We maintain some cash and cash equivalents balances with financial institutions that are in excess of Federal Deposit Insurance Corporation insurance limits. Our cash and cash equivalents are primarily consisting of bank (both interest and non-interest bearing) account balances denominated in U.S. dollars.

Horizon Travel Services LLC
Notes forming part of the Financial Statements for the year ended March 31, 2025
(Amount in USD, unless otherwise stated)

2 Property, plant and equipment

Particulars	Freehold Land	Building	Leasehold Improvement	Plant and Machinery	Furniture and Fixtures	Computers	Vehicles	Total
Gross Block:								
As on 01 April 2023	**-**	**-**	**30,939**	**-**	**1,15,926**	**1,33,192**	**-**	**2,80,056**
Additions / Adjustment	-	-		-		33,510	-	33,510
Disposals / Adjustment	-	-	-8,944	-	-40,734	-	-	-49,678
As on 31 March 2024	**-**	**-**	**21,994**	**-**	**75,191**	**1,66,702**	**-**	**2,63,888**
Additions	-	-	-	-	-	3,501	-	3,501
Disposals	-	-	-	-	-	-	-	-
As on 31 March 2025	**-**	**-**	**21,994**	**-**	**75,191**	**1,70,203**	**-**	**2,67,388**
Accumulated Depreciation:								
As on 01 April 2023	**-**	**-**	**26,452**	**-**	**96,578**	**1,32,120**	**-**	**2,55,150**
Charge for the year	-	-	4,487	-	19,347	5,340	-	29,174
Depreciation on Disposals	-	-	-8,944	-	-40,734	-	-	-49,678
Impairment revesal	-	-		-			-	-
								-
As on 31 March 2024	**-**	**-**	**21,995**	**-**	**75,191**	**1,37,460**	**-**	**2,34,646**
Charge for the year	-	-	-	-	-	12,776	-	12,776
Depreciation on Disposals	-	-	-	-	-	-	-	-
As on 31 March 2025	**-**	**-**	**21,995**	**-**	**75,191**	**1,50,237**	**-**	**2,47,422**
Net Carrying Amount:								
As on 31 March 2024	**-**	**-**	**-0**	**-**	**1**	**29,242**	**-**	**29,242**
As on 31 March 2025	**-**	**-**	**-0**	**-**	**1**	**19,966**	**-**	**19,966**

3 Right-of-use Assets

Gross Carrying amount	Land	Buildings	Total
As on 01 April 2023		**21,44,666**	**21,44,666**
Additions / Adjustment		-	-
Disposals / Adjustment		-2,36,576	-2,36,576
classified as held for sale		-	
(impairment)/ reversal of impairment	-	-	-
As on 31 March 2024	**-**	**19,08,090**	**19,08,090**
Additions / Adjustment	-	-	-
Disposals / Adjustment	-	-	-
classified as held for sale	-	-	-
As on 31 March 2025	**-**	**19,08,090**	**19,08,090**
Accumulated depreciation			
As on 01 April 2023	**-**	**9,41,424**	**9,41,424**
Charge for the year	-	2,18,432	2,18,432
Depreciation on Disposals	-	-2,36,576	-2,36,576
(impairment)/ reversal of impairment	**-**	-	-
As on 31 March 2024	**-**	**9,23,280**	**9,23,280**
Charge for the year	-	1,84,656	1,84,656
Depreciation on Disposals	-	-	-
As on 31 March 2025	**-**	**11,07,936**	**11,07,936**
Net Carrying Amount			
As on 31 March 2024	**-**	**9,84,810**	**9,84,810**
As on 31 March 2025	**-**	**8,00,154**	**8,00,154**

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4 Other Intangible Assets

	Goodwill	Computer Softwares	Trademarks	Total
Gross Carrying amount				
As on 01 April 2023	**24,62,283**	**4,39,970**	**82,284**	5,22,254
Additions / Adjustment		49,068	-	**49,068**
Disposals / Adjustment		-	-	-
As at 31 March 2024	**24,62,283**	**4,89,038**	**82,284**	**30,33,605**
Additions / Adjustment		9,275	-	9,275
Disposals / Adjustment		-	-	-
As on 31 March 2025	**24,62,283**	**4,98,313**	**82,284**	**30,42,880**
Accumulated Amortisation				
As on 01 April 2023	**-**	**3,81,421**	**20,216**	**4,01,637**
Additions / Adjustment	-	42,737	7,797	50,533
Disposals / Adjustment				
As at 31 March 2024	**-**	**4,24,158**	**28,012**	**4,52,171**
Additions / Adjustment	-	37,252	7,796	45,048
Disposals / Adjustment	-	-	-	-
As on 31 March 2025	**-**	**4,61,410**	**35,809**	**4,97,219**
Net Carrying Amount				
As at 31 March 2024	**24,62,283**	**64,880**	**54,272**	**25,81,435**
As at 31 March 2025	**24,62,283**	**36,903**	**46,475**	**25,45,662**

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Chartered Accountants

5 Financial Assets- Investments

Non-current	**As at 31 March 2025**		**As at 31 March 2024**	
	Units	**Amount**	**Units**	**Amount**
Unquoted Investment carried at				
Investment in Equity instruments				
Investment In Subsidiary : A Evolution Leisure Inc 1,000 each fully paid	-	10,000		10,000
Less: Impaired	-	-	-	
Investment In Subsidiary : AlliedTPro TR. CAD Ltd of 25,000 shares each fully paid of $1 CAD		20,337		20,337
Investment In Subsidiary : Allied New World, LLC of 500 units of $ 20 each		10,000		10,000
Total		**40,337**		**40,337**

6 Other financial assets

Non-current	**31 March 2025**	**31 March 2024**
Financial instruments at amortised cost		
Security and Other Deposits (unsecured)		
considered good	36,925	35,239
Total	**36,925**	**35,239**

Current	**31 March 2025**	**31 March 2024**
Security and Other Deposits		
considered good	1,06,501	1,15,080
credit impaired	-	
(less): allowance for doubtful receivables	-	-
Others - Other financial Assets (commission, rebates and costs recharge receivable)	2,70,866	1,30,113
	3,77,367	**2,45,193**

7 Income tax assets

	31 March 2025	**31 March 2024**
Opening Balance	**7,391**	6,341
Less: charged off during the year	(78,243)	(6,675)
Add: Taxes Paid	72,289	7,725
Closing Balances	**1,437**	**7,391**
Disclosed as:		
Non-Current Tax Assets (as per Balance sheet)	**1,437**	**7,391**
Current Tax Liability (as per Balance sheet)		
	1,437	**7,391**

8 Other assets

Non-current	**31 March 2025**	**31 March 2024**
Capital advance	-	-
Prepaid Expenses and other advances		
considered good	5,543	7,206
credit impaired	-	-
(less): allowance for doubtful receivables	-	-
Total other non-current assets	**5,543**	**7,206**

Current	**31 March 2025**	**31 March 2024**
Advance to suppliers and others	16,80,938	15,90,942
Prepaid Expenses and other advances	60,490	53,360
	17,41,428	**16,44,302**

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9 Trade receivables

	31 March 2025	31 March 2024
	-	-
Secured, considered good		
Unsecured		
-Considered good	7,62,095	12,67,563
-Considered doubtful	-	-
Receivables which have significant increase in Credit Risk	-	-
Receivables credit impaired	-	-
Total	7,62,095	12,67,563
Allowance for bad and doubtful debts		
Secured, considered good	-	-
Unsecured		
-Considered good	(55,924)	(55,924)
-Considered doubtful	-	-
Receivables which have significant increase in Credit Risk	-	-
Receivables credit impaired	-	-
Total	(55,924)	(55,924)
Total Trade Receivable	**7,06,172**	**12,11,640**

Ageing of Trade Receivables

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	4,00,828	1,73,669.22	98,779.38	25,619.48	42,026.64	21,173.69	7,62,097
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)					(6,707)	(36,538)	(12,680)	(55,925)
Total	**-**	**4,00,828**	**1,73,669**	**98,779**	**18,913**	**5,489**	**8,494**	**7,06,172**

SHAH MULEWA & ASSOCIATES
Mumbai
FRN:143170W
Chartered Accountants

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	4,60,126	4,19,324	3,13,948	53,787	3,596	16,780	12,67,563
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(55,924)	-	-	-	-	-	(55,924)
Total	**-**	**4,04,203**	**4,19,324**	**3,13,948**	**53,787**	**3,596**	**16,780**	**12,11,640**

SHAH MULEWA & ASSOCIATES
Mumbai
FRN:143170W
Chartered Accountants

10 Cash and cash equivalents	**31 March 2025**	**31 March 2024**
Balances with banks:		
in current accounts	28,88,653	30,13,644
in Fixed deposit with original maturity of less than 3 months	-	
Cash on hand	-	
	28,88,653	**30,13,644**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents	**31 March 2025**	**31 March 2024**
Balances with banks:		
in current accounts	28,88,653	30,13,644
Cash on hand	-	-
	28,88,653	**30,13,644**

Horizon Travel Services LLC
Notes forming part of the Financial Statements for the year ended March 31, 2025
(Amount in USD, unless otherwise stated)

11 Share capital

Issued, subscribed and paid up		
Common Stock	9,75,000.00	9,75,000.00
Total	**9,75,000.00**	**9,75,000.00**

(i) outstanding at the beginning

	31-Mar-25		31-Mar-24	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Outstanding at the beginning of the year	10,000	9,75,000.00	10,000	9,75,000.00
		-		-
Outstanding at the end of the year	**10,000**	**9,75,000.00**	**10,000**	**9,75,000.00**

12 Other equity

	31 March 2025	31 March 2024
Reserves and Surplus		
Surplus/(deficit) in the Statement of Profit and Loss	(52,69,227)	(71,63,651)
	(52,69,227)	**(71,63,651)**

(A) Surplus/(deficit) in the Statement of Profit and Loss

	31 March 2025	31 March 2024
Opening balance	(71,63,651)	(78,78,397)
Add: Profit for the current year	18,94,425	7,14,746
Less: Dividend declared	-	-
Closing balance	**(52,69,227)**	**(71,63,651)**

13 Trade payables

	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,16,831	35,99,285
Total trade payables	**28,16,831**	**35,99,285**

13.01 Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	31 March 2025	31 March 2024
(a) Principal amount and interest due theron remaining unpaid to any supplier as at the end of the accounting year		-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the pa	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyo	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the	-	-

13.02 **Trade Payables ageing schedule**

31 March 2025

Particulars	Unbilled	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME			-	-	-		-
(ii) Disputed dues – MSME		-	-	-	-	-	-
(iii) Others		-	22,96,878	5,14,144	5,810	-	28,16,832
(iv)Disputed dues - Others		-	-	-	-	-	-
Total		**-**	**22,96,878.33**	**5,14,143.88**	**5,809.73**	**-**	**28,16,832**

31 March 2024

Particulars	Unbilled	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME							-
(ii) Disputed dues – MSME							-
(iii) Others	-		31,36,131	4,60,154	3,000.00	-	35,99,286
(iv)Disputed dues - Others		-	-	-	-	-	-
Total	**-**	**-**	**31,36,131.40**	**4,60,154.35**	**3,000.00**	**-**	**35,99,286**

14 Other financial liabilities

	31 March 2025	31 March 2024
Non current		
Security deposits received	4,82,151	5,07,151
Liabilities against Fixed Assets [Capital Creditors]	-	
	4,82,151	**5,07,151**
Other payables		
Interest payable to Related parties	21,74,432	16,78,478
Inter company Payables [OFL]	81,827	64,469
Total other financial liabilities	**22,56,259**	**17,42,947**

15 Other current liabilities

	31 March 2025	31 March 2024
Others - Other Current Liabilities	6,77,364	4,92,939
Advances from customers	28,26,322	31,14,337
Statutory dues payable	-	1,824
Total other current liabilities	**35,03,686**	**36,09,100**

16 Revenue from operations	**31 March 2025**	**31 March 2024**
Sale of Services	6,04,54,141	5,37,07,298
Commission income	4,29,601	3,78,310
Amex Rebate	6,71,545	6,66,898
Total revenue from operations from continuing operations	**6,15,55,287**	**5,47,52,506**

17 Other income	**31 March 2025**	**31 March 2024**
Interest income:		
on security deposits designated as amortized cost	1,686	1,609
Other non operating income:		
Gain on sale/disposal of property, plant and equipment (net)	-	13,000
Miscellaneous income	9,37,714	8,05,813
Inter company other income	1,20,921	1,05,418
Provisions no loger required written back	4,03,778	-
Total other income	**14,64,099**	**9,25,840**

18 Cost of services

	31 March 2025	**31 March 2024**
Cost of services	5,42,68,263	4,86,52,066
Cost of services	**5,42,68,263**	**4,86,52,066**

19 Employee benefits expense	**31 March 2025**	**31 March 2024**
Salaries, wages, bonus and other allowances	25,08,503	23,60,567
Contribution to Provident Fund and other funds	3,54,345	3,35,344
Staff welfare expenses	2,22,105	1,94,903
Staff Training, Recruitment and Other Costs	17,049	16,493
Incentives to Staff	3,00,810	2,50,674
Total employee benefits expense	**34,02,811**	**31,57,981**

20 Finance costs	**31 March 2025**	**31 March 2024**
Interest on lease liabilities	61,991	73,314
Interest and finance charges on financial liabilities not at fair value through profit and loss	4,95,954	5,99,704
Other Finance Charges	2,42,368	1,40,126
Total finance costs	**8,00,313**	**8,13,144**

21 Depreciation and amortization expense	31 March 2025	31 March 2024
Depreciation of property, plant and equipment	12,776	29,174
Amortization of intangible assets	45,048	50,533
Depreciation of Right-of-use assets	1,84,656	2,18,432
Total depreciation and amortization expense	**2,42,480**	**2,98,139**

22 Other expenses	31 March 2025	31 March 2024
Rent	47,345	59,378
Rates, taxes and license fees	430	957
Advertisement and marketing expenses	60,130	56,574
Repairs to Others	3,32,529	3,41,055
Travel and conveyance	1,35,837	1,18,111
Insurance	60,326	44,458
Legal and professional charges	8,38,929	6,57,485
Miscellaneous expenses	20,126	15,156
Group Resources Cost (GRC) I/C	1,66,323	1,59,833
Inter company other expenses	2,19,596	1,78,421
Printing and Stationery	23,039	26,784
Communication expenses	33,015	37,411
Provisions for doubtful debts and Advances (net off bad debt written off)	-	22,156
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	20,655	14,203
Misc balance written off	-	495
Total other expenses	**19,58,281**	**17,32,477**

23 Income Tax and Deferred Tax

a. **Income tax expense charged to the statement of profit or loss**	**31 March 2025**	**31 March 2024**
Current tax	78,243	6,675
Adjustments in respect of current income tax of previous year	-	-
Deferred tax	3,74,570	3,03,116
Income tax expense reported in the statement of profit or loss	**4,52,813**	**3,09,791**

b. **Income tax expense charged to OCI**	**31 March 2025**	**31 March 2024**
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	**-**	**-**

c. **Income tax expense attributable to**		
Profit from continuing operations	4,52,813	3,09,791
Profit from discontinued operation	-	-
	4,52,813	**3,09,791**

d. Deferred tax assets/ liabilities (net)

Year ended 31 March 2025	**Opening Balance**	**Recognised/ (reversed) in Profit or loss**	**Recognised/ (reversed) in other comprehensive income**	**closing balance**
Deferred tax assets				
On unabsorbed Business losses	17,82,437	(3,74,570)		14,07,867
	17,82,437	**(3,74,570)**	**-**	**14,07,867**
Deferred tax liabilities				
Right of Use assets	-	-	-	-
	-	**-**	**-**	**-**
Deferred tax assets, net	**17,82,437**	**(3,74,570)**	**-**	**14,07,867**

Year ended 31 March 2024	**Opening Balance**	**Recognised/ (reversed) in Profit or loss**	**Recognised/ (reversed) in other comprehensive income**	**closing balance**
Deferred tax assets				
On unabsorbed Business losses	20,85,553	(3,03,116)	-	17,82,437
	20,85,553	**(3,03,116)**	**-**	**17,82,437**
Deferred tax liabilities				
Right of Use assets	-	-	-	-
	-	**-**	**-**	**-**
Deferred tax assets, net	**20,85,553**	**(3,03,116)**	**-**	**17,82,437**

With the certainity of taxable income in future years the company has created deferred tax assets and deferred tax liability, as required.

Recognition of deferred tax asset to the extent of deferred tax liability

Balance sheet	**31 March 2025**	**31 March 2024**
Deferred tax asset	14,07,867	17,82,437
Deferred tax liabilities	-	-
Deferred tax assets/ (liabilities), net	**14,07,867**	**17,82,437**

24 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2025	31 March 2024
Profit attributable to equity holders		
Continuing Operations	18,94,424	7,14,746
Profit attributable to equity holders from continuing operations	18,94,424	7,14,746
Less: preference dividend	-	
Profit attributable to equity holders after preference dividend for **basic EPS**	18,94,424	7,14,746
Add: Interest on convertible bonds	-	-
Profit/ (Loss) attributable to equity holders adjusted for the effect of dilution	18,94,424	7,14,746
Weighted average number of equity shares for basic EPS*	9,75,000	9,75,000
Weighted average number of equity shares adjusted for the effect of dilution	**9,75,000**	**9,75,000**
Basic earnings per ordinery share (in INR)	**1.94**	**0.73**
Diluted earnings per ordinery share (in INR)	**1.94**	**0.73**

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

25 Changes in the Lease liabilities

Particulars	**Category of ROU Asset**		
	Land	**Buildings**	**Total**
As at 01 April 2023	-	14,62,553	14,62,553
Additions	-		-
Interest on lease liabilities during the year	-	73,314	73,314
(less) payments made during the year	-	(2,92,822)	(2,92,822)
(less) disposals during the year (cancellation of leases)			-
As at 31 March 2024	**-**	**12,43,045**	**12,43,045**
Additions	-	-	-
Interest on lease liabilities during the year	-	-	-
(less) payments made during the year	-	(2,68,224)	(2,68,224)
(less) disposals during the year (cancellation of leases)		61,991	61,991
As at 31 March 2025	**-**	**10,36,812**	**10,36,812**

25.01 Break-up of current and non-current lease liabilities

	31 March 2025	31 March 2024
Non-current Lease Liabilities	8,18,946	10,36,810
Current Lease Liabilities	2,17,866	2,06,233

25.02 Maturity analysis of lease liabilities

Particulars	**31 March 2025**	**31 March 2024**
Less than one year	2,17,866	2,06,233
One to five years	8,18,946	10,36,812
More than five years	-	0
Total	**10,36,812**	**12,43,045**

As per Para B11 of Ind AS 107 Financial Instruments: Disclosure, In preparing the maturity analyse an entity uses its judgement to determine an appropriate number of time bands.

25.03 Amounts recognised in statement of Profit and Loss account

Particulars	**31 March 2025**	**31 March 2024**
Interest on Lease Liabilities	4,95,954	5,99,704
Low-value and Short-term leases expensed	47,345	59,378
Total	**5,43,299**	**6,59,082**

25b **Borrowings**

Particulars	**31 March 2024**	**31 March 2023**
Inter Company Loan - Short Term	47,70,000	70,70,000
Total	**47,70,000**	**70,70,000**

26 Segment reporting

The Company derives its revenue primarily from the sale of tour packages. Detailed information regarding revenue from customers, including its composition and recognition, is disclosed under Note No. 18 of the financial statements.

Horizon Travel Services LLC
Notes forming part of the Financial Statements for the year ended March 31, 2025
(Amount in USD, unless otherwise stated)

27 Related Party Disclosures

(a) Parent Entities

The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)
			31st Mar, 2024
Thomas Cook (India) Limited [TCIL]	Parent entity	India	100.0%

(b) Name of the related party and related party relationship

Name of Entity	Place of Business/country of incorporation	Relationship
Thomas Cook (India) Limited [TCIL]	India	Holding Company
SOTC Travel Ltd [SOTC]	India	Fellow Subsidiary
Thomas Cook (Mauritius) Holding Company Limited [TCM Holding]	Mauritius	Fellow Subsidiary
Desert Adventures Tourism LLC [DADUB]	Mauritius	Fellow Subsidiary
AlliedTPro Travel Canada Limited	Canada	Subsidiary
Asian Trails Ltd [ATT]	Thailand	Fellow Subsidiary
Travel Corporation (India) Limited [TCI]	India	Fellow Subsidiary

27A Transaction with related parties:

Related Party Name	Nature of Transaction	Currency	Amount
Thomas Cook (India) Limited [TCIL]	Travel Related Servi	USD	26,87,834
Thomas Cook (India) Limited [TCIL]	Group Resources Sa	USD	1,45,33,630
Thomas Cook (India) Limited [TCIL]	Corporate Guarante	USD	28,89,606
Thomas Cook (India) Limited [TCIL]	Other Expenses	USD	1,71,94,554
Thomas Cook (India) Limited [TCIL]	Interest expense	USD	4,94,207
SOTC Travel Ltd [SOTC]	Group Resources co	USD	3,378
Travel Circle International (Mauritius) Ltd [T	Interest expense	USD	1,748
SOTC Travel Ltd [SOTC]	Other Income	USD	7,372
Asian Trails Ltd [ATT]	Other Income	USD	1,000
Desert Adventures Tourism LLC [DADUB]	Other Income	USD	6,000
AlliedTPro Travel Canada Limited	Other Income	USD	1,07,671
SOTC Travel Ltd [SOTC]	Travel Related Servi	USD	17,59,815
AlliedTPro Travel Canada Limited	Travel Related Servi	USD	8,96,074
			3,96,86,814

SHAH MULEWA & ASSOCIATES
Mumbai
FRN:143170W
Chartered Accountants

27B Balances with related parties

Related Party Name	Nature of Transaction	Currency	Amount
Thomas Cook (India) Limited [TCIL]	Trade payables	USD	3,50,334
SOTC Travel Ltd [SOTC]	Trade payables	USD	5,023
Thomas Cook (India) Limited [TCIL]	Short Term Loan	USD	47,70,000
Travel Circle International (Mauritius) Ltd [TCIM	Interest Payable	USD	4,16,765
Thomas Cook (India) Limited [TCIL]	Interest Payable	USD	17,57,667
SOTC Travel Ltd [SOTC]	Other Payables	USD	336
Asian Trails Ltd [ATT]	Other Payables	USD	80,800
Desert Adventures Tourism LLC [DADUB]	Other Payables	CAD	691
Thomas Cook (India) Limited [TCIL]	Trade receivables	USD	98,376
SOTC Travel Ltd [SOTC]	Trade receivables	USD	24,382
Asian Trails Ltd [ATT]	Trade receivables	USD	250
Desert Adventures Tourism LLC [DADUB]	Trade receivables	USD	7,500
AlliedTPro Travel Canada Limited	Trade receivables	USD	14,075
			75,26,200

28 Other disclosures

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

b. The Management confirms that the Company is not declared a wilful defaulter (as defined by RBI Circular) by Any bank or financial Institution or other lender.

c. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act,

d. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

f. The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

g. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

29 Events after the reporting period

No Significant Subsequent events have been observed which may require an adjustments to the financial statements.

30 Prior year comparatives are regrouped / reclassified whereever necessery to conform to current period presentation.

As per our report of even date

For Shah Mulewa & Associates
Chartered Accountants
Firm Registration No.: 0143170W

Abhishek Shah
Partner
Membership No. 158892

For and on behalf of the Board of Directors of
Horizon Travel Services LLC

Sameer Shelar
Chief Financial Officer

Place: Mumbai
Date: 09-07-2025

AlliedTPro Travel Canada Limited
Balance Sheet as at 31st March, 2025

Amounts in CAD

Particulars	Notes	As at 31st March, 2025
ASSETS		
Non-current assets:		
Property, plant and equipment	3	-
Capital work-in-progress	3	-
Goodwill	4	-
Other intangible Assets	4	-
Right of Use Assets	4(a)	-
Intangible assets under development		
Investment accounted for using equity method	5	-
Investment in subsidiaries	5	-
Financial assets		
- Non current investments	5	-
- Loans		
- Other financial assets	6(e)	-
Other non-current assets	7	-
Non Current Income Tax assets	9	-
Deferred tax assets (net)	16	-
Total non-current assets		**-**
Current assets:		
Inventories		
Financial assets		
- Investments	6(a)	-
- Trade receivables	6(b)	4,54,510
- Cash and cash equivalents	6(c)	5,92,514
- Bank balances other than cash and cash equivalents	6(d)	-
- Other financial assets	6(e)	-
Other current assets	8	26,635
Total current assets		**10,73,659**
TOTAL ASSETS		**10,73,659**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	10(a)	25,000
Preference share capital	10(a)	-
Other equity		
Share application money pending allotment		-
Reserve and surplus	10(b)	44,149
Total Equity		**69,149**
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
- Borrowings	11(a)	-
- Lease Liabilities	11(c)	-
- Other financial liabilities	11(c)	(409)
Provisions	14	-
Employee Benefit Obligations	15	-
Deferred tax liabilities (net)	16	-
Other non-current liabilities	12	-
Total non-current liabilities		**(409)**
Current liabilities		
Financial liabilities		
- Borrowings	11(b)	-
- Lease Liabilities	11(c)	-
- Trade payables	11(d)	3,58,728
- Other financial liabilities	11(c)	-
Provisions	14	-
Employee Benefit Payable	15	-
Current Income Tax Liabilities	9	27,693
Other current liabilities	13	6,18,498
Total current liabilities		**10,04,919**
TOTAL LIABILITIES		**10,04,510**
TOTAL EQUITY AND LIABILITIES		**10,73,659**

Summary of Significant Accounting Policies
The above balance sheet should be read in conjunction with the accompanying notes.

Sameer Shelar - SFO

AlliedTPro Travel Canada Limited
Statement of Profit And Loss for the 12 months ended 31st March 2025

Amounts in CAD

Particulars	Notes	12 months ended 31st March 2025
Income		
Revenue from operations	17	30,79,168
Other income	18(a)	-
Other gains (net)	18(b)	-
Total income		**30,79,168**
Expenses		
Cost of services		28,01,183
Employee benefits expense	19	-
Finance Cost	22	11,715
Advertisement Expenses		-
Depreciation and amortisation expense	20	334
Other expenses	21	1,73,626
Total expenses		**29,86,858**
Profit before exceptional item		**92,310**
Add Exceptional items:		
Less Exceptional items:		
(Loss)/Profit before tax		**92,310**
Less : Tax expense		
Current tax	23	27,693
Deferred tax	23	-
Total tax expenses		**27,693**
(Loss)/Profit for the year (A)		**64,617**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Foreign exchange translation on consolidation		-
Income tax relating to items that will not be reclassified to profit or loss		
Total other comprehensive income for the year, net of taxes (B)		**-**
Total comprehensive income for the year (A+B)		**64,617**
Earnings/(Loss) per equity share (Face value of INR 1 each)	34	
- Basic earnings/(loss) per share		0.07
- Diluted earnings/(loss) per share		NA

Summary of Significant Accounting Policies **2**
The above statement of profit and loss should be read in conjunction with the accompanying notes.

Sameer Shelar - SFO

Kuoni Australia Holding Pty Ltd

ABN 78 133 084 714

Annual Report - 31 December 2024

Kuoni Australia Holding Pty Ltd
Directors' report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Kuoni Australia Holding Pty Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2024.

Directors
The following persons were directors of Kuoni Australia Holding Pty Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Eng Waa Teh
Laurent Kuenzle
Madhavan Karunakaran Menon
Sebastian Alex Mendonca

Principal activities
The principal activity of the company during the financial year was investment holding of Australian Tours Management Pty Ltd. The company did not generate revenue during the year.

There has been no significant change in the nature of the entity's principal activity during the year.

The principal activities of Australian Tours Management Pty Ltd during the financial year were managing and co-ordinating tours. No significant change in the nature of this activity occurred during the year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $1,114,988 (31 December 2023: $1,525,796).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The company expect to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental regulation
The company operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Shares under options
There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Dividends
No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Indemnification and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Kuoni Australia Holding Pty Ltd
Directors' report
31 December 2024

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh
Director

Laurent Kuenzle
Director

30 May 2025
Melbourne

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Kuoni Australia Holding Pty Ltd

As lead auditor for the audit of Kuoni Australia Holding Pty Ltd for the year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kuoni Australia Holding Pty Ltd and the entities it controlled during the year.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 30 May 2025

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Kuoni Australia Holding Pty Ltd
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General information

The financial statements cover Kuoni Australia Holding Pty Ltd as a consolidated entity consisting of Kuoni Australia Holding Pty Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Kuoni Australia Holding Pty Ltd's functional and presentation currency.

Kuoni Australia Holding Pty Ltd is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

L 1 28 VICTORIA STREET
CARLTON, VICTORIA, 3053
Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 May 2025. The directors have the power to amend and reissue the financial statements.

Kuoni Australia Holding Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Revenue			
Sales Revenue	3	12,484,563	9,054,767
Cost of Sales		(10,632,031)	(7,699,811)
Gross profit		1,852,532	1,354,956
Expenses			
Employee benefits expense		(1,484,268)	(1,354,641)
Depreciation and amortisation expense		(10,237)	(10,208)
Other expenses		(17,008)	(9,627)
Administration		(1,456,007)	(1,506,276))
Loss before income tax expense		(1,114,988)	(1,525,796)
Income tax expense	4	-	-
Loss after income tax expense for the year attributable to the owners of Kuoni Australia Holding Pty Ltd	12	(1,114,988)	(1,525,796)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Kuoni Australia Holding Pty Ltd		(1,114,988)	(1,525,796)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Kuoni Australia Holding Pty Ltd
Statement of financial position
As at 31 December 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Assets			
Current assets			
Cash and cash equivalents	5	900,452	134,064
Trade and other receivables	6	1,497,978	946,369
Prepaid Expense	7	1,250,142	71,194
Total current assets		3,648,572	1,151,627
Non-current assets			
Property, plant and equipment		7,236	15,713
Deferred tax	8	144,301	144,301
Total non-current assets		151,537	160,014
Total assets		3,800,109	1,311,641
Liabilities			
Current liabilities			
Trade and other payables	9	7,026,137	3,669,705
Financial liabilities	10	8,763,245	8,538,245
Employee benefits provisions		85,395	97,978
Total current liabilities		15,874,777	12,305,928
Non-current liabilities			
Employee benefits provisions		110,043	75,436
Total non-current liabilities		110,043	75,436
Total liabilities		15,984,820	12,381,364
Net liabilities		(12,184,711)	(11,069,723)
Equity			
Issued capital		500,000	500,000
Accumulated losses	12	(12,684,711)	(11,569,723)
Total deficiency in equity		(12,184,711)	(11,069,723)

The above statement of financial position should be read in conjunction with the accompanying notes

Kuoni Australia Holding Pty Ltd
Statement of changes in equity
For the year ended 31 December 2024

Consolidated	Issued capital $	Reserves $	Retained profits $	Non-controlling interest $	Total deficiency in equity $
Balance at 1 January 2023	500,000	-	(10,043,927)	-	(9,543,927)
Loss after income tax expense for the year	-	-	(1,525,796)	-	(1,525,796)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	(1,525,796)	-	(1,525,796)
Balance at 31 December 2023	500,000	-	(11,569,723)	-	(11,069,723)

Consolidated	Issued capital $	Reserves $	Retained profits $	Non-controlling interest $	Total deficiency in equity $
Balance at 1 January 2024	500,000	-	(11,569,723)	-	(11,069,723)
Loss after income tax expense for the year	-	-	(1,114,988)	-	(1,114,988)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	(1,114,988)	-	(1,114,988)
Balance at 31 December 2024	500,000	-	(12,684,711)	-	(12,184,711)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Kuoni Australia Holding Pty Ltd
Statement of cash flows
For the year ended 31 December 2024

	Note	Consolidated 2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		11,932,960	8,656,953
Payments to suppliers and employees		(11,389,806)	(8,729,023)
		543,154	(78,070)
Interest received		-	-
Net cash used in operating activities		543,154	(78,070)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,760)	(5,770)
Net cash used in investing activities		(1,760)	(5,770)
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		541,394	(83,840)
Cash and cash equivalents at the beginning of the financial year		(8,404,181)	(8,320,341) (7
Cash and cash equivalents at the end of the financial year		(7,862,787)	(8,404,181) (7

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These consolidated general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These consolidated financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures and AASB 1 *First time adoption of Australian Accounting Standards* has been applied. An explanation of how the transition to Australian Accounting Standards - Simplified Disclosures has affected the reported financial position, financial performance and cash flows of the consolidated entity has been provided in Note 1

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kuoni Australia Holding Pty Ltd ('company' or 'parent entity') as at 31 December 2024 and the results of all subsidiaries for the year then ended. Kuoni Australia Holding Pty Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 1. Material accounting policy information (continued)

Revenue recognition
The consolidated entity recognises revenue as follows:

Sales revenue
The company renders a wide range of travel services. The revenue from rendering these services is recognised in the statement of comprehensive income at the time when the significant risks and rewards are transferred to the customers. In the case of destination management activities, this is generally on the date of arrival.

Revenue comprises net sales revenues from the tour operating business (after deduction of sales taxes, goods and services tax, discounts and commissions).

Unconditional payments due from customers for satisfied performance obligations are recorded as sales receivables within other assets on the Statement of Financial Position. Customer prepayments are recorded as deferred revenue within accounts payable and accrued liabilities on Statement of Financial Position and are not recognised as revenue until the provision of services occurs. Certain contracts include multiple deliverables which are accounted for as separate performance obligations, with the transaction price allocated among the performance obligations based on their individual selling prices.

Income tax
The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences are recognized only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entity where it is intended that net settlement or simultaneous realization and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Note 1. Material accounting policy information (continued)

Tax Consolidation

Kuoni Australia Holding Pty Ltd and its controlled entities have formed an income tax consolidated group under Australian tax consolidation legislation. Kuoni Australia Holding Pty Ltd, the parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses to the extent that they are recoverable, for the tax consolidated group. The tax consolidated group has also entered a tax funding agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 1. Material accounting policy information (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The directors have determined that as there is no certainty that the tax losses will be available for offset against future taxable income. On this basis, deferred tax assets have not been recognised the financial statements.

Note 3. Revenue

	Consolidated	
	2024	2023
	$	$
Sales - external parties	7,758,440	5,637,500
Sales - related parties	4,726,123	3,417,267
	12,484,563	9,054,767

The Company operates in only one geographical region being Australia.

Note 4. Income tax expense

	Consolidated 2024 $	Consolidated 2023 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(1,114,988)	(1,525,796)
Tax at the statutory tax rate of 30%	(334,496)	(457,739)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax asset not recognised	334,496	457,739
Income tax expense	-	-

Note 5. Current assets - cash and cash equivalents

	Consolidated 2024 $	Consolidated 2023 $
Cash and cash equivalents	900,452	134,064

Note 6. Current assets - trade and other receivables

	Consolidated 2024 $	Consolidated 2023 $
Trade receivables	1,504,443	950,024
Less: Allowance for expected credit losses	(146)	(368)
	1,504,297	949,656
Other receivables	(6,319)	(3,287)
	1,497,978	946,369

Note 7. Pre-paid Expense

	Consolidated 2024 $	Consolidated 2023 $
Deposits to suppliers for accommodation, coaches, meals and attractions	1,250,142	71,194

Note 8. Non-current assets - deferred tax

	Consolidated 2024 $	Consolidated 2023 $
Deferred tax asset	144,301	144,301

Note 9. Current liabilities - trade and other payables

	Consolidated 2024 $	Consolidated 2023 $
Trade payables	6,903,950	3,556,748
Customer deposits	122,187	112,957
	7,026,137	3,669,705

Note 10. Current liabilities - borrowings

	Consolidated 2024 $	Consolidated 2023 $
Advances from related parties – other entities ultimately controlled by Fairfax Financial Holdings Limited	8,763,245	8,538,245

Note 11. Equity - Contributed Equity

The company has 500,000 ordinary fully paid shares on issue (2023: 500,000). Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 12. Equity - accumulated losses

	Consolidated 2024 $	Consolidated 2023 $
Accumulated losses at the beginning of the financial year	(11,569,723)	(10,043,927)
Loss after income tax expense for the year	(1,114,988)	(1,525,796)
Accumulated losses at the end of the financial year	(12,684,711)	(11,569,723)

Note 13. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company are set out below:

	Consolidated 2024 $	Consolidated 2032 $
Aggregate compensation	344,488	345,727

Note 14. Contingent liabilities

The company is not aware of any matter pending that may give rise to any contingent liability.

Note 15. Related party transactions

Parent entity
Kuoni Australia Holding Pty Ltd is the parent entity.

Note 15. Related party transactions (continued)

Key management personnel
Disclosures relating to key management personnel are set out in note 13.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2024 $	Consolidated 2023 $
Sale of goods and services:		
Sale of goods to other related parties within the Fairfax Financial Holdings Limited Group	4,726,123	3,417,267

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2024 $	Consolidated 2023 $
Current borrowings:		
Loan from other entities ultimately controlled by Fairfax Financial Holdings Limited	8,763,245	8,538,245

Terms and conditions
Loans are interest bearing at a rate of 8.6%

Note 16. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 17. Economic Dependency

As at 31 December 2024 the company incurred a net loss of $1,114,988 and had net current liabilities totalling $12,226,205 which included amounts payable, secured by or guaranteed by related entities ultimately controlled by Fairfax Financial Holdings Limited totalling $8,763,239. These conditions highlight that there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern due to the continued trading losses and operating cash outflows. The continued economic support of the company from its ultimate parent entity is a fundamental element of the capacity of the company to meet its debts as and when they fall due and therefore a significant decision of the directors in preparing the financial report on a going concern basis.

The company has received a commitment of continuous financial support from the parent company, Travel Circle International (Mauritius) Limited. This commitment of financial support is given on the basis that Travel Circle International (Mauritius) Limited controls the ownership of the company and that the company will continue to be economically dependent upon of Travel Circle International (Mauritius) Limited for its financial and operational stability.

In the event that this support is withdrawn, this may necessitate a restatement of the valuation and classification of assets and liabilities in the statement of financial position.

Note 18. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Sian Victoria Pty Ltd	Australia	100.00%	100.00%

Kuoni Australia Holding Pty Ltd
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh
Director

Laurent Kuenzle
Director

30 May 2025
Melbourne

William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Kuoni Australia Holding Pty Ltd

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Kuoni Australia Holding Pty Ltd (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 17 in the financial report which indicates that the Group incurred a net loss of $1,114,988 during the year ended 31 December 2024 and, as of that date the Group's current liabilities exceeded its current assets by $12,226,205. As stated in note 17, these events or conditions, along with other matters as set forth in note 17, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

William Buck
ACCOUNTANTS & ADVISORS

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf

This description forms part of our auditor's report.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 30 May 2025

ASIAN TRAILS HOLDING LTD.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The contents of this document are classified as DC2 – Confidential Information

ASIAN TRAILS HOLDING LTD.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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			Date of appointment	Date of resignation
Directors	:	Misitsakul Lersan (Luzi Matzig)	13 May 2008	-
		Laurent Könzle	13 April 2010	-
		Marcel Jordi Grifoll	29 June 2017	-
		Rishal Tanee	11 January 2019	-
		Rishikesh Batoosam	15 December 2020	-
		Debasis Nandy	01 September 2022	-
		Sebastian Alex Mendonca	01 September 2022	-

Administrator And secretary	:	Ocorian Corporate Services (Mauritius) Limited Level 6, Tower A, 1 Exchange Square Wall Street, Ebene Republic of Mauritius
Registered office	:	Level 6, Tower A, 1 Exchange Square Wall Street, Ebene Republic of Mauritius, 72201
Auditors	:	RSM (Mauritius) LLP 7th Floor, Carleton Tower Hyvec Business Park Wall Street, Ebene Republic of Mauritius, 72201
Banker	:	SBI (Mauritius) Ltd 6th & 7th Floor SBI Tower Mindspace Bhumi Park, 45, Ebene Cybercity, Republic of Mauritius

The directors present their report and the financial statements of Asian Trails Holding Ltd. (the "Company") for the year ended 31 December 2024.

Principal activity

The principal activity of the Company is that of investment holding.

Results and dividend

The Company's profit for the year ended 31 December 2024 is **USD 483,799** (2023: loss of USD 1,296,641).

The directors have not recommended any payment of dividend for the year under review (2023 – USD Nil).

Statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Auditors

RSM (Mauritius) LLP have indicated their willingness to continue in office and will be automatically reappointed at the Annual Meeting.

By order of the Board

Ocorian Corporate Services (Mauritius) Limited
Corporate Secretary

Date:

OCORIAN CORPORATE SERVICES (MAURITIUS) LIMITED
Level 6, Tower A,
1 Exchange Sqaure
Wall Street, Ebene
Republic of Mauritius, 72201

SECRETARY'S CERTIFICATE

TO THE MEMBER OF ASIAN TRAILS HOLDING LTD.

UNDER SECTION 166 (d) OF THE MAURITIAN COMPANIES ACT

We certify, as Secretary of the Company, that based on records and information made available to us by the directors and shareholders of the Company, the Company has filed with the Registrar of Companies, for the financial year ended 31 December 2024, all such returns as are required of the Company under the Mauritian Companies Act.

Ocorian Corporate Services (Mauritius) Limited
Corporate Secretary

Date:

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 USD	2023 USD
Income			
Interest income		**2,562,386**	2,017,516
Dividend income		**1,252,000**	-
Management fee income	**5**	**626,775**	521,858
		4,441,161	2,539,374
Expenses			
Management fees		**647,207**	632,230
Directors' fees		**3,000**	3,000
Secretarial fees		**1,600**	1,600
Administration fees		**36,420**	44,962
Licence fees		**1,950**	1,973
Consultancy fees		**163,986**	162,738
Audit fees		**4,800**	4,800
Accountancy fees		**3,500**	3,500
Amortisation	**8**	**355,760**	328,677
Sundry expenses		**3,681**	5,188
Travel and entertainment expenses		**-**	247
Computer expenses		**572,008**	477,990
		1,793,912	1,666,905
Profit from operating activities		**2,647,249**	872,469
Net finance cost	**7**	(**1,936,070**)	(2,102,182)
Profit/(loss) before taxation		**711,179**	(1,229,713)
Taxation	**6**	(**227,380**)	(66,928)
Profit/(loss) for the year		**483,799**	(1,296,641)
Other comprehensive income		-	-
Total comprehensive income for the year		**483,799**	(1,296,641)

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2024

	Notes	2024 USD	2023 USD
ASSETS			
Non-current assets			
Intangible assets	**8**	**464,369**	698,218
Investment in subsidiaries	**9**	**28,440,540**	28,440,540
Loans and other receivables	**11**	**12,525,000**	12,943,000
		41,429,909	42,081,758
Current assets			
Loans and other receivables	**11**	**4,109,332**	2,783,375
Cash and cash equivalents		**1,328,784**	357,521
		5,438,116	3,140,896
Total assets		**46,868,025**	45,222,654
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	**12**	**2,271,142**	2,271,142
Retained earnings		**12,669,739**	12,185,940
		14,940,881	14,457,082
Liabilities			
Non-current liabilities			
Trade and other payables	**13**	**1,734,146**	1,734,146
Current liabilities			
Trade and other payables	**13**	**30,192,998**	29,031,426
Total equity and liabilities		**46,868,025**	45,222,654

Approved by the Board of Directors and authorised for issue on ……

…… ……

Director *Director*

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Stated capital USD	Retained earnings USD	Total USD
Balance at 01 January 2023	2,271,142	13,482,581	15,753,723
Total comprehensive income for the year	-	(1,296,641)	(1,296,641)
Balance at 31 December 2023	**2,271,142**	**12,185,940**	**14,457,082**
Total comprehensive income for the year	-	**483,799**	**483,799**
Balance at 31 December 2024	**2,271,142**	**12,669,739**	**14,940,881**

The notes on pages 12 to 30 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 USD	2023 USD
Cash flows from operating activities		
Profit/(loss) before taxation	**711,179**	(1,229,713)
Adjustment for:		
Amortisation (Note 8)	**355,760**	328,677
Dividend income	**(1,252,000)**	-
Interest expense	**1,930,103**	2,099,294
Operating profit/(loss) before working capital changes	**1,745,042**	1,198,258
Change in trade and other receivables	**(1,325,957)**	(1,538,209)
Change in trade and other payables	**1,161,572**	2,613,187
Cash generated from operating activities	**1,580,657**	2,273,236
Tax paid	(**227,380**)	(66,928)
Dividend received	**1,252,000**	-
Interest paid	**(1,930,103)**	(2,099,294)
Net cash generated from operating activities	**675,174**	107,014
Cash flows from investing activities		
Purchase of intangible assets (Note 8)	(**121,911**)	(125,117)
Acquisition of investments (Note 9)	-	(284,924)
Loan granted	**(120,000)**	(335,000)
Load repaid	**538,000**	281,144
Net cash from/(used in) investing activities	**296,089**	(463,897)
Cash flows from financing activities		
Loan advanced	-	650,000
Net cash from financing activities	-	650,000
Net movement in cash and cash equivalents	**971,263**	293,117
Cash and cash equivalents at the beginning of the year	**357,521**	64,404
Cash and cash equivalents at the end of the year	**1,328,784**	357,521

The notes on pages 12 to 30 form part of these financial statements.

1. GENERAL INFORMATION

Asian Trail Holding Ltd. (the "Company") is a private limited liability Company incorporated on 16 May 2007 and domiciled in the Republic of Mauritius. The Company holds a Global Business Licence under the Financial Services Act 2007 and is regulated by the Financial Services Commission. The Company's registered office is C/o Ocorian Corporate Services (Mauritius) Limited, Level 6, Tower A, 1 Exchange Square, Wall Street, Ebene, Republic of Mauritius

The Company was incorporated as a private limited company in the Republic of Mauritius on 16 May 2007. The principal activity of the Company is that of investment holding.

2. BASIS OF PREPARATION

(a) Statement of compliance

The Company has subsidiaries and a joint venture and in accordance with IFRS Accounting standards is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, Content and form of financial statements, these financial statements present the financial position, financial performance and cash flow of the Company. Because the Company is a holder of a Global Business Licence and is a wholly owned subsidiary of another company, these financial statements are prepared in accordance with Mauritius Companies Act which allows the use of IFRS Accounting standards adopted by the International Accounting Standards Board (IASB), except for the standard applicable to Consolidated Financial Statements (IFRS 10).

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for financial assets and financial liabilities that are measured at fair value.

(c) Functional and presentation currency

The Company operates in an international environment and conducts most of its transactions in foreign currencies. The Company has chosen to retain the United States dollar (USD) as its functional currency.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, as well as critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are provided in note 4.

(e) New standards, amendments and interpretations adopted during the year

There has been amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Standards		Definitions
IAS 1	Presentation of Financial Statements	Amendments regarding the classification of liabilities
IAS 1	Presentation of Financial Statements	Amendments to defer the effective date of the January 2020 amendments
IAS 1	Presentation of Financial Statements	Amendments regarding the classification of debt with covenants
IAS 7	Statement of Cash Flows	Amendments regarding supplier finance arrangements
IFRS 7	Financial Instrument: Disclosures	Amendments regarding supplier finance arrangement

2. BASIS OF PREPARATION (CONTINUED)

(f) New standards, interpretations and amendments issued but not yet effective

At the date of authorisation of these financial statements, certain new standards and amendments to existing standards, have been published but are not yet effective and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements, as applicable to the Company's activities, will be adopted in the Company's accounting policies for the first year beginning after the effective date of the pronouncements. Information on new standards and amendments to existing standards and interpretation is provided below:

Standards		Definitions	Effective for accounting periods beginning on or after
IFRS 7	Financial Instruments: Disclosures	Amendments regarding the classification and measurement of financial instruments	01 January 2026
IFRS 9	Financial Instruments	Amendments regarding the classification and measurement of financial instruments	01 January 2026
IFRS 18	Presentation and Disclosures in Financial Statements	Original issue	01 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	Original issue	01 January 2027

Management has yet to assess the impact of the above standards and amendments on the Company's financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements except for new standards, amendments and interpretations adopted during the year as disclosed in notes 2(e).

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in United States Dollar ("USD") which is the Company's functional currency. The USD is the currency that most faithfully reflects the underlying transactions events and conditions that are relevant to the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of their fair value gain or loss. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions.

Current and deferred income tax

The tax expense for the year comprises of current and deferred tax. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Current and deferred income tax (Continued)

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Investment in subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investment in subsidiary is shown at cost and provision is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

Investment in joint venture

The Company has an interest of 49.5% in a jointly controlled entity, Thomas Cook In Destination Management (Thailand) Ltd., an unquoted company incorporated in Thailand.

Investment in jointly venture is shown at cost and provision is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Computer software is amortised over its useful economic life of three years and assessed for impairment whenever there is an indication that it may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. The amortisation expense and impairment are recognised in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments

Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(a) Classification and initial measurement

The Company classifies its financial assets in the following measurement categories, as set of in IFRS 9:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and;
- those to be measured at amortised cost

The basic classification and measurement category is fair value through profit or loss (FVPL), unless restrictive criteria are met for classifying the asset at fair value through other comprehensive income (FVOCI) or amortised cost. Whether an entity can classify and subsequently measure financial assets at FVOCI or amortised cost depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Subsequent measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity instruments

Equity investments are classified as held at FVPL. However, at initial recognition, the Company may irrevocably elect to classify an investment in an equity instrument at FVOCI if that investment is not held for trading.

The Company subsequently measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in fair value of equity investments at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company may classify its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

(b) Subsequent measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(c) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company's loans and other receivables measured at amortised cost are subject to the expected credit loss model.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9. Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(d) Derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial liabilities: trade and other payables.

(i) Trade and other payables

Trade and other payables are initially recognised at fair value, net of transaction costs incurred and subsequently at amortised cost using the effective interest method. Other payables are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Stated capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Interest income

Interest income is recognised in profit or loss proportion basis that takes into accounts the effective yield on the assets.

Management fee income

Management fee income is recognised based on the substance of the relevant agreements with the customer. The transactions price of management fee is fixed and as specified in the contract. Therefore, revenue in the form of management fee is recognised overtime.

Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on the accrual basis.

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Critical accounting judgements in applying the Company's accounting policies

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency is critical since the way in which every transaction is recorded and whether exchange differences arise are dependent on the functional currency selected. In making this judgement, the directors have considered the currency of the country whose competitive forces and regulations matter, the currencies in which costs are settled, the currencies in which the funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The directors have determined the functional currency of the Company is USD.

Estimation uncertainties

At 31 December 2024, there were no estimates and assumptions that would have significant effect on the recognition and measurement of assets, liabilities, income and expenses.

5. MANAGEMENT FEE INCOME

	2024	2023
	USD	USD
Management fee income	**626,775**	521,858

6. TAXATION

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15%. The Company is able claim a 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

Section 41(iii) of the Financial (Miscellaneous Provisions) Act 2024 amended the Income Tax Act 1995 so that Companies having a yearly turnover of at least Rs 50 million are liable to a Corporate Climate Responsibility Levy ("CCRL"). The CCRL is computed at 2% of the taxable income and applies for the year ended 31 December 2024. The CCRL may be reduced by any foreign tax credit. The Company is not affected by the CCRL since its turnover were below the threshold for the year under review.

Tax reconciliation:

A reconciliation of the income tax expense based on accounting profit and actual income tax expense is as follows:

	2024	2023
	USD	USD
Profit/(loss) before taxation	**711,179**	(1,229,713)
Income tax at 15%	**106,677**	(184,457)
Non allowable expenses	**55,246**	80,014
Annual allowance	(**26,971**)	(12,333)
Exempt income	**-**	-
Deferred tax (liability)/asset	**(134,952)**	116,776
Withholding tax	**227,380**	66,928
Income tax charge	**227,380**	66,928

Income tax charge represents withholding tax on dividend income received from PT Asian Trails Indonesia and royalties.

The accumulated tax losses of **1,022,391** (2023: USD 1,922,071) are available for set off against future income as follows:

	USD
31 December 2026	**323,167**
31 December 2027	**464,663**
31 December 2028	**1,134,241**
31 December 2029	**(899,680)**
	1,022,391

7. FINANCE COST

	2024	2023
	USD	USD
Interest expense	(**1,930,103**)	(2,099,294)
Exchange difference	**4,585**	7,071
Bank charges	(**10,552**)	(9,959)
Net finance cost	(**1,936,070**)	(2,102,182)

8. INTANGIBLE ASSETS

	2024	2023
Computer Software	**USD**	USD
Cost:		
At beginning of year	**2,375,615**	2,250,498
Addition during the year	**121,911**	125,117
At end of year	**2,497,526**	2,375,615
Amortisation and impairment:		
At beginning of year	**1,677,397**	1,348,720
Charge for the year	**355,760**	328,677
At end of year	**2,033,157**	1,677,397
Net book value	**464,369**	698,218

9. INVESTMENT IN SUBSIDIARIES

	2024	2023
	USD	USD
At beginning of year	**28,440,540**	28,155,616
Addition during the year	**-**	284,924
At end of year	**28,440,540**	28,440,540

During the year 31 December 2018, USD 2,171,142 of the share-based payment had been capitalised as investment in subsidiaries since the key management personnel would render the services directly to the subsidiaries. It is deemed a non-refundable payment made on their behalf.

Name of company	**Number and type of shares held**	**% held**	**Country of Incorporation**
Asian Trails Ltd (Cambodia)	9,500 ordinary shares	95%	Cambodia
Asian Trails International Travel Services (Beijing) Ltd	N/A	100%	China
PT Asian Trails Indonesia	1,320 ordinary shares	66 %	Indonesia
Asian Trails (Laos) Ltd.	14,000 ordinary shares	70%	Laos
Asian Trails (M) Sdn. Bhd	500,000 ordinary shares	100 %	Malaysia
Asian Trails (M) Sdn. Bhd	5,000,000 redeemable and convertible preference shares	100 %	Malaysia
Asian Trails Tour Ltd.	8,500 ordinary shares	85%	Myanmar
Asian Trails Singapore Pte. Ltd.	100,000 Ordinary shares	100 %	Singapore
Asian Trails Ltd.	117,600 ordinary shares	49%	Thailand
Asian Trails Vietnam	21,000 ordinary shares	70%	Vietnam

As at 31 December 2024, the directors of the Company have assessed the recoverability of the investments and are of the opinion that the investments are to be kept at cost and no impairment to be accounted.

10. INVESTMENT IN JOINT VENTURE

	2024 **USD**	2023 USD
At cost:		
At start of the year	**250,200**	250,200
Disposal during the year	**(250,200)**	-
At end of the year	**-**	250,200
Impairment:		
At start of the year	(**250,200**)	(250,200)
Reversal of impairment during the year	**250,200**	-
At start of the year	-	(250,000)
Net book value:		
At end of year	-	-

Name of company	**Number and type of shares held**	**% held**	**Country of incorporation**
Thomas Cook In Destination Management (Thailand) Ltd.	118,800 Class B preference shares of THB 100 each	**2024**: **0%** (2023: 49.5%)	Thailand

The Company has appointed Mr Lersan Misitsakul, a citizen of Thailand as nominee shareholder to hold these shares on its behalf. The Company is entitled to 34.5% voting rights and 34.5% dividend rights in the joint venture. During the year under review, the Company has disposed its entire investment held in the joint venture and proceeded with dissolution of the company.

11. LOANS AND OTHER RECEIVABLES

	2024 **USD**	2023 USD
Royalty receivable (Note 14 (a))	**3,973,148**	2,469,878
Loan receivables from subsidiaries (Note 14 (b))	**12,525,000**	12,943,000
Other receivables	**106,497**	55,078
Prepayments	**29,687**	258,419
	16,634,332	15,726,375

The loans and other receivables consist of royalty receivable, loan receivable from related parties and other receivables which are considered to have a low risk of default and therefore, no expected credit loss ('ECL') was recognised as at reporting date as management consider these balances to be fully recovered.

The classification of loans and other receivables are as follows:

	2024 **USD**	2023 USD
Non-current assets	**12,525,000**	12,943,000
Current assets	**4,109,332**	2,783,375
	16,634,332	15,726,375

12. STATED CAPITAL

	2024 USD	2023 USD
Issued and fully paid:		
125,000 (2023 - 125,000) ordinary shares of no-par value	**2,271,142**	2,271,142

Holders of the Ordinary shares have the right to attend and to vote at any meeting of shareholders of the Company and shall have one vote per share.

13. TRADE AND OTHER PAYABLES

	2024 USD	2023 USD
Loan payable to holding entity (Note 14 (c))	**18,919,317**	18,984,317
Loan payable to subsidiaries (Note 14 (d))	**1,734,146**	1,734,146
Management fees payable to holding entity (Note 14 (e))	**5,546,872**	5,546,872
Interest payable to holding entity (Note 14 (f))	**5,003,163**	3,209,728
Management fees payable to affiliates (Note 14 (g))	**18,886**	203,982
Amount payable to subsidiary (Note 14 (h))	**5,350**	201,541
Other management fees payable	**637,998**	820,960
Accrued expenses	**61,412**	64,026
	31,927,144	30,765,572

The classification of trade and other payables are as follows:

	2024 USD	2023 USD
Non-current liabilities	**1,734,146**	1,734,146
Current liabilities	**30,192,998**	29,031,426
	31,927,144	30,765,572

14. RELATED PARTY TRANSACTIONS

During the year ended 31 December 2024, the Company transacted with related parties. The nature, volume of transactions and balances are as follows:

(a) Royalty receivable

	2024 USD	2023 USD
Asian Trails Thailand	**2,704,469**	1,630,597
Asian Trails Cambodia	**286,121**	208,913
Asian Trails International Travel Services (Beijing) Ltd.	**113,010**	62,294
Travel Circle International	**53,944**	53,944
Asian Trails Tours Limited (Myanmar)	**515,614**	301,208
Asian Trails (M) Sdn Bhd	**135,357**	107,900
Asian Trails Vietnam	**122,228**	100,366
Asian Trails Singapore	**42,405**	-
Asian Trails Indonesia	**-**	4,656
At end of the year (Note 11)	**3,973,148**	2,469,878

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Loan receivable from subsidiaries

	2024	2023
	USD	USD
(i) Asian Trails (M) Sdn. Bhd (ATMA) – subsidiary		
At start of the year	**1,610,000**	1,610,000
Repayment during the year	**(300,000)**	-
At end of the year	**1,310,000**	1,610,000

The loan receivable from Asian Trails (M) Sdn. Bhd (ATMA), subsidiary is unsecured, interest free and receivable in 2 years.

	2024	2023
	USD	USD
(ii) Asian Trails Ltd. (ATT) – subsidiary		
At start of the year	**8,337,000**	8,137,000
Advanced during the year	**50,000**	200,000
At end of the year	**8,387,000**	8,337,000

The loan receivable from Asian Trails Ltd. (ATT), subsidiary is unsecured, interest free and receivable in 2 years.

	2024	2023
	USD	USD
(iii) Asian Trails Co., Ltd. (ATC) – subsidiary		
At start of the year	**755,000**	725,000
Advanced during the year	**-**	30,000
Repayment during the year	**(50,000)**	-
At end of the year	**705,000**	755,000

The loan receivable from Asian Trails Co., Ltd. (ATC), subsidiary is unsecured, interest free and receivable in 2 years.

	2024	2023
	USD	USD
(iv) Asian Trails Tour Limited (ATM) – subsidiary		
At start of the year	**1,465,000**	1,360,000
Advanced during the year	**70,000**	105,000
At end of the year	**1,535,000**	1,465,000

The loan receivable from Asian Trails Tour Limited (ATM), subsidiary is unsecured, interest free and receivable in 2 years.

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Loan receivable from subsidiaries (Continued)

	2024	2023
	USD	USD
(v) AT Lao Company Limited (ATL) – subsidiary		
At start of the year	**416,000**	425,000
Repayment during the year	**(188,000)**	(9,000)
At end of the year	**228,000**	416,000

The loan receivable from AT Lao Company Limited (ATL), subsidiary is unsecured, interest free and receivable in 2 years.

	2024	2023
	USD	USD
(vi) Asian Trails Singapore Ltd. (ATS) – subsidiary		
At start of the year	-	272,144
Repayment during the year	-	(272,144)
At end of the year	-	-

The loan advanced to Asian Trails Singapore Ltd. (ATS), has been fully repaid during the year ended 2023.

	2024	2023
	USD	USD
(vii) Asian Trails International Travel Services (Beijing) Ltd. (ATCN) - subsidiary		
At start and end of the year	**360,000**	360,000

The loan advanced to Asian Trails International Travel Services (Beijing) Ltd. (ATCN), subsidiary is unsecured, interest free and receivable in 2 years.

	2024	2023
	USD	USD
Loan receivables from subsidiaries		
At end of the year (Note 11)	**12,525,000**	12,943,000

(c) Loan payables to holding entity

	2024	2023
	USD	USD
(i) Travel Circle International - holding entity		
At start of the year	**18,984,317**	18,634,317
Advanced during the year	-	350,000
Repayment during the year	**(65,000)**	-
At end of the year (Note 13)	**18,919,317**	18,984,317

The loan payable to Travel Circle International - holding entity is unsecured, interest free and repayable in 1 year.

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Loan payable to subsidiaries

	2024	2023
	USD	USD
(i) PT Asian Trails Indonesia (ATI) – subsidiary		
At start of the year	**595,000**	295,000
Advanced during the year	-	300,000
At end of the year	**595,000**	595,000

The loan payable to PT Asian Trails Indonesia (ATI) – subsidiary, is unsecured, carries interest at 6-month USD LIBOR plus margin of 1% per annum and are repayable by 01 January 2025.

	2024	2023
	USD	USD
(ii) Asian Trails Vietnam (ATV) – subsidiary		
At start and end of the year	**1,139,146**	1,139,146

The loan payable to Asian Trails Vietnam (ATV)- subsidiary, is unsecured, carries interest at 6-month USD LIBOR plus margin of 1% per annum and are repayable in 2 years.

	2024	2023
	USD	USD
Loan payable to subsidiaries		
At start and end of the year (Note 13)	**1,734,146**	1,734,146

(e) Management fees payable to holding entity

	2024	2023
	USD	USD
(i) Travel Circle International - holding entity		
Management fees (Note 12)	**5,546,872**	5,546,872

(f) Interest payable to holding entity

	2024	2023
	USD	USD
(i) Travel Circle International - holding entity		
Interest payable (Note 12)	**5,003,163**	3,209,728

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(g) Management fees payable to affiliates

	2024	2023
	USD	USD
Thomas Cook India Ltd.	**17,592**	185,454
SOTC Travel Ltd.	**1,294**	16,880
Jardine Travel Solution	**-**	16,498
At end of the year (Note 13)	**18,886**	218,832

(h) Amount payable to subsidiary

	2024	2023
	USD	USD
Asian Trails Ltd. (ATT) (Note 13)	**5,350**	201,541

(i) Administrator – Ocorian Corporate Services (Mauritius) Limited

	2024	2023
	USD	USD
(i) Transaction during the year		
Directors' fees	**3,000**	3,000
Domiciliation and compliance fees	**1,600**	1,600
Administration fees	**36,420**	44,962
Accounting fees	**3,500**	3,500
Sundry expenses	**1,588**	1,688
	46,108	54,750

	2024	2023
	USD	USD
(ii) Balance as at year end		
Administration fees	**17,164**	-
Accounting fees	**1,750**	585
	18,914	585

15. FINANCIAL RISK MANAGEMENT

Introduction and preview

Financial instruments carried on the statement of financial position include loans and other receivables, cash and cash equivalents and trade and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are credit risk, liquidity risk and market risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets and emerging best practices.

Risk management is carried out by the Board of directors through board minutes. The Company provides principles for the overall risk management.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Financial instruments not at fair value

The carrying amounts of loans and other receivables, cash and cash equivalents and trade and other payables approximate their fair values and hence no fair value table has been disclosed.

Credit risk

Credit risk represents the potential loss that the Company would incur if counter-parties fail to perform pursuant to the terms of their obligations to the Company. At the reporting date, the maximum exposure of the Company to credit risk was as follows:

	2024	2023
	USD	USD
Loans and other receivables	**16,604,645**	15,467,956
Cash and cash equivalents	**1,328,784**	357,521
	17,933,429	15,825,477

Prepayment of **USD 29,687** (2023: USD 258,419) have not been included.

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

The Company has adopted the credit risk management approach of IFRS 9 as described in note 3. Accordingly, the identified impairment loss on the loans and other receivables and cash and cash equivalents were immaterial.

Liquidity risk

This refers to availability of funds for the Company to meet its financial obligations as they fall due. The Company pays out its obligations from finance received from its related companies. Thus, it is not exposed to liquidity risk.

Contractual cash flows

The following are the contractual maturities of financial liabilities:

At 31 December 2024

Non-derivative financial liabilities	**Carrying amount USD**	**Within 1 year USD**	**On demand USD**	**More than 1 year USD**
Trade and other payables	**31,927,144**	**4,076,017**	**26,116,981**	**1,734,146**

At 31 December 2023

Non-derivative financial liabilities	Carrying amount USD	Within 1 year USD	On demand USD	More than 1 year USD
Trade and other payables	30,765,572	2,914,981	26,116,981	1,734,146

Interest rate risk

The Company's finance and operating expenses are met by equity finance and advances from its related companies. These advances are unsecured, interest free with no fixed terms of repayment, and as such the Company is not exposed to any such risk.

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Financial asset	**2024 USD**	**Carrying amount** 2023 USD
Variable rate instruments		
Cash and cash equivalents	**1,328,784**	357,521

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

Sensitivity analysis for variable rate instruments

No sensitivity analysis for variable rate instruments has been disclosed since interest income earned for the year ended 31 December 2024 was insignificant.

Currency risk

The Company is exposed to foreign currency risk on its transactions that are denominated in currencies other than the USD.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2024 USD	**Financial liabilities 2024 USD**	Financial assets 2023 USD	Financial liabilities 2023 USD
United States Dollars	**17,933,429**	**31,908,258**	15,825,477	30,165,950
Euro	-	**-**	-	397,288
INR	-	**18,886**	-	202,334
	17,933,429	**31,927,144**	15,825,477	30,765,572

Intangible assets **USD 464,369** (2023 – USD 698,218), investment in subsidiaries **USD 28,440,540** (2023 – USD 28,440,540**)** and prepayments **USD 29,687** (2023 – USD 258,419) have not been included in financial assets.

Currency sensitivity analysis

The following table indicates the approximate change in the Company's reserves in response to an approximate, reasonable possible change in the foreign exchange rates by 5% at the reporting date. The analysis is performed on the same basis for 2024.

		Change in reserves
	USD 2024	USD 2023
Euro	**-**	19,864
INR	**944**	10,117

16. CAPITAL MANAGEMENT

The Company actively and regularly reviews and manages its capital position to maintain a balance between its liability and equity level.

The management of the Company's capital position is undertaken by the management team of its holding Company. The management team ensures that the Company is adequately capitalised to meet economic and regulatory requirements. Capital injections and repatriations of funds are executed in a timely fashion, working closely with the business and infrastructure groups. The management team meets on a regular basis and manages capital by taking into account key considerations, which may include business developments, regulatory requirements, gap profitability and market movements such as foreign exchange and interest rate.

17. HOLDING AND ULTIMATE HOLDING ENTITIES

The holding entity of the Company is Travel Circle International (Mauritius) Limited, an unquoted company incorporated in Mauritius and the ultimate holding entity is Fairfax Financial Holding Limited, a listed company incorporated in Canada.

18. EVENTS AFTER THE REPORTING DATE

There are no material events after the reporting date which require amendments to or additional disclosures in the financial statements for the year ended 31 December 2024.

2024 Auditor's Report

of

ASIAN Trails International Travel Services (Beijing) Ltd.

DSK [2025] No. A06-007

北京东审会计师事务所(特殊普通合伙)

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Auditor's Report

DSK [2025] No. A06-007

To all shareholders of ASIAN Trails International Travel Services (Beijing) Ltd.,

I. Audit Opinions

We have audited the attached financial statements of ASIAN Trails International Travel Services (Beijing) Ltd. (hereinafter referred to as the Company), including the Balance Sheet as of December 31, 2024, and the Income Statement, the Cash Flow Statement and the Statement of Change in Owners' Equity for the year then ended, and the Notes to Financial Statements.

In our opinions, the attached financial statements have been prepared in accordance with the Accounting System for Business Enterprises in all significant aspects, and have given fair views on the Company's financial position as of December 31, 2024, and the operating results and cash flows for the year then ended.

II. Basis for Forming Audit Opinions

We conducted an audit in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these Standards are further set forth in the Section "CPA's Responsibility for Auditing Financial Statements" hereunder. In accordance with the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company, and have fulfilled other responsibilities in respect of professional ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinions.

Ⅲ. Other informatio

The Company's management is responsible for other information. Other information includes the information under the annual report, but excludes the financial statements and our auditor's report.

Our audit opinions in respect of the financial statements exclude other information, and we do not express any form of authentication conclusions on other information.

In consideration of our audit on the financial statements, our responsibility is to review other information, and consider whether other information is significantly inconsistent with the financial statements or the circumstances in our knowledge in the audit process, or has material misstatement or not.

Based on our audit, if we confirm that other information has material misstatement,

we shall report such facts. In this respect, we have nothing to report.

IV. Responsibilities of the Management and the Executives on the Financial Statements

The Company's management (hereinafter referred to as the management) is responsible for preparing the financial statements that give fair view in accordance with the Accounting System for Business Enterprises, and designing, executing and maintaining necessary internal control, so that the financial statements are free from material misstatement, whether due to fraud or errors.

In preparation of the financial statements, the management is responsible for evaluating the Company's ability of going concern, disclosing the matters related to going concern (if applicable), and utilizing the going concern assumptions, unless the management plans to liquidate the Company, or terminate operation or does not have any other practical choices.

The executives are responsible for supervising the process of the Company's financial reporting.

V. CPA's Responsibility for Auditing Financial Statements

Our goal is to obtain reasonable assurance as to whether the financial statements in the whole are free from material misstatement, whether due to fraud or errors, and to issue the auditor's report including the audit opinions. The reasonable assurance is at high level, but cannot guarantee that audit in line with the auditing standards will always discover certain material misstatement if any. Misstatement might be caused by fraud or errors. If it is reasonably anticipated that misstatement might independently or together affect the economic decisions made by the users of the financial statements based on the financial statements, then, it is generally assumed that the misstatement is material.

In the course of audit performed in accordance with the auditing standards, we make our professional judgment and maintain the professional skepticism. Meanwhile, we also perform the following work:

(I) To identify and evaluate the material misstatement risks of the financial statements whether due to fraud or errors, design and implement the audit procedures to cope with these risks, and obtain sufficient and appropriate audit evidences as the basis for the audit opinions. As fraud might involve collusion, forging, intentional omission or false statement or overrides the internal control, the risk in failure to discover the material misstatement due to fraud overrides the risk in failure to discover the material misstatement due to errors.

(II) To understand the audit related internal control, in order to design appropriate procedures, but not for the purpose of expressing opinions on the effectiveness of the internal control.

(III) To evaluate the appropriateness of the accounting policies used by the management, and the reasonableness of the accounting estimates and relevant disclosures made by the management.

(IV) To make conclusions on appropriateness of the going concern assumptions used by the management, and make conclusions on material uncertainty of the matters or circumstances that are likely to materially challenge the Company's ability of going concern based on the obtained audit evidences at the same time. If our conclusions hold that there is material uncertainty, the auditing standards require we remind the users of the statements of the relevant disclosures in the financial statements in our auditor's report; if the disclosures are insufficient, we should express unqualified opinions. Our conclusions are based on the information available as of the date of the auditor's report. However, the future matters or circumstances might disqualify the Company from going concern.

(V) To evaluate the overall presentation, structure and contents (including disclosures) of the financial statements, and evaluate whether the financial statements give fair view on the relevant transactions and matters.

We have communicated the planned audit scope, schedule and material audit discoveries with the executives, including the internal control defects that have been identified by us in the course of audit and should be paid attention to.

This audit report shall not be used for securities markets such as listing, bond issuance, and the New Third Board, and shall not be used for investment and financing or performance hedging that requires securities qualifications. The consequences of improper use beyond the scope are not related to the certified public accountants who performed the audit business or the accounting firm.

Beijing Dong Shen Certified Public Accountants LLP

(Limited Liability Partnership)

Beijing, China

January 20, 2025

Chinese CPA :

Chinese CPA :

Balance Sheet

December 31, 2024

Audited entity name:ASIAN Trails International Travel Services (Beijing) Ltd. Currency: Rmb

Items	Notes	Current Year	Previous Year	Items	Notes	Current Year	Previous Year
Current Assets:				**Currents Liabilities:**			
Cash and cash equivalents	1	5,316,801.22	1,780,190.30	Short Term Borrowing	35	2,627,730.00	2,953,192.00
Trading financial assets	2			Trading financial liabilities	36		
Derivative financial assets	3			Derivative financial liabilities	37		
Notes receivable	4			Notes payable	38		
Accounts receivable	5	2,761,735.77	865,770.15	Accounts payable	39	5,727,420.86	1,973,791.41
Receivable financing	6			Advance receipt	40	2,050,095.36	1,130,796.18
Prepayments	7	143,601.73	111,274.55	Contract liabilities	41		
Other receivables	8	882,512.49	247,863.20	Payroll and employee benefits	42	213,418.85	115,835.68
Inventories	9			Taxes and dues payable	43	384,563.96	24,217.68
Contract assets	10			Other payables	44	1,550,602.33	958,912.76
Hold for sale assets	11			Held for sale debt	45		
Non-current assets due within one year	12			Non-current liabilities due within one year	46		
Other current assets	13			Other current liabilities	47		
Total Current Assets	14	9,104,651.21	3,005,098.20	**Total Current Liabilities**	48	12,553,831.36	7,156,745.71
Non-current Assets:				**None current liabilities:**			
Debt investment	15			Long-term loans	49		
Other debt investment	16			Bonds payable	50		-
Long-term receivable	17			Bonds payable-Preferred Stock	51		
Long-term equity investments	18	210,000.00	210,000.00	Bonds payable-Perpetual debt	52		
Other Equity Instruments Investment	19			Lease liabilities	53	430,677.00	
Other non-current financial assets	20			Long - Term Payables	54		
Investment Properties	21			Provisions	55		
Fixed assets	22	45,881.92		Deferred income	56		
Construction in progress	23			Deferred income tax liabilities	57		
Productive biological assets	24			Other non-current liabilities	58		
Oil and gas assets	25			**Total Non-current Liabilities**	59	430,677.00	
Right to use assets	26	421,882.00		**Total Liabilities**	60	12,984,508.36	7,156,745.71
Intangible assets	27			**Owners'/Shareholders' Equity:**			
Development expenditures	28			Paid in capital	61	8,000,000.00	8,000,000.00
Goodwill	29			Other equity instruments	62		
Long-term prepaid assets	30			Other equity instruments-Preferred Stock	63		
Deferred income tax assets	31	2,643,319.52	2,643,319.52	Other equity instruments-Perpetual debt	64		
Other non-current assets	32			Capital Reserve	65	1,606.36	1,606.36
				Less:Retained stock	66		
				Other comprehensive income	67		
				Special reserve	68		
Total Non-current Assets	33	3,321,083.44	2,853,319.52	Surplus reserve	69	248,500.50	248,500.50
				Undistributed profit	70	-8,808,880.57	-9,548,434.85
				Total Owners'/Shareholders' Equity	71	-558,773.71	-1,298,327.99
Total Assets	34	12,425,734.65	5,858,417.72	**Total Liabilities & Owners' Equity**	72	12,425,734.65	5,858,417.72

公司法定代表人: 主管会计工作负责人: 会计机构负责人:

Income Statement

December 31, 2024

Audited entity name:ASIAN Trails International Travel Services (Beijing) Ltd.

Currency: Rmb

Items	Notes	Current Year	Previous Year
I.Operating revenue	1	42,433,575.11	5,684,573.63
Less: Operating Costs	2	34,836,952.38	4,785,011.88
Taxes and Surcharges	3	1,318.84	1,716.06
Selling expenses	4	842,110.99	112,757.08
Administration Expense	5	5,886,937.83	3,737,266.14
R&D expenses	6		
Financial expenses	7	126,700.79	265,998.59
Including: Interest expense	8	57,232.14	
Interest income	9	13,445.44	1,288.60
Add:Other Incomes	10		
Investment income (loss expressed with "-")	11		
Including:Income from associates and joint ventures	12		
Derecognition gains on financial assets measured at amortised cost (loss expressed with "-"	13		
Net open hedge income	14		
Income from changes in fair value (loss expressed with "-")	15		
Credit impairment loss (loss expressed with "-")	16		
Impairment of assets (loss expressed with "-")	17		
Disposal of assets	18		
II.Operating income (loss expressed with "-")	19	739,554.28	-3,218,176.12
Add:Non-operating income	20		
Less:Non-operating expense	21		
III.Total income	22	739,554.28	-3,218,176.12
Less:Income Tax Expense	23		
IV.Net income (loss expressed with "-")	24	739,554.28	-3,218,176.12
Continuous operation Profit/loss	25	739,554.28	-3,218,176.12
Terminate the operation Profit/loss	26		
V.Each component of other comprehensive income, net of income tax effect	27	-	-
1. Other comprehensive income which will not be reclassified subsequently to profit or loss	28	-	-
1.1 As a result of remeasurement of net defined benefit plan liability or asset	29		
1.2 Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss	30		
1.3 Changes in fair value of other equity instruments investment	31		
1.4 Changes in the fair value of corporate credit risk	32		
1.5 Other	33		
2. Other comprehensive income which will be reclassified subsequently to profit or loss when specific conditions are met	34	-	-
2.1 Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss when specific conditions are met	35		
2.2 Changes in the fair value of other debt investments	36		
2.3 The amount of financial assets reclassified into other comprehensive income	37		
2.4 Other debt investment credit impairment provisions	38		
2.5 Cash flow hedge reserve	39		
2.6 Translation differences arising on translation of foreign currency financial statements	40		
2.7 Other	41		
VI.Total comprehensive earning	42	739,554.28	-3,218,176.12
VII.Earning Per Share	43		
1.Primary earnings per share	44		
2.Diluted earnings per share	45		

公司法定代表人：

主管会计工作负责人：

会计机构负责人：

Cash Flow Statement

December 31, 2024

Audited entity name:ASIAN Trails International Travel Services (Beijing) Ltd. Currency: Rmb

Items	Notes	Current Year	Previous Year
I. Cash Flows From Operating Activities			
Cash received from sale of goods or rendering of services	1	36,437,107.88	5,559,399.37
Refund of tax and levies	2		
Other cash received relating to operating activities	3	17,528,127.35	11,685,418.23
Sub-total of cash inflows from operating activties	4	53,965,235.23	17,244,817.60
Cash paid for goods and services	5	27,026,915.10	3,010,890.57
Cash paid to and on behalf of employees	6	4,029,004.77	2,009,912.75
Payments of all types of taxes	7	1,318.84	1,716.06
Other cash paid relating to operating activities	8	18,488,365.66	13,350,286.80
Sub-total of cash outflows from operating activties	9	49,545,604.37	18,372,806.18
Net cash flows from operating activities	10	4,419,630.86	-1,127,988.58
II. Cash Flows From Investing Activities			
Cash received from recovery of investments	11		
Cash received from returns on investments	12		
Net cash received from disposal of fixed assets, intangible assets & other long-term ass	13		
Net cash from disposal of Subsidiary and other operating entitie	14		
Other cash received relating to investing activities	15		
Sub-total of cash inflows from investing activities	16	-	-
Cash paid to acquire fixed assets, intangible assets & other long-term assets	17	58,691.51	
Cash paid to acquire investments	18		
Net cash obtained from subsidiary and other operating entities	19		
Other cash payments relating to investing activities	20		
Sub-total of cash outflows from investing activities	21	58,691.51	-
Net cash flows from investing activities	22	-58,691.51	-
III.Cash Flows From Financing Activities			
Cash received from capital contribution	23		2,000,000.00
Cash received from borrowings	24		
Other cash received relating to financing activities	25		
Sub-total cash flows from financing activities	26	-	2,000,000.00
Cash repayments of amounts borrowed	27		
Cash payments for interest expenses and distribution of dividends or profit	28	57,232.14	
Other cash payments relating to financing activities	29	843,766.00	
Sub-total cash flows from financing activities	30	900,998.14	-
Net cash flows from financing activities	31	-900,998.14	2,000,000.00
IV. Effect Of Foreign Exchange Rate Changes On Cash	32	76,669.71	-8,126.37
V. Net Increase/(Decrease) In Cash And Cash Equivalents	33	3,536,610.92	863,885.05
Add: Cash and cash equivalents at the beginning of the year	34	1,780,190.30	916,305.25
VI.Cash and cash equivalents at the end of the year	35	5,316,801.22	1,780,190.30

公司法定代表人：张小琳印

主管会计工作负责人：丁志琴印

会计机构负责人：丁志琴印

Statement of Changes in Equity

December 31, 2024

Audited entity name:ASIAN Trails International Travel Services (Beijing) Ltd.

Currency: Rmb

Items	Current Year										
	Paid in capital	Other equity instruments			Capital surplus	Less: Treasury Stock	Other comprehensive income	Special reserve	Surplus Reserve	Undistributed Profits	Total owner's equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance last year	8,000,000.00				1,606.36				248,500.50	-9,548,434.85	-1,298,327.99
Add:Change in accounting policy											-
Corrections of prior period errors											-
other											-
II. Opening balance this year	8,000,000.00	-	-	-	1,606.36	-	-	-	248,500.50	-9,548,434.85	-1,298,327.99
III. Fluctuation amount this year (decrease expressed with "-")	-	-	-	-	-	-	-	-	-	739,554.28	739,554.28
1.Total comprehensive income										739,554.28	739,554.28
2.Owners' capital of input and decrease	-	-	-	-	-	-	-	-	-	-	-
2.1.Owner of the common shares											-
2.2.Holders of other equity instruments invested capital											-
2.3.Shares included in the owners' equity											-
2.4.Others											-
3.Profit distribution	-	-	-	-	-	-	-	-	-	-	-
3.1.Appropriation of surplus reserve											-
3.2.Distribution to owners (shareholders)											-
3.3.Others											-
4.Internal transfer of owners' equity	-	-	-	-	-	-	-	-	-	-	-
4.1.Capital surplus to increase capital											-
4.2.Surplus reserve to increase capital											-
4.3.Surplus reserve making up losses											-
4.4 Set a change in the benefit plan to carry forward retained earnings											-
4.5 Other comprehensive income carry-over retained earnings											-
4.6.Others											-
IV.Closing balance this year	8,000,000.00	-	-	-	1,606.36	-	-		248,500.50	-8,808,880.57	-558,773.71

公司法定代表人：

主管会计工作负责人：

会计机构负责人：

Statement of Changes in Equity

December 31, 2024

Audited entity name:ASIAN Trails International Travel Services (Beijing) Ltd.

Currency: Rmb

Items	Prior Year										
	Paid in capital	Other equity instruments			Capital surplus	Less: Treasury Stock	Other comprehensive income	Special reserve	Surplus Reserve	Undistributed Profits	Total owner's equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance last year	6,000,000.00				1,606.36				248,500.50	-6,330,258.73	-80,151.87
Add:Change in accounting policy											-
Corrections of prior period errors											-
other											-
II. Opening balance this year	6,000,000.00	-	-	-	1,606.36	-	-	-	248,500.50	-6,330,258.73	-80,151.87
III. Fluctuation amount this year (decrease expressed with "-")	2,000,000.00	-	-	-	-	-	-	-	-	-3,218,175.12	-1,218,176.12
1.Total comprehensive income										-3,218,175.12	-3,218,176.12
2.Owners' capital of input and decrease	2,000,000.00	-	-	-	-	-	-	-	-	-	2,000,000.00
2.1.Owner of the common shares	2,000,000.00										2,000,000.00
2.2.Holders of other equity instruments invested capital											-
2.3.Shares included in the owners' equity											-
2.4.Others											-
3.Profit distribution	-	-	-	-	-	-	-	-	-	-	-
3.1.Appropriation of surplus reserve											-
3.2.Distribution to owners (shareholders)											-
3.3.Others											-
4.Internal transfer of owners' equity	-	-	-	-	-	-	-	-	-	-	-
4.1.Capital surplus to increase capital											-
4.2.Surplus reserve to increase capital											-
4.3.Surplus reserve making up losses											-
4.4 Set a change in the benefit plan to carry forward retained earnings											-
4.5 Other comprehensive income carry-over retained earnings											
4.6.Others											-
IV.Closing balance this year	8,000,000.00	-	-	-	1,606.36	-	-	-	248,500.50	-9,548,434.85	-1,298,327.99

公司法定代表人：

主管会计工作负责人：

会计机构负责人：

ASIAN Trails International Travel Services (Beijing) Ltd.

Notes to Financial Statements

The year in 2024

(Unless otherwise especially specified, the amounts are stated in RMB)

I. Company Profile

ASIAN Trails International Travel Services (Beijing) Ltd. (hereinafter referred to as the "Company") was established on September, 2010, Uniform social credit code for enterprises: 91110105717884659B; Type of Company: limited liability company; Domicile: Room 810, 8th Floor, 37 Maizidian Street, Chaoyang District, Beijing; Registered Capital: RMB 8,000,000.00; Operation Period: September 16, 2010, to September 15, 2060 ; Legal Representative: Zhang XiaoLin.

Business scope: Domestic tourism business, Inbound tourism business, Conference Services (Market entities independently select business projects and carry out business activities in accordance with the law; domestic travel business, inbound travel business, and projects subject to approval in accordance with the law shall carry out business activities in accordance with the approved content after the approval of relevant departments; they shall not engage in the prohibition of national and municipal industrial policies and Operational activities of restricted projects.).

II. Preparation Basis of Financial Statements

（I） Preparation Basis

Under the assumption of going concern, the Company prepares the financial statements in respect of the actual transactions and events in accordance with the Accounting Standards for Business Enterprises – Basic Standards enacted by the Ministry of Finance ,42 accounting standards, application guidelines and interpretations thereof enacted and amended ,(hereinafter collectively referred to as "accounting standards for business enterprises") to recognize and measure, and prepare financial statements on this basis

(II) Evaluation of Sustainable Operation Ability

The financial statements are presented based on the assumption of going concern. The Company has not engaged in any events or circumstances that challenge the Company's ability of going concern over the 12 months at the end of the reporting period.

III. Important Accounting Policy and Accounting Estimation of the Company

（I）Statements on Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises, and have given true and complete views on the Company's financial position, and other information related to operating results and cash flows.

（II）Accounting period

The Company's accounting year begins on January 1 and ends on December 31 of every Gregorian calendar year.

（III）Operating cycle

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The company considers 12 months as the standard to classify the liquidity of assets and liabilities.

（IV）Reporting currency

(V) Bookkeeping Base and Pricing Principle

According to related regulations of ASBE, the company's accounting shall be on the accrual basis. Except for certain financial instruments and Investment Propertiess, the financial statement shall adopt historical cost as the measurement basis.

(VI) Recognizing Standard of Cash and Cash Equivalent

The Company cash and cash equivalents include the cash on hand, the Bank balances available for payment at any time, and the Company's short-term (Usually means maturity within three months since the acquisition date), high-liquidity investments that are readily convertible into cash of known amounts and have insignificant risks of change in value.

(VII) Foreign Currency Business and Foreign Currency Statement Translation

1. Foreign Currency Business

At initial recognition of foreign-currency business transaction, bookkeeping shall be made in RMB converted with the spot exchange rate on the occurring date of transaction as the conversion exchange rate.

On balance sheet date, the foreign-currency monetary items shall be converted at the spot exchange rate on balance sheet date, any and all balances of exchange shall be accounted into current profit or loss except for the balance of exchange incurred from the special borrowing in foreign currency related to purchase or construction of assets that meet capitalization conditions.

Any foreign-currency non-monetary items measured in historical cost shall still be converted at the spot exchange rate on transaction occurring date; Any foreign-currency non-monetary item measured in fair value shall be converted at the spot exchange rate on the date of recognizing fair value, the translation difference shall be accounted into current profit or loss or recognized as other comprehensive income.

2. Foreign Currency Financial Statement Translation

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The items of assets and liabilities in balance sheet shall be converted at the spot exchange rate on balance sheet date; other items of owner's equities than the item of "Undistributed Profit" shall be converted at the spot exchange rate at occurrence. The items of incomes and expenses in profit statement shall be converted at the spot exchange rate.on transaction occurrence date. The translation difference of foreign-currency financial statements generated from the conversion above shall be accounted into other comprehensive income.

(IX) Accounts Receivable

The receivables include the accounts receivables and other receivables.

1. Recognition criteria of the bad debt reserves

The Company assesses the carrying amounts of the accounts receivable on the balance sheet date. If there are following objective evidences that the accounts receivable are impaired, the impairment provision is calculated: ①The debtor has serious financial difficulty; ②The debtor violates the contract terms and conditions (e.g. default or overdue payment of interest or principal); ③The debtor is

likely to be closed down or engages in other financial restructuring; ④There are other objective evidences that the accounts receivable are impaired.

2. Calculation method of the bad debt reserves

（1）Calculation method of accounts receivable of significant single amount and single bad debt reserves: the accounts receivable of significant single amount are individually tested for impairment. If there is objective evidence that the accounts receivable are impaired, the bad debt reserves are calculated at the difference between the present value of their future cash flows and their carrying amount.

If the accounts receivable of significant single amount have not been impaired upon separate test, the bad debt reserves are calculated in combination.

（2）Accounts receivable of insignificant single amount and single bad debt reserves

Reasons for single calculation of the bad debt reserves	Accounts receivable involved in proceedings, and worsen client's credit status
Calculation method of the bad debt reserves	The bad debt reserves are calculated at the difference between the present value of their future cash flows and their carrying amount

（3）Accounts receivable whose bad debt reserves are calculated in combination

In respect of the accounts receivable that have not been impaired upon separate test (including accounts receivable of significant and insignificant single amounts), and the accounts receivables that have not been tested separately and have insignificant amount, the bad debt reserves are calculated in the combination of the following credit risk features:

Type of combination	Determination basis of combination	Calculation method of bad debt reserves in combination
Aging combination	Aging status	Aging analysis method

(XIII) Long-Term Equity Investment

1. Judging Standard of Control, Joint Control and Major Influence

Control means the power that the investor has over the invested unit, the realizable return entitled through participation in the related activities of the invested unit, and the ability to use its power over

the invested unit to affect the amount of its return. The equity investment of the company can control over the invested unit means the investment to subsidiary

Joint control means the joint control over certain arrangement according to related agreement, and the related activities of such arrangement must go through unanimous consent by the participating parties sharing control before being decided. If the company and other co-operative party jointly impose joint control over the invested unit and are entitled to rights over the net assets of the invested unit, the invested unit shall be the company's co-operative enterprise.

Major influence means the power of participating the decision making over the financial and operating decision making of the invested unit, but it can't control nor jointly control along with other party the formation of such policies. If the company is able to impose major influence on the invested unit, then the invested unit shall be the company's joint operation enterprise.

2. Recognition of Initial Investment Cost

(1) The merging party's shares in the book value of the merged party's owner's equity in the consolidated financial statement of the final controlling party on the date of merger that is formed through merger of enterprises under the same control and with consideration of merger in form of the merging party paying cash, transferring non-cash assets, assuming debts or issuing equity securities shall be its initial investment cost. The difference between the initial investment cost of long-term equity investment and the book value of paid consideration of merger or book value of issued shares shall be used to adjust the capital surplus; if the capital surplus is insufficient for offsetting, the retained earnings shall be adjusted.

(2) If it's formed from merger of enterprises not under the same control, the fair value of paid consideration of merger on the date of purchase shall be its initial investment cost.

(3) Besides the formation through merger of enterprises: if it's obtained by paying cash, its initial investment cost shall be the actually paid price payment; if it's obtained by issuing equity securities, its initial investment cost shall be the fair value of the issued equity securities; if it's obtained by debt restructuring, its initial investment cost shall be recognized according to the "ASBE No.12 – Debt

Restructuring"; if it's obtained by exchange of monetary assets, its initial investment cost shall be recognized according to "ASBE No.7 – Exchange of Non-monetary Assets".

3. Method of Subsequent Measurement and Recognition of Profit or Loss

(1) Accounting of Long-Term Equity Investment

Any long-term equity investment that can implement control over the invested unit shall be accounted in cost method; any long-term equity investment to joint operation enterprise or co-operative enterprise shall be accounted in equity method.

Any investment to subsidiary shall be accounted in cost method; any investment to joint operation enterprise or co-operative enterprise shall be accounted in equity method.

For long-term equity investment accounted in cost method, except for the actually paid price payment at the time of obtaining investment or the announced but not yet distributed cash dividends or profit included in consideration, the cash dividends or profit announced of distribution by the invested unit shall be recognized as investment return and accounted into current profit or loss.

For any long-term equity investment accounted in equity method, if the initial investment cost is higher than the entitled shares of the fair value of the recognizable net assets of the invested unit at the time of investment, the investment cost of long-term equity investment shall not be adjusted; if the initial investment cost is less than the entitled shares of the fair value of the recognizable net assets of the invested unit at the time of investment, the difference shall be accounted into current profit or loss, and the cost of long-term equity investment shall be adjusted.

When adopting equity method for accounting, the investment income and other comprehensive income shall be recognized respectively based on the entitled or assumed shares in the net profit or loss or other comprehensive income realized by the invested unit, and the book value of the long-term equity investment shall be adjusted at the same time; the book value of the long-term equity investment shall be reduced accordingly based on the calculated and entitled part of the profit or cash dividends announced of distribution by the invested unit; for other changes of owner's equity of the invested unit than net profit or loss, other comprehensive income and profit distribution (or "Change of Other

Owner's Equity"), the company shall adjust the book value of long-term equity investment and recognize the capital surplus (other capital surplus).

When recognizing the entitled shares in the invested unit's net profit or loss, other comprehensive income and change of other owner's equities, the invested unit's net profit and other comprehensive income shall be adjusted before recognition on the basis of the fair value of the invested unit's recognizable net assets at the time of investment, and based on the company's accounting policy and accounting period.

The company's obligation to any net loss incurred by co-operative enterprise or joint operation enterprise, besides the assumption of obligation for extra loss, shall be limited to the book value of long-term equity investment as well as other long-term equities essentially constituting net investment to the co-operative enterprise or joint operation enterprise being reduced to zero. If the co-operative enterprise or joint operation enterprise realizes net profit later, the company shall recover recognition of entitled shares of income after using entitled shares of income to cover the unrecognized shares of loss.

(2) Impairment testing method and impairment reserve provisioning method. For the method to provision asset impairment over investments to subsidiary, co-operative enterprise and joint operation enterprise, please refer to notes III (XX) "Impairment of Long-term Assets".

(XV) Fixed Asset

Fixed assets refer to the tangible assets that are held for the purposes of commodity production, labor service rendering, lease and operation management, and have useful life of more than one year.

1. Initial measurement of the fixed assets

（1）The costs of the purchased fixed asset include the purchase price, the relevant taxes, and the transportation costs, the handling charges, the installation costs and the professional service fees incurred before the fixed assets are ready for their intended use.

（2）If payment for the purchase price of the fixed assets is delayed beyond the normal credit conditions, and is substantially of financing nature, the costs of the fixed assets are determined at the present value of the purchase price.

（3）The costs of the self-built fixed assets are composed of the necessary expenditures incurred before such assets are ready for their intended use.

（4）As to the fixed assets acquired by the debtors in the debt restructuring for debt repayment, their entry value is determined at their fair value, and the difference between the carrying amounts of the restructured debts and the fair value of such fixed assets for debt repayment is recognized in the current profit and loss.

2. Subsequent measurement of the fixed assets

（1）Depreciation method of the fixed assets: from the next month after the fixed assets are ready for their intended use, the depreciation of the fixed assets is calculated using the **straight-line method** over the useful life. The useful life, estimated net residual value and the annual depreciation rate of the fixed assets are as follows:

Type of asset	Useful life	Residual value rate (%)	Annual depreciation rate (%)
Electronic equipments	3、5	0.00	20.00、33.33
Office furniture	5	0.00	20.00

If the subsequent expenditures of the fixed assets meet the fixed asset recognition conditions, such expenditures shall be recognized in the costs of the fixed assets, and the carrying amounts of the replaced fixed assets shall be deducted at the same time; if the fixed asset recognition conditions are not met, such expenditures shall be recognized in the current profit and loss.

(3) On the balance sheet date, if there's any sign to indicate impairment of fixed assets, the corresponding impairment reserve shall be provisioned based on the difference of book value higher than the recoverable amount. The test method for impairment of fixed assets and the method for the provision for impairment are detailed in Note III (XX) "Impairment of long-term Assets".

3. Disposal of the fixed assets

The proceeds from sale, transfer, retirement or disposal of the fixed assets, net of their carrying amounts and the relevant taxes, are recognized in the Non-operating expensee.

(XVII) Right to use assets

1. Recognizing Conditions for Right to use assets

Use right asset means the company's right to use leased assets during the lease period as lessee. The company shall recognize use right asset over lease since the beginning date of lease period. Use right asset shall be recognized when the related economic interest would probably flow in, and the cost can be reliably measured.

2. Initial Measurement of Use Right Asset

Use right asset shall have initial measurement based on cost, such cost shall include:

(1) Initial measurement amount of lease liability;

(2) For any amount of lease payment paid on or before the beginning date of lease period, if there's any lease incentive, the related amount of already entitled lease incentive shall be deducted;

(3) Initial direct expense incurred by the lessee;

(4) The estimated cost to be incurred by the lessee for dismantling and removing lease asset, recovering the site of the lease asset or recovering the lease asset to the state stipulated in the lease terms.

3. Subsequent Measurement of Use Right Asset

(1) The company adopts cost model to make subsequent measurement on use right asset.

(2) The company provisions depreciation on use right asset. If it can be reasonably recognized that the ownership of lease asset can be obtained at expiration of lease period, this company shall provision depreciation during the residual serviceable life of the leased asset. If it can't be reasonably recognized that the ownership of lease asset can be obtained at expiration of lease period, this company shall provision depreciation during whichever shorter between the lease period and the residual serviceable life of the leased asset. The specific depreciation methods of various Right to use assets are as follows:

This company provisions depreciation on Right to use assets based on the Straight-Line Method.

(3) When the company re-measures lease liability based on the present value of lease payment after change, and adjusts the book value use right asset accordingly, if the book value of use right asset has

been reduced to zero, but the lease asset still needs to be further reduced, the residual amount shall be accounted into current profit or loss.

(4) On the balance sheet date, if there's any sign to indicate impairment of Use Right Asset , the corresponding impairment reserve shall be provisioned based on the difference of book value higher than the recoverable amount.

(XX) Depreciation of Long-Term Assets

As to the fixed assets, the Construction in progress, the intangible assets of limited useful life, the Investment properties measured at cost, the long-term equity investments in the subsidiaries, joint venture and associated enterprises, and other non-current non-financial assets, the Company judges whether there is impairment sign on the balance sheet date. If there is impairment sign, then their recoverable amount is estimated, and the impairment test is performed. The goodwill, the intangible assets of indefinite useful life, and the intangible assets that have not been ready for intended use are tested for impairment every year whether there is impairment sign or not.

If the impairment test results indicate that the recoverable amount of the assets is lower than their carrying amounts, the impairment provision is calculated at the resulting difference, and the difference is recognized in the impairment loss. The recoverable amount is the higher of the fair value of an asset net of the disposal expenses, and the present value of the estimated future cash flows of such asset. The fair value of an asset is determined at the price under the sales agreement in the arm's length transaction; if there is no sales agreement but there is active market, the fair value is determined at the purchase price of the buyer of such assets; in absence of both the sales agreement and the active market, the fair value of the asset may be estimated based on the best available information. The disposal expenses include the legal costs, the relevant taxes and the handling costs related to disposal of the assets, and the direct expenses incurred before such asset is ready for its intended use. The present value of the estimated future cash flows of the assets is determined by discounting the estimated future cash flows of the assets in the process of continuous use and final disposal at the appropriate discount rate. The asset impairment provision is calculated and determined based on the single asset. If it is hard to estimate the

recoverable amount of the single asset, the recoverable amount of the asset group in which such asset is incorporated is determined. The asset group is the minimum asset combination that can independently generate cash inflows.

Once the aforesaid asset impairment losses are recognized, the recovered value shall not be reversed during the subsequent periods.

(XXI) Borrowing Cost

1. Recognition principles of the Borrowing costs

Any Borrowing costs incurred by the Company that are directly attributable to acquisition, construction or production of qualifying assets are capitalized and added to the costs of those assets; other Borrowing costs are recognized as expenditures through profit or loss when they arise.

The qualifying assets refer to the fixed assets, Investment properties and inventories that are necessarily take a substantial period of time for acquisition, construction or production activities to get ready for their intended use or sale.

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(2) Capitalization period of the Borrowing costs

（1）Commencement of capitalization: when the conditions are met, the interest on the special loans, amortization of the discount or premium and the exchange difference are capitalized: a.The capital expenditures have been incurred; b.The Borrowing costs have been incurred; and c.The necessary acquisition and construction activities to get the assets ready for their intended use have been started.

（2）Suspension of capitalization: if the acquisition and construction activities of the fixed assets are abnormally interrupted, and the interruption exceeds 3 months or more, capitalization of the Borrowing costs is suspended, and is recognized as the current expenses, until the acquisition and construction activities of the assets are restarted.

（3）Stopping of capitalization: when the acquired and constructed fixed assets are ready for their intended use, capitalization of the Borrowing costs is stopped.

3. Determination of the capitalized amount of the loan interest

（1）If the loans are especially used for acquisition, construction or production of the qualifying assets, the capitalized amount shall be determined at the actual interest expenses of the special loans, net of the interest income from deposit of the unused loans in the bank or the investment income from temporary investments of the loans.

（2）If the general loans are used for acquisition, construction or production of the qualifying assets, the Company shall calculate and determine the interest amounts of the general loans that should be capitalized at the product of the excesses of the accumulated asset expenditures over the weighted asset expenditure means of the special loans multiplied by the capitalization rate of the general loans.

4. Disposal of the foreign-currency loans

During the capitalization period, the exchange difference of the principal and interest of the special loans denominated in foreign currencies shall be capitalized. The exchange difference arising from the principal and interest of other foreign-currency loans than the special loans denominated in foreign currencies shall be recognized in the financial expenses through profit or loss.

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(XXIII)Employee Remuneration

1. Employee remuneration includes short-term pay, post-employment benefits, dismission welfare and other long-term employee benefits.

2. Accounting Treatment Method of Short-Term Compensation

During the accounting period of an employee providing service to company, company shall recognize the actually incurred short-term remuneration as liability, and account it into current profit or loss or related asset cost.

3. Accounting Treatment Method of Post-Employment Benefits

The post-employment benefits are classified into defined contribution plans and defined benefit plans.

(1) During the accounting period when an employee provides service to the company, the payable amount calculated according to defined contribution plans shall be recognized as liability, and accounted into current profit or loss or related asset cost.

(2) The accounting treatment of defined benefit plans usually includes the following steps:

a. Based on the method of estimated accumulative welfare unit, adopt unbiased and consistent actuarial assumption to make estimation about related demographic variables and financial variables, measure the obligations generated from defined benefit plans, and recognize the periods of related obligations. Meanwhile, discount the obligations generated from the defined benefit plans, so as to recognize the present value of defined benefit plans and service cost in current period;

b. If there's any asset in defined benefit plans, the deficit or surplus generated from the present value of defined benefit plans obligation less the fair value of defined benefit plans asset shall be recognized as the net liability or net asset of a defined benefit plan. If there's surplus in a defined benefit plan, measure the net asset of defined benefit plan based on whichever lower between the upper limits of the surplus and asset of defined benefit plan.

c. At the end of period, recognize the employees remuneration cost generated from defined benefit plans into three parts, namely the service cost, the net amount of interest of the net liability or net asset of defined benefit plan, and the changes from re-measurement of the net liability or net asset of defined benefit plans, in which the service cost and the net amount of interest of the net liability or net asset of defined benefit plan shall be accounted into current profit or loss or related asset cost, the changes from re-measurement of the net liability or net asset of defined benefit plans shall be accounted into other comprehensive income, and shall not be allowed to transfer back to the profit or loss in subsequent accounting period, but these amounts recognized in other comprehensive income can be transferred in the scope of equities.

4. Accounting Treatment Method of Dismission Welfare

For the dismission welfare provided to employee, the employee remuneration liability generated from dismission welfare shall be recognized on whichever earlier between the following two options, and accounted into current profit or loss:

(1) When the company is unable to unilaterally withdraw the dismission welfare provided when cancelling labor relation plan or layoff suggestions;

(2) When the company recognizes the cost or expense related to the restructuring involving payment of dismission welfare.

5. Accounting Treatment of Other Long-Term Employee Welfare

For other long-term welfare provided to employees, if meeting the conditions for defined contribution plans, the accounting treatment shall be made according to related regulations on defined contribution plans; other long-term welfares shall have accounting treatment according to related regulations on defined contribution plans, in order to simplify the related accounting treatments, its generated employees remuneration cost shall be recognized as service cost, the total net amount, including the net amount of interest of net liability or net asset of other long-term employees welfare, the changes generated from remeasurement of the net liability or net asset of other long-term employees welfare and other component items, shall be accounted into current profit or loss or related asset cost.

(XXIV) Lease Liabilities

On the beginning date of lease period, the company shall recognize the use right asset and lease liability over the lease, except for the short-term lease and low-value asset lease that shall have simplified treatment according to related standards.

Lease liabilities shall make initial measurement based on the present value of the lease payment not yet paid on the beginning date of lease period.

Lease payment amount means the payment that the company pays to lessor for the right to use the leased asset during the lease period, including:

1. Fixed payment and substantial fixed payment, if there's any lease incentive, deduct the related amount of lease incentive;

2. Variable lease payment depending on index or ratio, such payment shall be recognized at initial measurement based on the index or ratio on the beginning date of lease period;

3. Executive price of call option, under the precondition that the company is reasonably recognized to execute such option;

4. The payment to be paid for exercising the option of terminating lease, under the precondition

that it's reflected during the lease period that the company will exercise the option of terminating the lease;

5. Estimate the payable amount based on the residual value of the guarantee provided by the company.

When calculating the present value of lease payment, this company adopts the interest rate implicit in lease as the discount rate; if it's unable to recognize the interest rate implicit in lease, the company shall adopt incremental borrowing interest rate as the discount rate.

(XXV) Incomes

1. Income Recognition Principle

On the beginning date of contract, this company shall evaluate contract, identify the various single contract performance obligations contained in the contract, and recognize whether each single contract performance obligation is to be performed during certain time section or performed at certain time point.

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If meeting any of the following conditions, it shall be performance of contractual obligation during certain time section, otherwise, it shall be performance of contractual obligation at certain time point:

(1) The customer obtains and consumes the economic interest brought from this company's performance of contract immediately when this company performs the contract;

(2) The customer is able to control the commodity or service in the process of contract performance by this company;

(3) The commodity or service generated from this company's contract performance process has irreplaceable use, and this company has the right to collect payment for the part of accumulatively completed contract performance until present during the entire contract period.

For any contractual obligation performed during certain time section, this company shall recognize income based on the contract performance progress within such time section. If the contract performance progress can't be reasonably recognized, and the already incurred cost is estimated to be compensated, the income shall be recognized based on the amount of already incurred cost, until the

contract performance progress can be reasonably recognized. For any contractual obligation to be performed at certain time point, the income shall be recognized at the time point when the customer obtains the control over the related commodity or service. When judging whether a customer has obtained the control over commodity, this company shall consider the following signs:

(1) The company is entitled to the right to immediately collect payment for the commodity, meaning the customer has the obligation to immediately pay for such commodity;

(2) The company has transferred the legal ownership of such commodity to a customer, meaning the customer already has the legal ownership of such commodity;

(3) The company has transferred the physical commodity to a customer, meaning the customer has physically occupied the commodity;

(4) The company has transferred the main risks and rewards on the commodity to a customer, meaning the customer has obtained the main risks and rewards on the ownership of such commodity;

(5) A customer has accepted the commodity;

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(6) Other signs indicating that a customer has obtained the control over the commodity.

2. Income Measurement Principle

(1) This company shall measure income based on the transaction price allocated to each single contractual obligation. Transaction price means the amount of consideration that this company is estimated entitled to receive for transfer of commodity or service to a customer, excluding the payment collected on behalf of a third party and the payment estimated to be refunded to a customer.

(2) If there's any variable consideration in a contract, this company shall recognize the best estimation of variable price based on the expected value or the most likely amount, but the transaction price including variable consideration shall not exceed the amount of already recognized accumulative income is extremely unlikely to have major transfer-back when the related uncertainty has been eliminated.

(3) If a contract contains major financing component, the company shall recognize the transaction price based on the assumed payable amount in cash by the customer when obtaining control over the

commodity or service. The difference between such transaction price and contractual consideration shall be amortized in effective interest method during contractual period. On the beginning date of contract, if the company estimates that the time interval between the time when the customer obtains control over the commodity or service and the time when the customer pays the price doesn't exceed one year, the major financing component existing in contract shall not be considered.

(4) If a contract contains two or more contractual obligations, on the beginning date of contract, this company shall amortize transaction price to each single contractual obligation based on the relative ratio of separate sales price of commodity assumed by each single contractual obligation.

IV. Notes to Change of Important Accounting Policy, Accounting Estimation, Correction of Major Accounting Error

(I) Change in Accounting Policies

The Company has no changes in accounting policy during the reporting period.

(II) Change of Accounting Estimation

The Company has no changes in accounting estimates during the reporting period.

(III) Major Accounting Error

The Company has no material accounting error correction items during the reporting period

V. Taxes

(I) Main Taxes and Tax Rates are Presented as Follows

Tax item	Tax basis	Tax rate
VAT	The output tax shall be calculated on the basis of the sales of goods and taxable labor income calculated according to tax regulation, after deducting the currently deductible input tax, the different part shall be the VAT payable	6%
Urban construction tax	Turnover tax	7%
Educational surtax	Turnover tax	3%
Local educational surtax	Turnover tax	2%

Corporate income tax	Taxable income	25%
Individual income tax	---	---

(I) Preferential Tax Policy

This company didn't apply to the related preferential tax policies.

II. Notes to Main Items of Financial Statements

(I) Notes to Items in Balance Sheet

1. **Cash and cash equivalents**

Item	Closing balance	Opening balance
Cash	26,265.27	23,000.36
Bank balances	5,290,535.95	1,757,189.94
Other monetary funds	0.00	0.00
Total	5,316,801.22	1,780,190.30

2. ACCOUNTS RECEIVABLE

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(1) Aging analysis

Aging	Closing balance			Opening balance		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within 1 year	2,761,735.77	100.00%	0.00	865,770.15	100.00%	0.00
Total	2,761,735.77	100.00%	0.00	865,770.15	100.00%	0.00

（2）Ending balances of accounts receivable

Entity	Closing balance	Percentage in	Nature
Catai Tours	1,268,508.73	45.93%	Tour price
Great Rail Joumneys	313,700.00	11.36%	Tour price
Total	1,582,208.73	57.29%	---

3. Advance payment

(1) Aging analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio in original	Amount	Ratio in original
Within 1 year	143,601.73	100.00%	111,274.55	100.00%
Total	143,601.73	100.00%	111,274.55	100.00%

(2) Ending balances of advance payment:

Entity	Closing balance	Percentage in Accounts payable	Nature
Duck De Chine	20,948.00	14.59%	Travel fees
Total	20,948.00	14.59%	---

4. Other Receivables

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Item	Closing balance	Opening balance
Interest Receivable	0.00	0.00
Dividend receivable	0.00	0.00
Other Receivables	882,512.49	247,863.20
Total	882,512.49	247,863.20

Other Receivables

① Aging analysis

Aging	Closing balance			Opening balance		
	Amount	Proportion	Bad debt reserve	Amount	Proportion	Bad debt reserve
Within 1 year	792,512.49	89.80%	0.00	157,863.20	63.69%	0.00
1-2 years	0.00	0.00%	0.00	0.00	0.00%	0.00
2-3 years	0.00	0.00%	0.00	0.00	0.00%	0.00
More than 3 years	90,000.00	10.20%	0.00	90,000.00	36.31%	0.00

Total	882,512.49	100.00%	0.00	247,863.20	100.00%	0.00

② Ending balance of other receivables

Entity	Closing balance	Percentage in Other Receivables	Nature
Zhang XiaoLin	90,000.00	10.20%	loan
Beijing Shengfu Building Co Ltd.	287,211.00	32.54%	deposit
Total	377,211.00	42.74%	---

5. Long-Term Equity Investment

Invested unit	Shareholding ratio	Opening balance	Additional investment	Decreased investment	Others	Closing balance
Atrails Travel Services (Beijing) Co., Ltd	70.00%	210,000.00	0.00	0.00	0.00	210,000.00
Total	---	210,000.00	0.00	0.00	0.00	210,000.00

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6. Fixed Assets

Type	Closing balance	Opening balance
Fixed assets	45,881.92	0.00
Disposal of fixed assets	0.00	0.00
Total	45,881.92	0.00

Fixed Assets

Item	Opening	Increase in current period	Decrease in current period	Closing balance
1、Total original price	341,353.79	58,691.51	9,132.74	390,912.56
Including: Office furniture	34,251.00	0.00	0.00	34,251.00
Electronic equipments	307,102.79	58,691.51	9,132.74	356,661.56
2、Total accumulated depreciation	341,353.79	4,103.79	426.94	345,030.64

Including: Office furniture	34,251.00	0.00	0.00	34,251.00
Electronic equipments	307,102.79	4,103.79	426.94	310,779.64
3、Total accumulated amount of fixed assets depreciation reserves	0.00	0.00	0.00	0.00
Including: Office furniture	0.00	0.00	0.00	0.00
Electronic equipments	0.00	0.00	0.00	0.00
4、Total book value of fixed	0.00	——	——	45,881.92
Including: Office furniture	0.00	——	——	0.00
Electronic equipments	0.00	——	——	45,881.92

7. Right to use assets

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
1、Total original book value	646,918.00	843,766.00	0.00	1,490,684.00
Including: Houses and buildings	646,918.00	843,766.00	0.00	1,490,684.00
2、Total accumulated depreciation and accumulated amortization	646,918.00	421,884.00	0.00	1,068,802.00
Including: Houses and buildings	646,918.00	421,884.00	0.00	1,068,802.00
3、Total accumulated provision for impairment of assets with right to use	0.00	0.00	0.00	0.00
Including: Houses and buildings	0.00	0.00	0.00	0.00
4、Total book value of assets with right to use	0.00	——	——	421,882.00
Including: Houses and buildings	0.00	——	——	421,882.00

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8. Deferred income tax assets/ Deferred income tax liabilities

Deferred income tax assets

Item	Closing balance	Opening balance
Deferred income tax assets	2,643,319.52	2,643,319.52
Total	2,643,319.52	2,643,319.52

9. Short Term Borrowing

Item	Closing balance	Opening balance
Short Term Borrowing	2,627,730.00	2,953,192.00
Total	2,627,730.00	2,953,192.00

10. Accounts payable

(1) Aging analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	5,727,420.86	100.00%	1,973,791.41	100.00%
Total	5,727,420.86	100.00%	1,973,791.41	100.00%

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(2) Details of creditors:

Entity	Closing	Percentage in	Nature
Guilin Comfort International Travel Service Co Ltd.	179,817.20	3.14%	Tour price
Feitian Ticket Agent	147,595.00	2.58%	Tour price
Total	327,412.20	5.72%	---

11. Advance Receipt

（1）Aging analysis

Aging	Closing balance		Opening balance	
	Ratio	Amount	Ratio	Amount
Within 1 year	2,050,095.36	100.00%	1,130,796.18	100.00%
Total	2,050,095.36	100.00%	1,130,796.18	100.00%

（2）Ending balance of advances received

Entity	Closing balance	Percentage in	Nature
London Business School	561,704.00	27.40%	Tour price
Total	561,704.00	27.40%	---

12.Payroll and employee benefits

Item	Opening balance	Increase in current period	Decrease in current period	Closing
Payroll and employee benefits	115,835.68	567,548.24	469,965.07	213,418.85
Total	115,835.68	567,548.24	469,965.07	213,418.85

13.Taxes and dues payable

Item	Closing balance	Opening balance
value added tax	367,479.88	20,478.66
Local education surcharges	17,084.08	3,739.02
Total	384,563.96	24,217.68

北京东审会计师事务所（普通合伙）

14. Other Payables

(1) Details

Item	Closing balance	Opening balance
Interests payable	0.00	0.00
Dividends payable	0.00	0.00
Other payables	1,550,602.33	958,912.76
Total	1,550,602.33	958,912.76

(2) Other payables

Aging Analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	1,550,602.33	100.00%	958,912.76	100.00%

Total	1,550,602.33	100.00%	958,912.76	100.00%

15. Lease Liabilities

Item	Closing balance	Opening balance
Lease Liabilities	430,677.00	0.00
Total	430,677.00	0.00

16. Paid-in Capital

Name of shareholder	Opening balance	Increase in current	Decrease in	Closing balance
Asian Trails Holding Ltd.	8,000,000.00	0.00	0.00	8,000,000.00
Total	8,000,000.00	0.00	0.00	8,000,000.00

17. Capital Reserve

Item	Opening balance	Increase in current	Decrease in	Closing balance
Capital Reserve	1,606.36	0.00	0.00	1,606.36
Total	1,606.36	0.00	0.00	1,606.36

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18. Surplus Reserve

Type	Opening balance	Increase in current	Decrease in	Closing balance
Statutory surplus reserve	248,500.50	0.00	0.00	248,500.50
Total	248,500.50	0.00	0.00	248,500.50

19. Undistributed Profits

Item	Closing balance	Opening balance
Undistributed profit at the beginning of	-9,548,434.85	-6,330,258.73
Plus: net profit of the year	739,554.28	-3,218,176.12
Less: withdrawal of statutory surplus	0.00	0.00
withdrawal of discretionary surplus	0.00	0.00
withdrawal of general risk reserves	0.00	0.00
common stock dividends payable	0.00	0.00
common stock dividends converted into	0.00	0.00
profits handed in by branches	0.00	0.00

other	0.00	0.00
Undistributed profit at the end of the	-8,808,880.57	-9,548,434.85

(II)Note to Profit Statement Items

1. Operating revenue and Operating Costs

Item	Current amount		Amount incurred in the same period of last	
	Income	Cost	Income	Cost
Main business	42,433,575.11	34,836,952.38	5,684,573.63	4,785,011.88
Total	42,433,575.11	34,836,952.38	5,684,573.63	4,785,011.88

2. Taxes and Surcharges

Item	Current amount	Amount incurred in the same
stamp duty	1,318.84	1,716.06
Total	1,318.84	1,716.06

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3. Selling expenses

Item	Current amount	Amount incurred in the same
Selling expenses	842,110.99	112,757.08
Total	842,110.99	112,757.08

4. Administration Expense

Item	Current amount	Amount incurred in the same
Salary	3,814,400.34	1,909,855.58
Office costs	683,606.75	535,113.95
Pension insurance premiums	622,266.61	538,802.60
Other Fees	341,103.28	327,463.01
Depreciation	425,560.85	426,031.00
Total	5,886,937.83	3,737,266.14

5. Financial Expense

Item	Current amount	Amount incurred in the same period of last year
Interest expenses	57,232.14	0.00
Less: interest income	13,445.44	1,288.60
Exchange losses	0.00	8,126.37
Less: exchange gains	76,669.71	0.00
Handling charges expenses	0.00	0.00
Other	159,583.80	259,160.82
Total	126,700.79	265,998.59

(III) Supplementary Material of Cash Flow Statement

Supplementary information	Amount of this	Amount of
1. Adjusting net profit to operating cash flows:	——	——
Net profit	739,554.28	-3,218,176.12
Add: Provision for impairment losses of assets	0.00	0.00
Credit impairment loss	0.00	0.00
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	4,103.79	10,336.00
Depreciation of use right asset	421,884.00	416,548.00
Amortization of intangible assets	0.00	0.00
Amortization of long-term prepaid expenses	0.00	0.00
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by " − ")	0.00	0.00
Losses on retirement of fixed assets (gains are indicated by " − ")	0.00	0.00
Losses on changes in fair values (gains are indicated by " − ")	0.00	0.00
Financial expenses (income is indicated by " − ")	-19,437.57	8,126.37

北京东审会计师事务所(特殊普通合伙)

Losses arising from investments (gains are indicated by "－")	0.00	0.00
Decrease in deferred tax assets (increase is indicated by "－")	0.00	0.00
Increase in deferred tax liabilities (decrease is indicated by "－")	0.00	0.00
Decrease in inventories (increase is indicated by "－")	0.00	0.00
Increase in payables from operating activities (decrease is indicated by "－")	-8,662,495.10	-772,528.86
Others	11,936,021.46	2,427,706.03
Net cash flow from operating activities	0.00	0.00
2.Significant investing and financing activities that do not involve cash	——	——
Conversion of debt into capital	0.00	0.00
Convertible bonds due within one year	0.00	0.00
Fixed assets acquired under finance leases	0.00	0.00
3.Net changes in cash and cash equivalents:	——	——
Closing balance of cash	5,316,801.22	1,780,190.30
Less: Opening balance of cash	1,780,190.30	916,305.25
Add: Closing balance of cash equivalents	0.00	0.00
Less: Opening balance of cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	3,536,610.92	863,885.05

北京东审会计师事务所（特殊普通合伙）

VII. Affiliated Parties Relationship and Affiliated Transaction

(I) Affiliated Parties Relationship

Name of affiliated party	Ratio of shareholding in this company	Ratio of voting rights in this company
ASIAN TRAILS HOLDING LTD.	100.00%	100.00%

VIII. Other Important Matters

(I) Contingent Matters，

As of December 31, 2024, the Company has not involved in any pending litigations, external guarantee and other contingencies that shall be disclosed.

(II) Contingent Matters

As of December 31, 2024, the Company has not made any commitments that shall be disclosed.

(III) Non-adjusting events after balance sheet date

As of January 20,2025, the company was free of events after the balance sheet date to be disclosed.

(IV) Debt Restructuring

As of December 31, 2024, the company was free of debt restructuring issues.

(V) Exchange of Non-Monetary Assets

As of December 31, 2024, the company was free of exchange of non-monetary assets.

（VIII）Other

As of December 31, 2024, the Company has not engaged in any other important matters that shall be disclosed.

IX Approval for Publishing of the Accounting Statements

The accounting statements have been approved to be published by the Company's Board of Directorson January 20,2025.

北京东审会计师事务所(特殊普通合伙)

ASIAN Trails International Travel Services (Beijing) Ltd.

January 20,2025

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2020年 11月 13日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2020年 11月 13日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

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年 月 日
/y /m /d

11

姓名：贾凡
证书编号：110004910004

证书编号：
No. of Certificate 110004910004

批准注册协会：
Authorized Institute of CPAs 北京注册会计师协会

发证日期：
Date of Issuance 年 月 日
/y /m /d

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this renewal.

CPA任职资格检查合格
BICPA
2012

年 月 日
/y /m /d

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THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
中国注册会计师协会

北京东审会计师事务所(特殊普通合伙)
1101061017

姓名
Full name 贾凡
性别
Sex
出生日期
Date of birth 1985-01-17
工作单位
Working unit 北京东审会计师事务所(特殊普通合伙)
身份证号码
Identity card No. 130682198501174X

仅供审计报告使用

梁东 110003950038

证书编号：110003950038
No. of Certificate

批准注册协会：北京注册会计师协会
Authorized Institute of CPAs

发证日期：2022 年 12 月 29 日
Date of Issuance

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 月 日
/y /m /d

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS 中国注册会计师协会

北京兴华会计师事务所(特殊普通合伙) 1101061047620

姓名 Full name 梁东
性别 Sex 男
出生日期 Date of birth 1987-10-07
工作单位 Working unit 北京东审会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 131082198710072510

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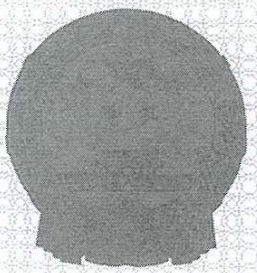

会计师事务所

执业证书

名　　称：北京东审会计师事务所（特殊普通合伙）

首席合伙人：崔军胜

主任会计师：

经营场所：北京市东城区崇文门外大街7、9号1幢11层11-1

组织形式：特殊普通合伙

执业证书编号：11000395

批准执业文号：京财会[2005]1668号

批准执业日期：2005年10月11日

证书序号：0022671

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

2025 年 1 月 28 日

中华人民共和国财政部制

统一社会信用代码

91110102781700826T

营业执照

（副 本）(2-1)

扫描市场主体身份码了解更多登记、备案、许可、监管信息，体验更多应用服务。

名　　称　北京东审会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　崔军胜

经营范围　审计企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关的报告；基本建设年度决算审计；代理记帐；会计咨询、税务咨询、管理咨询、财务会计培训；法律、法规规定的其它业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

出　资　额　1000万元

成立日期　2005年10月17日

主要经营场所　北京市东城区崇文门外大街7、9号1幢11层11-1

登记机关

2024年　11月　27日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过国家企业信息公示系统报送公示年度报告。

国家市场监督管理总局监制

2024 Auditor's Report

of

Atrails Travel Services (Beijing) Co., Ltd

DSK [2025] No.A06-002

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北京东审会计师事务所(特殊普通合伙)

Auditor's Report

DSK [2025] No.A06-002

To all shareholders of Atrails Travel Services (Beijing) Co., Ltd:

I. Audit Opinions

We have audited the attached financial statements of Atrails Travel Services (Beijing) Co., Ltd. (hereinafter referred to as the Company), including the Balance Sheet as of December 31, 2024, and the Income Statement, the Cash Flow Statement and the Statement of Change in Owners' Equity for the year then ended, and the Notes to Financial Statements.

In our opinions, the attached financial statements have been prepared in accordance with the Accounting System for Business Enterprises in all significant aspects, and have given fair views on the Company's financial position as of December 31, 2024, and the operating results and cash flows for the year then ended.

II. Basis for Forming Audit Opinions

We conducted an audit in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these Standards are further set forth in the Section "CPA's Responsibility for Auditing Financial Statements" hereunder. In accordance with the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company, and have fulfilled other responsibilities in respect of professional ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinions.

Ⅲ. Other information

The Company's management is responsible for other information. Other information includes the information under the annual report, but excludes the financial statements and our auditor's report.

Our audit opinions in respect of the financial statements exclude other information, and we do not express any form of authentication conclusions on other information.

In consideration of our audit on the financial statements, our responsibility is to review other information, and consider whether other information is significantly inconsistent with the financial statements or the circumstances in our knowledge in the audit process, or has material misstatement or not.

Based on our audit, if we confirm that other information has material misstatement, we shall report such facts. In this respect, we have nothing to report.

IV. Responsibilities of the Management and the Executives on the Financial Statements

The Company's management (hereinafter referred to as the management) is responsible for preparing the financial statements that give fair view in accordance with the Accounting System for Business Enterprises, and designing, executing and maintaining necessary internal control, so that the financial statements are free from material misstatement, whether due to fraud or errors.

In preparation of the financial statements, the management is responsible for evaluating the Company's ability of going concern, disclosing the matters related to going concern (if applicable), and utilizing the going concern assumptions, unless the management plans to liquidate the Company, or terminate operation or does not have any other practical choices.

The executives are responsible for supervising the process of the Company's financial reporting.

V. CPA's Responsibility for Auditing Financial Statements

Our goal is to obtain reasonable assurance as to whether the financial statements in the whole are free from material misstatement, whether due to fraud or errors, and to issue the auditor's report including the audit opinions. The reasonable assurance is at high level, but cannot guarantee that audit in line with the auditing standards will always discover certain material misstatement if any. Misstatement might be caused by fraud or errors. If it is reasonably anticipated that misstatement might independently or together affect the economic decisions made by the users of the financial statements based on the financial statements, then, it is generally assumed that the misstatement is material.

In the course of audit performed in accordance with the auditing standards, we make our professional judgment and maintain the professional skepticism. Meanwhile, we also perform the following work:

(I) To identify and evaluate the material misstatement risks of the financial statements whether due to fraud or errors, design and implement the audit procedures to cope with these risks, and obtain sufficient and appropriate audit evidences as the basis for the audit opinions. As fraud might involve collusion, forging, intentional omission or false statement or overrides the internal control, the risk in failure to discover the material misstatement due to fraud overrides the risk in failure to discover the material misstatement due to errors.

(II) To understand the audit related internal control, in order to design appropriate procedures, but not for the purpose of expressing opinions on the effectiveness of the internal control.

(III) To evaluate the appropriateness of the accounting policies used by the management, and the reasonableness of the accounting estimates and relevant disclosures made by the management.

(IV) To make conclusions on appropriateness of the going concern assumptions used by the management, and make conclusions on material uncertainty of the matters or circumstances that are likely to materially challenge the Company's ability of going concern based on the obtained audit evidences at the same time. If our conclusions hold that there is material uncertainty, the auditing standards require we remind the users of the statements of the relevant disclosures in the financial statements in our auditor's report; if the disclosures are insufficient, we should express unqualified opinions. Our conclusions are based on the information available as of the date of the auditor's report. However, the future matters or circumstances might disqualify the Company from going concern.

(V) To evaluate the overall presentation, structure and contents (including disclosures) of the financial statements, and evaluate whether the financial statements give fair view on the relevant transactions and matters.

We have communicated the planned audit scope, schedule and material audit discoveries with the executives, including the internal control defects that have been identified by us in the course of audit and should be paid attention to.

This audit report is not intended for use in securities markets such as IPOs, bond issuances, and the New Third Board. It is also not suitable for use in financing or investment activities with qualification requirements for securities. Any consequences arising from improper use beyond the intended scope are not the responsibility of the registered accountants and the accounting firm conducting this audit.

Beijing Dong Shen Certified Public Accountants LLP (Limited Liability Partnership)

Beijing, China

January 20, 2025

Chinese CPA:

Chinese CPA:

Balance Sheet

December 31, 2024

Audited entity name:Atrails Travel Services (Beijing) Co., Ltd.

Currency: Rmb

Items	Notes	Current Year	Previous Year	Items	Notes	Current Year	Previous Year
Current Assets:				**Currents Liabilities:**			
Cash and cash equivalents	1	1,246,693.57	776,222.86	Short Term Borrowing	35	-	-
Trading financial assets	2	-	-	Trading financial liabilities	36	-	-
Derivative financial assets	3	-	-	Derivative financial liabilities	37	-	-
Notes receivable	4	-	-	Notes payable	38	-	-
Accounts receivable	5	66,082.00	29,938.00	Accounts payable	39	321,653.01	237,118.40
Receivable financing	6	-	-	Advance receipt	40	29,014.23	567,824.72
Prepayments	7	-	274,706.95	Contract liabilities	41	-	-
Other receivables	8	81,433.00	421,876.00	Payroll and employee benefits	42	5,702.00	11,730.00
Inventories	9	-	-	Taxes and dues payable	43	3,538.47	3,234.47
Contract assets	10	-	-	Other payables	44	38,580.47	69,959.32
Hold for sale assets	11	-	-	Held for sale debt	45	-	-
Non-current assets due within one year	12	-	-	Non-current liabilities due within one year	46	-	-
Other current assets	13	2,966.59	-	Other current liabilities	47	-	-
Total Current Assets	14	**1,397,175.16**	**1,502,743.81**	**Total Current Liabilities**	48	**398,488.18**	**889,866.91**
Non-current Assets:				**None current liabilities:**			
Debt investment	15	-	-	Long-term loans	49	-	-
Other debt investment	16	-	-	Bonds payable	50	-	-
Long-term receivable	17	-	-	Bonds payable-Preferred Stock	51	-	-
Long-term equity investments	18	-	-	Bonds payable-Perpetual debt	52	-	-
Other Equity Instruments Investment	19	-	-	Lease liabilities	53	74,976.00	-
Other non-current financial assets	20	-	-	Long - Term Payables	54	-	-
Investment Properties	21	-	-	Provisions	55	-	-
Fixed assets	22	-	-	Deferred income	56	-	-
Construction in progress	23	-	-	Deferred income tax liabilities	57	-	1,310.57
Productive biological assets	24	-	-	Other non-current liabilities	58	-	-
Oil and gas assets	25	-	-	**Total Non-current Liabilities**	59	**74,976.00**	**1,310.57**
Right to use assets	26	73,592.00	-	**Total Liabilities**	60	**473,464.18**	**891,177.48**
Intangible assets	27	-	-	**Owners'/Shareholders' Equity:**			
Development expenditures	28	-	-	Paid in capital	61	300,000.00	300,000.00
Goodwill	29	-	-	Other equity instruments	62	-	-
Long-term prepaid assets	30	-	-	Other equity instruments-Preferred Stock	63	-	-
Deferred income tax assets	31	-	-	Other equity instruments-Perpetual debt	64	-	-
Other non-current assets	32	-	-	Capital Reserve	65	-	-
				Less:Retained stock	66	-	-
				Other comprehensive income	67	-	-
				Special reserve	68	-	-
Total Non-current Assets	33	**73,592.00**	-	Surplus reserve	69	69,611.91	31,038.25
				Undistributed profit	70	627,691.07	280,528.08
				Total Owners'/Shareholders' Equity	71	**997,302.98**	**611,566.33**
Total Assets	34	**1,470,767.16**	**1,502,743.81**	**Total Liabilities & Owners' Equity**	72	**1,470,767.16**	**1,502,743.81**

Legal representative of the company:

Person in charge of accounting work:

Person in charge of accounting agency:

Income Statement

Year 2024

Audited entity name:Atrails Travel Services (Beijing) Co., Ltd. Currency: Rmb

Items	Notes	Current Year	Previous Year
I.Operating revenue	1	**8,046,654.53**	**3,495,139.04**
Less: Operating Costs	2	7,087,885.44	2,997,254.42
Taxes and Surcharges	3	4,267.16	1,657.93
Selling expenses	4	105,000.19	105,000.00
Administration Expense	5	448,737.14	338,702.10
R&D expenses	6	-	-
Financial expenses	7	5,574.67	2,786.92
Including: Interest expense	8	4,240.00	-
Interest income	9	2,612.66	2,428.91
Add:Other Incomes	10	-	-
Investment income (loss expressed with "-")	11	-	-
Including:Income from associates and joint ventures	12	-	-
Derecognition gains on financial assets measured at amortised cost (loss expressed with "-"	13	-	-
Net open hedge income	14	-	-
Income from changes in fair value (loss expressed with "-")	15	-	-
Credit impairment loss (loss expressed with "-")	16	-	-
Impairment of assets (loss expressed with "-")	17	-	-
Disposal of assets	18	-	-
II.Operating income (loss expressed with "-")	19	**395,189.93**	**49,737.67**
Add:Non-operating income	20	10,848.65	-
Less:Non-operating expense	21	-	-
III.Total income	22	**406,038.58**	**49,737.67**
Less:Income Tax Expense	23	20,301.93	2,486.89
IV.Net income (loss expressed with "-")	24	**385,736.65**	**47,250.78**
Continuous operation Profit/loss	25	385,736.65	47,250.78
Terminate the operation Profit/loss	26		
V.Each component of other comprehensive income, net of income tax effect	27	-	-
1. Other comprehensive income which will not be reclassified subsequently to profit or loss	28	-	-
1.1 As a result of remeasurement of net defined benefit plan liability or asset	29	-	-
1.2 Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss	30	-	-
1.3 Changes in fair value of other equity instruments investment	31	-	-
1.4 Changes in the fair value of corporate credit risk	32	-	-
1.5 Other	33	-	-
2. Other comprehensive income which will be reclassified subsequently to profit or loss when specific conditions are met	34	-	-
2.1 Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss when specific conditions are met	35	-	-
2.2 Changes in the fair value of other debt investments	36	-	-
2.3 The amount of financial assets reclassified into other comprehensive income	37	-	-
2.4 Other debt investment credit impairment provisions	38	-	-
2.5 Cash flow hedge reserve	39	-	-
2.6 Translation differences arising on translation of foreign currency financial statements	40	-	-
2.7 Other	41	-	-
VI.Total comprehensive earning	42	**385,736.65**	**47,250.78**
VII.Earning Per Share	43		
1.Primary earnings per share	44	-	-
2.Diluted earnings per share	45	-	-

Legal representative of the company: Person in charge of accounting work: Person in charge of accounting agency:

Cash Flow Statement

Year 2024

Audited entity name:Atrails Travel Services (Beijing) Co., Ltd. Currency: Rmb

Items	Notes	Current Year	Previous Year
I. Cash Flows From Operating Activities			
Cash received from sale of goods or rendering of services	1	8,232,225.98	3,827,002.35
Refund of tax and levies	2	-	-
Other cash received relating to operating activities	3	1,329,475.57	1,844,065.17
Sub-total of cash inflows from operating activties	4	**9,561,701.55**	**5,671,067.52**
Cash paid for goods and services	5	8,329,463.20	3,156,330.26
Cash paid to and on behalf of employees	6	302,221.70	205,113.60
Payments of all types of taxes	7	93,754.28	29,350.36
Other cash paid relating to operating activities	8	289,351.66	2,538,694.55
Sub-total of cash outflows from operating activties	9	**9,014,790.84**	**5,929,488.77**
Net cash flows from operating activities	10	**546,910.71**	**-258,421.25**
II. Cash Flows From Investing Activities			
Cash received from recovery of investments	11	-	-
Cash received from returns on investments	12	-	-
Net cash received from disposal of fixed assets, intangible assets & other long-term as	13	-	-
Net cash from disposal of Subsidiary and other operating entitie	14	-	-
Other cash received relating to investing activities	15	-	-
Sub-total of cash inflows from investing activities	16	-	-
Cash paid to acquire fixed assets, intangible assets & other long-term assets	17	-	-
Cash paid to acquire investments	18	-	-
Net cash obtained from subsidiary and other operating entities	19	-	-
Other cash payments relating to investing activities	20	-	-
Sub-total of cash outflows from investing activities	21	-	-
Net cash flows from investing activities	22	-	-
III.Cash Flows From Financing Activities			
Cash received from capital contribution	23	-	-
Cash received from borrowings	24	-	-
Other cash received relating to financing activities	25	-	-
Sub-total cash flows from financing activities	26	-	-
Cash repayments of amounts borrowed	27	-	-
Cash payments for interest expenses and distribution of dividends or profit	28	-	-
Other cash payments relating to financing activities	29	76,440.00	-
Sub-total cash flows from financing activities	30	**76,440.00**	-
Net cash flows from financing activities	31	**-76,440.00**	-
IV. Effect Of Foreign Exchange Rate Changes On Cash	32		
V. Net Increase/(Decrease) In Cash And Cash Equivalents	33	**470,470.71**	**-258,421.25**
Add: Cash and cash equivalents at the beginning of the year	34	776,222.86	1,034,644.11
VI.Cash and cash equivalents at the end of the year	35	**1,246,693.57**	**776,222.86**

Legal representative of the company: Person in charge of accounting work: Person in charge of accounting agency:

Statement of Changes in Equity

Year 2024

Audited entity name:Atrails Travel Services (Beijing) Co., Ltd.

Currency: Rmb

Items	Current Year										
	Paid in capital	Other equity instruments			Capital surplus	Less: Treasury Stock	Other comprehensive income	Special reserve	Surplus Reserve	Undistributed Profits	Total owner's equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance last year	300,000.00								31,038.25	280,528.08	611,566.33
Add:Change in accounting policy											-
Corrections of prior period errors											-
other											-
II. Opening balance this year	300,000.00	-	-	-	-	-	-	-	31,038.25	280,528.08	611,566.33
III. Fluctuation amount this year (decrease expressed with "-")	-	-	-	-	-	-	-	-	38,573.66	347,162.99	385,736.65
1.Total comprehensive income										385,736.65	385,736.65
2.Owners' capital of input and decrease	-	-	-	-	-	-	-	-	-	-	-
2.1.Owner of the common shares											-
2.2.Holders of other equity instruments invested capital											-
2.3.Shares included in the owners' equity											-
2.4.Others											-
3.Profit distribution	-	-	-	-	-	-	-	-	38,573.66	-38,573.66	-
3.1.Appropriation of surplus reserve									38,573.66	-38,573.66	-
3.2.Distribution to owners (shareholders)											-
3.3.Others											-
4.Internal transfer of owners' equity	-	-	-	-	-	-	-	-	-	-	-
4.1.Capital surplus to increase capital											-
4.2.Surplus reserve to increase capital											-
4.3.Surplus reserve making up losses											-
4.4 Set a change in the benefit plan to carry forward retained earnings											-
4.5 Other comprehensive income carry-over retained earnings											-
4.6.Others											-
IV.Closing balance this year	300,000.00	-		-	-	-	-	-	69,611.91	627,691.07	997,302.98

Legal representative of the company:

Person in charge of accounting work:

Person in charge of accounting agency:

Statement of Changes in Equity

Year 2024

Audited entity name:Atrails Travel Services (Beijing) Co., Ltd.

Currency: Rmb

Items	Prior Year										
	Paid in capital	Other equity instruments			Capital surplus	Less: Treasury Stock	Other comprehensive income	Special reserve	Surplus Reserve	Undistributed Profits	Total owner's equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance last year	300,000.00								26,313.17	238,002.38	564,315.55
Add:Change in accounting policy											-
Corrections of prior period errors											-
other											-
II. Opening balance this year	300,000.00	-	-	-	-	-	-	-	26,313.17	238,002.38	564,315.55
III. Fluctuation amount this year (decrease expressed with "-")	-	-	-	-	-	-	-	-	4,725.08	42,525.70	47,250.78
1.Total comprehensive income										47,250.78	47,250.78
2.Owners' capital of input and decrease	-	-	-	-	-	-	-	-	-	-	-
2.1.Owner of the common shares											-
2.2.Holders of other equity instruments invested capital											-
2.3.Shares included in the owners' equity											-
2.4.Others											-
3.Profit distribution	-	-	-	-	-	-	-	-	4,725.08	-4,725.08	-
3.1.Appropriation of surplus reserve									4,725.08	-4,725.08	-
3.2.Distribution to owners (shareholders)											-
3.3.Others											-
4.Internal transfer of owners' equity	-	-	-	-	-	-	-	-	-	-	-
4.1.Capital surplus to increase capital											-
4.2.Surplus reserve to increase capital											-
4.3.Surplus reserve making up losses											-
4.4 Set a change in the benefit plan to carry forward retained earnings											-
4.5 Other comprehensive income carry-over retained earnings											
4.6.Others											-
IV.Closing balance this year	300,000.00	-	-	-	-	-	-	-	31,038.25	280,528.08	611,566.33

Legal representative of the company:

Person in charge of accounting work:

Person in charge of accounting agency

Atrails Travel Services (Beijing) Co., Ltd.

Notes to Financial Statements

The year in 2024

(Unless otherwise especially specified, the amounts are stated in RMB)

I. Company Profile

Atrails Travel Services (Beijing) Co., Ltd. (hereinafter referred to as the company), was established on February 26, 2019, with a unified social credit code of 91110105MA01HE2K5Q; company type: limited liability company (foreign-invested enterprise and domestic-funded joint venture); enterprise registration address: Beijing.

The company's business scope: domestic tourism business; inbound tourism business; economic and trade consultation; tourism information consultation; undertaking exhibition activities; conference services; organizing cultural and artistic exchange activities (excluding performances); import and export of goods, technology and import and export.

II. Preparation Basis of Financial Statements

（I）Preparation Basis

Under the assumption of going concern, the Company prepares the financial statements in respect of the actual transactions and events in accordance with the Accounting Standards for Business Enterprises – Basic Standards enacted by the Ministry of Finance ,42 accounting standards, application guidelines and interpretations thereof enacted and amended ,(hereinafter collectively referred to as "accounting standards for business enterprises") to recognize and measure, and prepare financial statements on this basis

北京东审会计师事务所(特殊普通合伙)

(II) Evaluation of Sustainable Operation Ability

The financial statements are presented based on the assumption of going concern. The Company has not engaged in any events or circumstances that challenge the Company’s ability of going concern over the 12 months at the end of the reporting period.

III. Important Accounting Policy and Accounting Estimation of the Company

（I）Statements on Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises, and have given true and complete views on the Company's financial position, and other information related to operating results and cash flows.

（II）Accounting period

The Company's accounting year begins on January 1 and ends on December 31 of every Gregorian calendar year.

（III）Operating cycle

The company considers 12 months as the standard to classify the liquidity of assets and liabilities.

（IV）Reporting currency

The company uses the Chinese Yuan (Renminbi) as its functional currency.

(V) Bookkeeping Base and Pricing Principle

According to related regulations of ASBE, the company's accounting shall be on the accrual basis. Except for certain financial instruments and Investment Properties, the financial statement shall adopt historical cost as the measurement basis.

(VI) Recognizing Standard of Cash and Cash Equivalent

The Company cash and cash equivalents include the cash on hand, the Bank balances available for payment at any time, and the Company's short-term (Usually means maturity within three months since the acquisition date), high-liquidity investments that are readily convertible into cash of known amounts and have insignificant risks of change in value.

(VII) Foreign Currency Business and Foreign Currency Statement Translation

1. Foreign Currency Business

北京兴华会计师事务所（特殊普通合伙）

At initial recognition of foreign-currency business transaction, bookkeeping shall be made in RMB converted with the spot exchange rate on the occurring date of transaction as the conversion exchange rate.

On balance sheet date, the foreign-currency monetary items shall be converted at the spot exchange rate on balance sheet date, any and all balances of exchange shall be accounted into current profit or

loss except for the balance of exchange incurred from the special borrowing in foreign currency related to purchase or construction of assets that meet capitalization conditions.

Any foreign-currency non-monetary items measured in historical cost shall still be converted at the spot exchange rate on transaction occurring date; Any foreign-currency non-monetary item measured in fair value shall be converted at the spot exchange rate on the date of recognizing fair value, the translation difference shall be accounted into current profit or loss or recognized as other comprehensive income.

2. Foreign Currency Financial Statement Translation

The items of assets and liabilities in balance sheet shall be converted at the spot exchange rate on balance sheet date; other items of owner's equities than the item of "Undistributed Profit" shall be converted at the spot exchange rate at occurrence. The items of incomes and expenses in profit statement shall be converted at the spot exchange rate on transaction occurrence date. The translation difference of foreign-currency financial statements generated from the conversion above shall be accounted into other comprehensive income.

(VIII) Accounts Receivable

The receivables include the accounts receivables and other receivables.

1. Recognition criteria of the bad debt reserves

The Company assesses the carrying amounts of the accounts receivable on the balance sheet date. If there are following objective evidences that the accounts receivable are impaired, the impairment provision is calculated: ①The debtor has serious financial difficulty; ②The debtor violates the contract terms and conditions (e.g. default or overdue payment of interest or principal); ③The debtor is likely to be closed down or engages in other financial restructuring; ④There are other objective evidences that the accounts receivable are impaired.

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2. Calculation method of the bad debt reserves

（1）Calculation method of accounts receivable of significant single amount and single bad debt reserves: the accounts receivable of significant single amount are individually tested for impairment. If there is objective evidence that the accounts receivable are impaired, the bad debt reserves are calculated at the difference between the present value of their future cash flows and their carrying amount.

（2）Accounts receivable of insignificant single amount and single bad debt reserves

Reasons for single calculation of the bad debt reserves	Accounts receivable involved in proceedings, and worsen client's credit status
Calculation method of the bad debt reserves	The bad debt reserves are calculated at the difference between the present value of their future cash flows and their carrying amount

（3）Accounts receivable whose bad debt reserves are calculated in combination

In respect of the accounts receivable that have not been impaired upon separate test (including accounts receivable of significant and insignificant single amounts), and the accounts receivables that have not been tested separately and have insignificant amount, the bad debt reserves are calculated in the combination of the following credit risk features:

Type of combination	Determination basis of combination	Calculation method of bad debt reserves in combination
Aging combination	Aging status	Aging analysis method

(IX) Right to use assets

1. Recognizing Conditions for Right to use assets

Use right asset means the company's right to use leased assets during the lease period as lessee. The company shall recognize use right asset over lease since the beginning date of lease period. Use right asset shall be recognized when the related economic interest would probably flow in, and the cost can be reliably measured.

2. Initial Measurement of Use Right Asset

Use right asset shall have initial measurement based on cost, such cost shall include:

(1) Initial measurement amount of lease liability;

(2) For any amount of lease payment paid on or before the beginning date of lease period, if there's any lease incentive, the related amount of already entitled lease incentive shall be deducted;

(3) Initial direct expense incurred by the lessee;

(4) The estimated cost to be incurred by the lessee for dismantling and removing lease asset, recovering the site of the lease asset or recovering the lease asset to the state stipulated in the lease

terms.

3. Subsequent Measurement of Use Right Asset

(1) The company adopts cost model to make subsequent measurement on use right asset.

(2) The company provisions depreciation on use right asset. If it can be reasonably recognized that the ownership of lease asset can be obtained at expiration of lease period, this company shall provision depreciation during the residual serviceable life of the leased asset. If it can't be reasonably recognized that the ownership of lease asset can be obtained at expiration of lease period, this company shall provision depreciation during whichever shorter between the lease period and the residual serviceable life of the leased asset. The specific depreciation methods of various Right to use assets are as follows:

This company provisions depreciation on Right to use assets based on the Straight-Line Method.

(3) When the company re-measures lease liability based on the present value of lease payment after change, and adjusts the book value use right asset accordingly, if the book value of use right asset has been reduced to zero, but the lease asset still needs to be further reduced, the residual amount shall be accounted into current profit or loss.

(4) On the balance sheet date, if there's any sign to indicate impairment of Use Right Asset , the corresponding impairment reserve shall be provisioned based on the difference of book value higher than the recoverable amount.

(X) Depreciation of Long-Term Assets

As to the fixed assets, the Construction in progress, the intangible assets of limited useful life, the Investment properties measured at cost, the long-term equity investments in the subsidiaries, joint venture and associated enterprises, and other non-current non-financial assets, the Company judges whether there is impairment sign on the balance sheet date. If there is impairment sign, then their recoverable amount is estimated, and the impairment test is performed. The goodwill, the intangible assets of indefinite useful life, and the intangible assets that have not been ready for intended use are tested for impairment every year whether there is impairment sign or not.

If the impairment test results indicate that the recoverable amount of the assets is lower than their

carrying amounts, the impairment provision is calculated at the resulting difference, and the difference is recognized in the impairment loss. The recoverable amount is the higher of the fair value of an asset net of the disposal expenses, and the present value of the estimated future cash flows of such asset. The fair value of an asset is determined at the price under the sales agreement in the arm's length transaction; if there is no sales agreement but there is active market, the fair value is determined at the purchase price of the buyer of such assets; in absence of both the sales agreement and the active market, the fair value of the asset may be estimated based on the best available information. The disposal expenses include the legal costs, the relevant taxes and the handling costs related to disposal of the assets, and the direct expenses incurred before such asset is ready for its intended use. The present value of the estimated future cash flows of the assets is determined by discounting the estimated future cash flows of the assets in the process of continuous use and final disposal at the appropriate discount rate. The asset impairment provision is calculated and determined based on the single asset. If it is hard to estimate the recoverable amount of the single asset, the recoverable amount of the asset group in which such asset is incorporated is determined. The asset group is the minimum asset combination that can independently generate cash inflows.

Once the aforesaid asset impairment losses are recognized, the recovered value shall not be reversed during the subsequent periods.

(XI) Employee Remuneration

1. Employee remuneration includes short-term pay, post-employment benefits, dismission welfare and other long-term employee benefits.

2. Accounting Treatment Method of Short-Term Compensation

During the accounting period of an employee providing service to company, company shall recognize the actually incurred short-term remuneration as liability, and account it into current profit or loss or related asset cost.

3. Accounting Treatment Method of Post-Employment Benefits

The post-employment benefits are classified into defined contribution plans and defined benefit

plans.

(1) During the accounting period when an employee provides service to the company, the payable amount calculated according to defined contribution plans shall be recognized as liability, and accounted into current profit or loss or related asset cost.

(2) The accounting treatment of defined benefit plans usually includes the following steps:

a. Based on the method of estimated accumulative welfare unit, adopt unbiased and consistent actuarial assumption to make estimation about related demographic variables and financial variables, measure the obligations generated from defined benefit plans, and recognize the periods of related obligations. Meanwhile, discount the obligations generated from the defined benefit plans, so as to recognize the present value of defined benefit plans and service cost in current period;

b. If there's any asset in defined benefit plans, the deficit or surplus generated from the present value of defined benefit plans obligation less the fair value of defined benefit plans asset shall be recognized as the net liability or net asset of a defined benefit plan. If there's surplus in a defined benefit plan, measure the net asset of defined benefit plan based on whichever lower between the upper limits of the surplus and asset of defined benefit plan.

c. At the end of period, recognize the employees remuneration cost generated from defined benefit plans into three parts, namely the service cost, the net amount of interest of the net liability or net asset of defined benefit plan, and the changes from re-measurement of the net liability or net asset of defined benefit plans, in which the service cost and the net amount of interest of the net liability or net asset of defined benefit plan shall be accounted into current profit or loss or related asset cost, the changes from re-measurement of the net liability or net asset of defined benefit plans shall be accounted into other comprehensive income, and shall not be allowed to transfer back to the profit or loss in subsequent accounting period, but these amounts recognized in other comprehensive income can be transferred in the scope of equities.

4. Accounting Treatment Method of Dismission Welfare

For the dismission welfare provided to employee, the employee remuneration liability generated

from dismission welfare shall be recognized on whichever earlier between the following two options, and accounted into current profit or loss:

(1) When the company is unable to unilaterally withdraw the dismission welfare provided when cancelling labor relation plan or layoff suggestions;

(2) When the company recognizes the cost or expense related to the restructuring involving payment of dismission welfare.

5. Accounting Treatment of Other Long-Term Employee Welfare

For other long-term welfare provided to employees, if meeting the conditions for defined contribution plans, the accounting treatment shall be made according to related regulations on defined contribution plans; other long-term welfares shall have accounting treatment according to related regulations on defined contribution plans, in order to simplify the related accounting treatments, its generated employees remuneration cost shall be recognized as service cost, the total net amount, including the net amount of interest of net liability or net asset of other long-term employees welfare, the changes generated from remeasurement of the net liability or net asset of other long-term employees welfare and other component items, shall be accounted into current profit or loss or related asset cost.

(XII)Lease Liabilities

On the beginning date of lease period, the company shall recognize the use right asset and lease liability over the lease, except for the short-term lease and low-value asset lease that shall have simplified treatment according to related standards.

Lease liabilities shall make initial measurement based on the present value of the lease payment not yet paid on the beginning date of lease period.

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Lease payment amount means the payment that the company pays to lessor for the right to use the leased asset during the lease period, including:

1. Fixed payment and substantial fixed payment, if there's any lease incentive, deduct the related amount of lease incentive;

2. Variable lease payment depending on index or ratio, such payment shall be recognized at initial measurement based on the index or ratio on the beginning date of lease period;

3. Executive price of call option, under the precondition that the company is reasonably recognized to execute such option;

4. The payment to be paid for exercising the option of terminating lease, under the precondition that it's reflected during the lease period that the company will exercise the option of terminating the lease;

5. Estimate the payable amount based on the residual value of the guarantee provided by the company.

When calculating the present value of lease payment, this company adopts the interest rate implicit in lease as the discount rate; if it's unable to recognize the interest rate implicit in lease, the company shall adopt incremental borrowing interest rate as the discount rate.

(XIII)Incomes

1. Income Recognition Principle

On the beginning date of contract, this company shall evaluate contract, identify the various single contract performance obligations contained in the contract, and recognize whether each single contract performance obligation is to be performed during certain time section or performed at certain time point.

If meeting any of the following conditions, it shall be performance of contractual obligation during certain time section, otherwise, it shall be performance of contractual obligation at certain time point:

(1) The customer obtains and consumes the economic interest brought from this company's performance of contract immediately when this company performs the contract;

(2) The customer is able to control the commodity or service in the process of contract performance by this company;

(3) The commodity or service generated from this company's contract performance process has irreplaceable use, and this company has the right to collect payment for the part of accumulatively completed contract performance until present during the entire contract period.

For any contractual obligation performed during certain time section, this company shall recognize income based on the contract performance progress within such time section. If the contract performance progress can't be reasonably recognized, and the already incurred cost is estimated to be compensated, the income shall be recognized based on the amount of already incurred cost, until the

contract performance progress can be reasonably recognized. For any contractual obligation to be performed at certain time point, the income shall be recognized at the time point when the customer obtains the control over the related commodity or service. When judging whether a customer has obtained the control over commodity, this company shall consider the following signs:

(1) The company is entitled to the right to immediately collect payment for the commodity, meaning the customer has the obligation to immediately pay for such commodity;

(2) The company has transferred the legal ownership of such commodity to a customer, meaning the customer already has the legal ownership of such commodity;

(3) The company has transferred the physical commodity to a customer, meaning the customer has physically occupied the commodity;

(4) The company has transferred the main risks and rewards on the commodity to a customer, meaning the customer has obtained the main risks and rewards on the ownership of such commodity;

(5) A customer has accepted the commodity;

(6) Other signs indicating that a customer has obtained the control over the commodity.

2. Income Measurement Principle

(1) This company shall measure income based on the transaction price allocated to each single contractual obligation. Transaction price means the amount of consideration that this company is estimated entitled to receive for transfer of commodity or service to a customer, excluding the payment collected on behalf of a third party and the payment estimated to be refunded to a customer.

(2) If there's any variable consideration in a contract, this company shall recognize the best estimation of variable price based on the expected value or the most likely amount, but the transaction price including variable consideration shall not exceed the amount of already recognized accumulative income is extremely unlikely to have major transfer-back when the related uncertainty has been eliminated.

(3) If a contract contains major financing component, the company shall recognize the transaction price based on the assumed payable amount in cash by the customer when obtaining control over the

commodity or service. The difference between such transaction price and contractual consideration shall be amortized in effective interest method during contractual period. On the beginning date of contract, if the company estimates that the time interval between the time when the customer obtains control over the commodity or service and the time when the customer pays the price doesn't exceed one year, the major financing component existing in contract shall not be considered.

(4) If a contract contains two or more contractual obligations, on the beginning date of contract, this company shall amortize transaction price to each single contractual obligation based on the relative ratio of separate sales price of commodity assumed by each single contractual obligation.

(XIV) Deferred Income Tax Assets and Deferred Income Tax Liability

1. Deferred income tax assets or deferred income tax liabilities shall be calculated and recognized based on the difference between the book value of an asset or liability and its taxing base (if any item not recognized as asset or liability can recognize its taxing base according to related tax regulations, it's the difference between its taxing base and its book value), and based on the applicable tax rate during the estimated period to recover such asset or liquidate such liability.

2. The recognized deferred income tax asset shall be within the limit of the taxable income that is probably used to deduct the deductible temporary difference. On the balance sheet date, if there's solid evidence to indicate that it would probably obtain sufficient taxable income in the future to deduct the deductible temporary difference, the unrecognized deferred income tax asset in previous accounting period shall be recognized.

The recognition of deferred income tax assets is limited to the taxable income that is likely to be obtained to offset the deductible temporary differences. On the balance sheet date, if there is conclusive evidence that it is likely to obtain sufficient taxable income in the future to offset the deductible temporary differences, the deferred income tax assets not recognized in the previous accounting periods shall be recognized

4. The company's income tax and deferred income tax in current period shall be accounted into current profit or loss as income tax expense or income, but excluding the income tax generated from the

following circumstances:

(1) Merger of enterprises;

(2) Transaction or matters directly recognized in owner's equity.

IV. Notes to Change of Important Accounting Policy, Accounting Estimation, Correction of Major Accounting Error

（Ⅰ）Change in Accounting Policies

The Company has no changes in accounting policy during the reporting period.

（Ⅱ）Change of Accounting Estimation

The Company has no changes in accounting estimates during the reporting period.

（III）Major Accounting Error

The Company has no material accounting error correction items during the reporting period

V. Taxes

(I) Main Taxes and Tax Rates are Presented as Follows

Tax item	Tax basis	Tax rate
VAT	Taxpayer's sales of goods or taxable labor income, the simplified method of calculating taxable income based on sales revenue and tax rate shall be adopted, and the input tax shall not be deducted	6%
Urban construction tax	Turnover tax	7%
Educational surtax	Turnover tax	3%
Local educational surtax	Turnover tax	2%
Corporate income tax	Taxable income	25%
Individual income tax	--	---

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(Ⅱ) Preferential Tax Policy

In accordance with the provisions of the "Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing the Preferential Income Tax Policies for Small and Micro Enterprises" (Announcement No. 13 of 2022 of the Ministry of Finance and the State

Administration of Taxation), the "Announcement of the Ministry of Finance and the State Administration of Taxation on Implementing the Preferential Income Tax Policies for Small and Micro Enterprises and Individual Businesses" (Announcement No. 12 of 2021 of the Ministry of Finance and the State Administration of Taxation), and the "Notice of the Ministry of Finance and the State Administration of Taxation on Implementing Preferential Tax Relief Policies for Small and Micro Enterprises", for the period from January 1, 2021, to December 31, 2022, the portion of the annual taxable income of small and micro-profit enterprises not exceeding RMB 1 million shall be subject to a 25% reduction in the taxable income, and enterprise income tax shall be levied at a rate of 20%, with a further halving of the collected enterprise income tax. From January 1, 2022, to December 31, 2024, the portion of the annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million shall be subject to a 25% reduction in the taxable income, and enterprise income tax shall be levied at a rate of 20%.

XI. Notes to Main Items of Financial Statements

(I) Notes to Items in Balance Sheet

1. Cash and cash equivalents

Item	Closing balance	Opening balance
Cash	9,816.96	47,816.96
Bank balances	1,236,876.61	728,405.90
Other monetary funds	0.00	0.00
Total	1,246,693.57	776,222.86

2. Accounts receivable

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（1）Aging analysis

Aging	Closing balance			Opening balance		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within 1 year	66,082.00	100.00%	0.00	29,938.00	100.00%	0.00
Total	66,082.00	100.00%	0.00	29,938.00	100.00%	0.00

（2）Top one ending balances of accounts receivable

Entity	Closing balance	Percentage in accounts receivable	Nature
French Chamber of Commerce and Industry in China	66,082.00	100.00%	Tour price
Total	66,082.00	100.00%	-

3. Advance payment

Aging analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio in original	Amount	Ratio in original value
Within 1 year	0.00	0.00%	274,706.95	100.00%
Total	0.00	0.00%	274,706.95	100.00%

4. Other Receivables

Item	Closing balance	Opening balance
Interest Receivable	0.00	0.00
Dividend receivable	0.00	0.00
Other Receivables	81,433.00	421,876.00
Total	81,433.00	421,876.00

Other Receivables

① Aging analysis

Aging	Closing balance			Opening balance		
	Amount	Proportion	Bad debt reserve	Amount	Proportion	Bad debt reserve
Within 1 year	59,557.00	73.14%	0.00	421,876.00	100.00%	0.00
1-2 years	21,876.00	26.86%	0.00	0.00	0.00%	0.00
Total	81,433.00	100.00%	0.00	421,876.00	100.00%	0.00

② Top two ending balance of other receivables

Entity	Closing balance	Percentage in Other Receivables	Nature
Beijing SUN Flower Tower Co., Ltd.	44,395.00	54.52%	deposit
CARRIE	18,403.10	22.60%	Reserves
Total	62,798.10	77.12%	---

5. Other Current Assets

Item	Closing balance	Opening balance
Input VAT to be credited	2,966.59	0.00
Total	2,966.59	0.00

6. Right to use assets

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
1、Total original book value	112,885.00	147,176.00	112,885.00	147,176.00
Including: Houses and buildings	112,885.00	147,176.00	112,885.00	147,176.00
2、Total accumulated depreciation and accumulated amortization	112,885.00	73,584.00	112,885.00	73,584.00
Including: Houses and buildings	112,885.00	73,584.00	112,885.00	73,584.00
3、Total accumulated provision for impairment of assets with right to use	0.00	0.00	0.00	0.00
Including: Houses and buildings	0.00	0.00	0.00	0.00
4、Total book value of assets with right to use	0.00	——	——	73,592.00
Including: Houses and buildings	0.00	——	——	73,592.00

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7. Accounts payable

Aging analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	321,653.01	100.00%	237,118.40	100.00%
Total	321,653.01	100.00%	237,118.40	100.00%

8. Advance Receipt

（1） Aging analysis

Aging	Closing balance		Opening balance	
	Ratio	Amount	Ratio	Amount
Within 1 year	29,014.23	100.00%	567,824.72	100.00%
Total	29,014.23	100.00%	567,824.72	100.00%

（2）Top one ending balance of advances received

Entity	Closing balance	Percentage in advance collections payable	Nature
French Chamber of Commerce and Industry in China	21,230.00	73.17%	Tour price
Total	21,230.00	73.17%	-

9. Payroll and employee benefits

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Payroll and employee benefits	11,730.00	209,452.00	215,480.00	5,702.00
Total	11,730.00	209,452.00	215,480.00	5,702.00

10. Taxes and dues payable

Item	Closing balance	Opening balance
VAT	0.00	3,234.47
CIT	3,538.47	0.00
Total	3,538.47	3,234.47

11. Other Payables

Item	Closing balance	Opening balance
Interests payable	0.00	0.00
Dividends payable	0.00	0.00
Other payables	38,580.47	69,959.32
Total	38,580.47	69,959.32

Other payables Aging Analysis

Aging	Closing balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	38,580.47	100.00%	69,959.32	100.00%
Total	38,580.47	100.00%	69,959.32	100.00%

12. Lease Liabilities

Item	Closing balance	Opening balance
Lease Liabilities	74,976.00	0.00
Total	74,976.00	0.00

13. Deferred income tax liabilities

Item	Closing balance	Opening balance
Deferred income tax liabilities	0.00	1,310.57
Total	0.00	1,310.57

14. Paid-in Capital

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Name of shareholder	Opening balance	Increase in current	Decrease in current	Closing balance
Asian Trails International Travel Services (Beijing) Ltd.	210,000.00	0.00	0.00	210,000.00
Zhang Xiaolin	90,000.00	0.00	0.00	90,000.00
Total	300,000.00 0.00	0.00	0.00	300,000.00

15. Surplus Reserve

Item	Opening balance	Increase in current	Decrease in current	Closing balance
Statutory Surplus Reserve	31,038.25	38,573.66	0.00	69,611.91
Total	31,038.25	38,573.66	0.00	69,611.91

16. Undistributed Profits

Item	Closing balance	Opening balance
Undistributed profit at the beginning of	280,528.08	238,002.38
Plus: net profit of the year	385,736.65	47,250.78
Less: withdrawal of statutory surplus	38,573.66	4,725.08
withdrawal of discretionary	0.00	0.00
withdrawal of general risk	0.00	0.00
common stock dividends payable	0.00	0.00
common stock dividends	0.00	0.00
profits handed in by branches	0.00	0.00
other	0.00	0.00
Undistributed profit at the end of the	627,691.07	280,528.08

(II)Note to Profit Statement Items

1. Operating revenue and Operating Costs

Item	Current amount		Amount incurred in the same period of last year	
	Income	Cost	Income	Cost
Main business	8,046,654.53	7,087,885.44	3,495,139.04	2,997,254.42
Total	8,046,654.53	7,087,885.44	3,495,139.04	2,997,254.42

2. Taxes and Surcharges

Item	Current amount	Amount incurred in the same period of last year
Stamp Duty	4,267.16	1,657.93
Total	4,267.16	1,657.93

3. Selling expenses

Item	Current amount	Amount incurred in the same period of last year
Sales Promotion Expenses	105,000.19	105,000.00
Total	105,000.19	105,000.00

4. Administration Expense

Item	Current amount	Amount incurred in the same period of last year
Monthly salaries and wages, incl. 13th	171,165.22	172,800.00
Variable Salaries / Incentive Wages	88,363.50	0.00
Provident Fund - employer's	27,584.00	27,648.00
Other Social Securities	32,567.28	32,313.60
Insurance Expenses	3,830.00	0.00
Audit fee	2,500.00	3,200.00
Other Consulting Fees	4,540.00	7,560.00
Other Miscellaneous expenses	44,603.14	22,489.50
Depreciation ROU Assets - Building	73,584.00	72,691.00
Total	448,737.14	338,702.10

5. Financial Expense

Item	Current amount	Amount incurred in the same period of last year
Interest expenses	4,240.00	0.00
Less: interest income	2,612.66	2,428.91
Exchange losses	398.76	1,365.00
Less: exchange gains	0.00	0.00
Handling charges expenses	0.00	0.00
Other	3,548.57	3,850.83
Total	5,574.67	2,786.92

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6. Non-operating income

Item	Current amount	Amount incurred in the same period of last year
Ohter	10,848.65	0.00
Total	10,848.65	0.00

7.Income Tax Expense

Item	Current amount	Amount incurred in the same period of last year
Income Tax Expense	20,301.93	2,486.89
Total	20,301.93	2,486.89

(III) Supplementary Material of Cash Flow Statement

Supplementary information	Amount of this year	Amount of previous year
1. Adjusting net profit to operating cash flows:	——	——
Net profit	385,736.65	47,250.78
Add: Provision for impairment losses of assets	0.00	0.00
Credit impairment loss	0.00	0.00
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	0.00	0.00
Depreciation of use right asset	73,584.00	72,691.00
Amortization of intangible assets	0.00	0.00
Amortization of long-term prepaid expenses	0.00	0.00
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "—")	0.00	0.00
Losses on retirement of fixed assets (gains are indicated by "—")	0.00	0.00
Losses on changes in fair values (gains are indicated by "—")	0.00	0.00
Financial expenses (income is indicated by "—")	4,240.00	0.00
Losses arising from investments (gains are indicated by "—")	0.00	0.00

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Decrease in deferred tax assets (increase is indicated by "－")	0.00	4,412.47
Increase in deferred tax liabilities (decrease is indicated by "－")	-1,310.57	1,310.57
Decrease in inventories (increase is indicated by "－")	0.00	0.00
Decrease in receivables from operating activities (increase is indicated by "－")	576,039.36	-525,462.63
Increase in payables from operating activities (decrease is indicated by "－")	-491,378.73	141,376.56
Others	0.00	0.00
Net cash flow from operating activities	546,910.71	-258,421.25
2.Significant investing and financing activities that do not involve cash receipts and payments	---	---
Conversion of debt into capital	0.00	0.00
Convertible bonds due within one year	0.00	0.00
Fixed assets acquired under finance leases	0.00	0.00
3.Net changes in cash and cash equivalents:	---	---
Closing balance of cash	1,246,693.57	776,222.86
Less: Opening balance of cash	776,222.86	1,034,644.11
Add: Closing balance of cash equivalents	0.00	0.00
Less: Opening balance of cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	470,470.71	-258,421.25

VII. Affiliated Parties Relationship and Affiliated Transaction

Affiliated Parties Relationship

Name of affiliated party	Ratio of shareholding in this company	Ratio of voting rights in this company
Asian Trails International Travel Services (Beijing) Ltd.	70.00%	70.00%
Zhang Xiaolin	30.00%	30.00%

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VIII. Other Important Matters

(I) Contingent Matters，

As of December 31, 2024, the Company has not involved in any pending litigations, external guarantee and other contingencies that shall be disclosed.

(II) Commitment

As of December 31, 2024, the Company has not made any commitments that shall be disclosed.

(III) Non-adjusting events after balance sheet date

As of January 20,2025, the company was free of events after the balance sheet date to be disclosed.

(IV) Other

As of December 31, 2024, the Company has not engaged in any other important matters that shall be disclosed.

IX Approval for Publishing of the Accounting Statements

The accounting statements have been approved to be published by the Company's Board of Directors on January 20,2025.

Atrails Travel Services (Beijing) Co., Ltd.

January 20,2025

北京东审会计师事务所（特殊普通合伙）

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2020年 11月 13日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2020年 11月 13日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

年 月 日
/y /m /d

11

姓名：贾凡
证书编号：110004910004

证书编号：
No. of Certificate 110004910004

批准注册协会：
Authorized Institute of CPAs 北京注册会计师协会

发证日期：
Date of Issuance 年 月 日
/y /m /d

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this renewal.

CPA任职资格检查合格
BICPA
2012

年 月 日
/y /m /d

5

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
中国注册会计师协会

北京东审会计师事务所(特殊普通合伙)
1101061017

姓名
Full name 贾凡
性别
Sex
出生日期
Date of birth 1985-01-17
工作单位
Working unit 北京东审会计师事务所(特殊普通合伙)
身份证号码
Identity card No. 130682198501174X

仅供审计报告使用

梁东 110003950038

证书编号：110003950038
No. of Certificate

批准注册协会：北京注册会计师协会
Authorized Institute of CPAs

发证日期：2022 年 12 月 29 日
Date of Issuance

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 月 日
/y /m /d

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS 中国注册会计师协会

北京兴华会计师事务所(特殊普通合伙) 1101061047620

姓名 Full name 梁东
性别 Sex 男
出生日期 Date of birth 1987-10-07
工作单位 Working unit 北京东审会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 131082198710072510

仅供审计报告使用

会计师事务所

执业证书

名　　称：北京东审会计师事务所（特殊普通合伙）

首席合伙人：李丽

主任会计师：

经营场所：北京市东城区崇文门外大街7、9号1幢11层11-1

组织形式：普通合伙

执业证书编号：11000395

批准执业文号：京财会[2005]1668号

批准执业日期：2005年10月11日

仅供审计报告使用

证书序号：0014621

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

二〇一一年十月十三日

中华人民共和国财政部制

统一社会信用代码

91110102781700826T

营业执照

(副 本)(2-1)

扫描市场主体身份码了解更多登记、备案、许可、监管信息，体验更多应用服务。

名　　称　北京东审会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　李丽

经营范围　审计企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关的报告；基本建设年度决算审计；代理记帐；会计咨询、税务咨询、管理咨询、财务会计培训；法律、法规规定的其它业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

出　资　额　449万元

成立日期　2005年10月17日

主要经营场所　北京市东城区崇文门外大街7、9号1幢11层11-1

仅供审计报告使用

登记机关　北京市东城区市场监督管理局

2024 年01 月15 日

国家企业信用信息公示系统网址http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过
国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制

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DIRECTORS' RESOLUTION(S) IN BOARD OF DIRECTORS' MEETING TO APPROVE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Written resolution passed by the Board of Directors of Asian Trails Tour Limited on 31 December 2024.

The Directors hereby passed the following Resolution:

Resolved that the Financial Statements of Asian Trails Tour Limited for the year ended 31 December 2024, audited by Win Thin & Associates Ltd were authorized for issue on 18 February 2025.

ASIAN TRAILS TOUR LTD. MYANMAR

Signed by

U Min Kun Htaw
Director

Signed by

Daw Naw Eh May Htoo
Director

Asian Trails Tour Limited

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18 February 2025

WIN THIN & ASSOCIATES LTD
CERTIFIED PUBLIC ACCOUNTANTS
Room (2B/2C)1st Floor,
Rose Condominium, No.182/194
Botahtaung Pagoda Road,
Pazundaung Township, Yangon Region, Myanmar.
Tel: 95-1-201798,296164, Fax :95-1-245671

Dear Sirs / Madam,

LETTER OF REPRESENTATION
AUDIT FOR THE YEAR ENDED 31 DECEMBER 2024

This letter of representation is provided in connection with your audit of the financial statements of **Asian Trails Tour Limited** ('the Company') for the year ended 31 December 2024 for the purpose of expressing an opinion as to whether the financial statements comply with the applicable approved reporting standards and give a true and fair view of the state of affairs of the Company as at 31 December 2024 and of the results and cash flows for the year ended on that date.

We acknowledge our responsibility for the preparation and fair presentation of the financial statements as set out in the terms of the audit engagement and in particular, the financial statements are fairly presented in accordance with the reporting standards and that this responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. We approve the financial statements.

We hereby confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities for the preparation of the financial statements in accordance with reporting standards; in particular, the financial statements give a true and fair view in accordance therewith.

2. The accounting and other records and the registers required to be kept.

3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the reporting standards.

5. All events subsequent to the date of the financial statements and for which require adjustment or disclosure have been adjusted or disclosed.

6. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.

7. There are no plans or intentions that may materially affect the carrying value of classification of assets and liabilities as shown in the financial statements.

8. The financial statements have been prepared on the basis of the generally accepted fundamental accounting concepts of 'going concern', 'accruals and 'consistency'. No circumstances have arisen which have rendered inappropriate the application of the 'going concern' concept and the continued use of the above-mentioned policies.

9. The financial statements have been prepared using the same policies as those of the previous year other than the changes in policies required by the reporting standards.

10. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent. There was no financial guarantee given to any third party at the reporting date or subsequent to the reporting date.

11. The entity has satisfactory title to all owned assets and there are no liens or encumbrances on such assets nor has any asset been pledged other than those disclosed in the financial statements.

12. The entity has complied with all aspects of contractual agreements that may have a material effect on the financial statements in the event of non-compliance.

13. There was no material claim or litigation that existed at the reporting date or subsequent to the reporting date.

14. There have been no gain or loss contingencies or other liabilities that are required to be recognised or disclosed in the financial statements, including liabilities or contingencies arising from environmental matters resulting from illegal or possibly illegal acts, or possible violations of human rights legislation.

15. There have been no environmental matters that may have a material impact on the financial statements.

16. The entity has no plans or intentions that materially affect the carrying value or classification of assets and liabilities.

17. Information regarding financial risks exposure and financial risk management objectives and policies has been adequately disclosed in the financial statements. We confirm the accuracy of the statements made in the financial statements relating to the impact of reporting standards and interpretations issued but not yet adopted, judgements, estimates and assumptions made by management that affect the application of policies and reported amounts of assets, liabilities, income and expenses in the financial statements, and that the requirements of the new and revised standards and interpretations that are effective have been complied with.

Information Provided

1. We have provided you with:

   a. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters.
   b. access to all minutes of the meetings of all directors, management and shareholders, or summaries of actions of recent meetings for which minutes have not yet been prepared;
   c. additional information that you have requested from us for the purpose of the audit; and
   d. unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

2. All transactions have been recorded in the accounting records and are reflected in the financial statements.

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:

   a. management;
   b. employees who have significant roles in internal control; or
   c. others where the fraud could have a material effect on the financial statements.

5. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations, including communications from legal and regulatory authorities, whose effects should be considered when preparing financial statements.

6. We have disclosed to you that we are not aware of any non-compliance with Myanmar Anti-Money Laundering and Counter Financing of Terrorism legislations.

7. We have disclosed to your information relating to our Company background, beneficial owners and politically exposed persons and we confirm that such information disclosed remains true and correct.

8. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Trade receivable

Name of related party	Relationship	Nature of transaction	Amount of transaction $	Amount of balance $
Asian Trails Thailand Limited	Intercompany	Receivable for the projects	5,774	12,601
Asian Trails Vietnam	Intercompany	Receivable for the projects	938.9	2,477.90
Asian Trails Laos	Intercompany	Receivable for the projects	596	596
Asian Trails Singapore	Intercompany	Receivable for the projects	200.69	200.69
Asian Trails Indonesia	Intercompany	Receivable for the projects	993	993
U Min Kun Htaw	Director	Loan	–	50,000.00
U Min Kun Htaw	Director	Loan interest	16,874.87	16,874.87

Trade payables

Name of related party	Relationship	Nature of transaction	Amount of transaction $	Amount of balance $
Asia Trails Holding Limited	Holding company	Loan interest and cost distribution	214,406.03	515,613.99
Asian Trails Thailand Limited	Intercompany	Cost distribution and on behalf payment for ATM	148,482.94	408,524.75
Asia Trails Holding Limited	Holding company	Payment of commission booking fees on behalf of ATM	7.46	7.46
Asian Trails Thailand Limited	Intercompany	Wrongly fund received on behalf of ATT	6,071.91	6,071.91
Asia Trails Holding Limited	Intercompany	IC Loan	70,000	1,535,000
U Min Kun Htaw	Director	Director fees	11,666.84	11,666.84

9. To the best of our knowledge and belief:

   a. there have been no unasserted claims or assessments that our lawyers have advised us are probable of assertion.
   b. there have been no material liabilities or contingencies that are required to be accrued or disclosed by the reporting standards, or recommendations of accountancy bodies.
   c. there have been no material transactions or related assets or liabilities that have not been properly recorded in the accounting records from which the financial statements are prepared.
   d. there are no bank accounts that have not been disclosed to you, for example, new accounts opened during the year.

10. Other matter

   a. We were aware that the auditor was unable to communicate with following customers and suppliers to obtain third party confirmation for account receivable, account payable and receivable intercompany of Indonesia. We undertake that there will be no issues to arise in the future from unavailability of those confirmations.

		Amount ($)
1	**AR balance confirmation**	
	1. AS80101000 - Accounts Receivable Third - PT. Mitra Global Holiday	401.60
	2. AS80301001 - Refundable Deposits to Suppliers - Golden Myanmar Airways	296.56
	3. AS80301001 - Refundable Deposits to Suppliers - Yangon Airways	5,477.00
	4. AS80501015 - Other Receivables - Parkroyal Hotel	321.71
	5. AS80501015 - Other Receivables - Amata Resort & Spa Ngapa	377.07
	6. AS80501015 - Other Receivables - Hotel G Yangon	763.67

		7,637.61
2	**2. AP balance confirmation**	
	1. LB70401000 - Accounts Payable Third - Lake View Resort	1,382.00
	2. LB70401000 - Accounts Payable Third - Aureum Palace Resort & Spa	1,220.00
		2,602.00
3	**3. RPT balance confirmation (3td parties)**	
	AS80151000 - Accounts Receivable IC 1. Asian Trails Indonesia AR IC	993.00
		993.00

b. We could not provide certain information upon commercial tax schedule for the year.

U Min Kun Htaw
Director

Asian Trials Tour Limited

ASIAN TRAILS TOUR LTD. MYANMAR

Appendix 1

Summary of unrecorded misstatements

No	Journal entries	Statement of financial position		Statement of comprehensive income		Effect on net profit	Background (Unaudited FS)	AT's reply	Pls write comments if the client is not going to adjusts in this FY
		DR (USD)	CR (USD)	DR (USD)	CR (USD)	Net DR/(CR) (USD)			
1	LB70501003 - Accounts Payable - Salary Tax	109	–	–	–	(109)	Adjustment for salary tax of Mr Patrick (over) and salary tax payable(over) for Dec'2024.	adjust in next FY	ATM always adjust the payroll tax at the end of Budget year. So, we will adjust over / under on Mar 2025
	PL21501011 - Staff Income Taxes	–	–	–	109				
	(Being adjustment of for the period Salary Tax payable and salary tax for Mr Patrick)								
2	LB70201000 - Accounts Payable - Income Tax Authorities	14	–	–	–	(14)	Adjustment for calculation of ooredoo commercial tax error on April 2023.	adjust in next FY	That will be adjusted on 2025
	PL23451000 - Network (WAN/Internet)	–	–	–	14				
	(Being adjustment of understated commercial tax for Apr'23)								
3	PL23301001 - Electricity - Third	–	–	21	–	21	Dec'24 Electricity meter bill MMK 133,600.	adjust in next FY	That will be adjusted on the paid period (Jan 2025)
	LB70741002 - Accrued liabilities - Electricity	–	21	–	–				
	(Being adjustment of under accrual for electricity - third)								
4	LB70741005 - Accrued liabilities - Audit Fee	1,911	–	–	–	(1,911)	Audit fee payable is based on previous year Engagement Letter.	adjust in next FY	we record USD 400 per month for the external auditor and tax consultant because of payment term are not same.
	PL23701002 - Audit Fees	–	–	–	1,911				
	(Being adjustment of over accrual for audit fee)								
5	LB70201000 - Accounts Payable - Income Tax Authorities	422	–	–	–	(422)	Adjustment for commercial tax under the provision for tax on revenue, after recalculating and excluding sales from B2B, API, and outbound items.	adjust in next FY	- ATM doesn't pay CT for outbound, API and B2B. - At the end of budget year, we will adjust for actual CT for FY 2024 - 2025.
	PL11501003 - Tax on Revenue	–	–	–	422				
	(Being adjustment of over accrual on tax on sale revenue)								

6	PL23701000 - Insurance Expenses	–	–	65	–	65	Amortization calculation is based on exchange rate 2,095.	adjust in next FY	That will be adjusted on the paid period (Jan 2025)
	AS80701000 - Prepaid Expenses - Insurance	–	65	–	–				
	(Being adjustment of under amortization for prepaid expenses - insurance)								
7	PL23301000 - Rent Third	–	–	183	–	183	Amortization calculation is based on exchange rate 2,095.	adjust in next FY	That will be adjusted on the paid period (Jan 2025)
	AS80701001 - Prepaid Expenses - Rent	–	183	–	–				
	(Being adjustment of under amortization for prepaid expenses - Rent)								
8	PL23701006 - Accountancy Fees	–	–	401	–	401	Wrongly calculation for accountancy fee amortization.	adjust in next FY	That will be adjusted on the paid period (Jan 2025)
	AS80701006 - Prepaid Expenses - Others	–	401	–	–				
	(Being adjustment of under amortization for prepaid expenses - other)								
	Total	**2,034**	**1,092**	**1,092**	**2,034**	**(1,786)**			
			1,786		**(1,786)**				

ASIAN TRAILS TOUR LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2024

Currency – United States dollar

WIN THIN & ASSOCIATES LTD
CERTIFIED PUBLIC ACCOUNTANTS

ASIAN TRAILS TOUR LIMITED
FINANCIAL STATEMENTS

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Independent auditor's report	2 - 3
Statement of financial position	4
Statement of comprehensive income	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8 - 15

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ASIAN TRAILS TOUR LIMITED

It is the responsibility of the management to prepare the financial statements which give a true and fair view of the financial position of Asian Trails Tour Limited (the Company) as at 31 December 2024 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of Management

ASIAN TRAILS TOUR LTD MYANMAR

U Min Kun Htaw
Director
Asian Trails Tour Limited

18 February 2025

ဝင်းသင်နှင့်အဖွဲ့လီမိတက်
WIN THIN & ASSOCIATES LTD
CERTIFIED PUBLIC ACCOUNTANTS
Room (2B/2C) 1st Floor, Rose Condominium, No. 182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon Region, Myanmar. Tel: 95-1-8201798, 8296164, Fax: 95-1-8245671 Email: info@winthinassociates.com

Ref: 629 / A-61 / December 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Asian Trails Tour Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of **Asian Trails Tour Limited** ("the Company"), which comprise the statement of financial position as at 31 December 2024 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Myanmar Financial Reporting Standards for Small and Medium-sized Entities (MFRSs for SMEs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Myanmar, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with MFRSs for SMEs and the provisions of Myanmar Company Law, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saw Nelson (PAPP-400)
Engagement Partner
WIN THIN & ASSOCIATES LTD
CERTIFIED PUBLIC ACCOUNTANTS
Firm Registration No. ACC 008

18 February 2025

ASIAN TRAILS TOUR LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 USD	31 December 2023 USD
ASSETS			
Non-current assets			
Property and equipment	3	**3,579**	1,693
Loan to shareholder	4	**50,000**	50,000
		53,579	51,693
Current assets			
Cash and cash equivalents	5	**48,204**	47,178
Trade and other receivables	6	**19,953**	24,643
Advances and prepayments	7	**15,604**	19,628
		83,761	91,449
		137,340	143,142
EQUITY AND LIABILITIES			
Equity			
Share capital		**49,950**	49,950
Accumulated losses		**(2,453,224)**	(2,018,175)
		(2,403,274)	(1,968,225)
Current liabilities			
Trade and other payables	8	**978,984**	620,159
Intercompany loan	9	**1,535,000**	1,465,000
Accrued expenses	10	**26,630**	26,208
		2,540,614	2,111,367
		137,340	143,142

The accompanying notes form an integral part of the Financial Statements.

U Min Kun Htaw
Director

ASIAN TRAILS TOUR LTD. MYANMAR

Daw Naw Eh May Htoo
Director

ASIAN TRAILS TOUR LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	**31 December 2024 USD**	31 December 2023 USD
Revenue-net	11	**173,014**	56,803
Cost of sales	13	**(161,844)**	(52,169)
Gross profit		**11,170**	4,634
Other income	12	**165,992**	72,696
Expenses			
Sales & marketing expenses	13	**(26,893)**	(22,271)
Administration expenses	13	**(402,997)**	(331,706)
Finance expenses	13	**(182,321)**	(209,500)
Net loss before tax		**(435,049)**	(486,147)
Tax expenses		**–**	(10,672)
Net loss for the year		**(435,049)**	(496,819)
Other comprehensive income for the year		**–**	–
Total comprehensive income for the year		**(435,049)**	(496,819)

The accompanying notes form an integral part of the Financial Statements.

ASIAN TRAILS TOUR LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Accumulated losses	Total
	USD	USD	USD
At 1 January 2024	**49,950**	**(2,018,175)**	**(1,968,225)**
Loss for the year	–	**(435,049)**	**(435,049)**
Other comprehensive income for the year	–	–	–
At 31 December 2024	**49,950**	**(2,453,224)**	**(2,403,274)**
At 1 January 2023	49,950	(1,521,356)	(1,471,406)
Loss for the year	–	(496,819)	(496,819)
Other comprehensive income for the year	–	–	–
At 31 December 2023	49,950	(2,018,175)	(1,968,225)

The accompanying notes form an integral part of the Financial Statements.

ASIAN TRAILS TOUR LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 USD	31 December 2023 USD
Cash flows from operating activities			
Net loss before tax		**(435,049)**	(486,147)
Adjustments for:			
- Depreciation		**913**	926
- Gain on disposal of fixed assets		**(12)**	(100)
- Interest expenses		**143,528**	128,014
Operating loss before working capital changes		**(290,620)**	(357,307)
Changes in working capital			
- Trade and other receivables		**4,690**	(2,317)
- Advances and prepayments		**4,024**	3,635
- Trade and other payables		**358,825**	359,265
- Accrued expenses		**422**	4,078
Net cash provided by operations		**77,341**	7,354
Income tax paid		**–**	(10,672)
Interest paid		**(143,528)**	(128,014)
Net cash used in operating activities		**(66,187)**	(131,332)
Cash flows from investing activities			
Purchase of property and equipment		**(2,799)**	–
Sale proceeds from disposal of fixed assets		**12**	100
Net cash provided by/ (used in) investing activities		**(2,787)**	100
Cash flows from financing activities			
Proceeds from loan	9	**70,000**	105,000
Net cash provided by financing activities		**70,000**	105,000
Net decrease in cash and cash equivalents		**1,026**	(26,232)
Cash and cash equivalents at beginning of year		**47,178**	73,410
Cash and cash equivalents at end of year	5	**48,204**	47,178

The accompanying notes form an integral part of the Financial Statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Asian Trails Tour Limited ("the Company") was incorporated in the Union of Myanmar as a foreign company in the Republic of the Union of Myanmar under The Myanmar Companies Act, as per Certificate of Incorporation No. 31FC of 1999-2000 dated November 10, 1999 issued by the Ministry of National Planning and Economic Development. As per certificate of registration number 106909822, the Company has been re-registered with the new Myanmar Companies Law.

The principal activity of the Company is to operate as travel agency, tour operator, reservation service and related activities.

The equity shares of the Company are currently owned as follows:

Asian Trails Holding Limited	60%
U Min Kun Htaw	40%

The following are the current directors/managers of the Company:

(i)	MR. LAURENT KUENZLE	(Director)
(ii)	MR. LERSAN MISITSAKUL	(Director)
(iii)	MR. SEBASTIAN ALEX MENDONCA	(Director)
(iv)	MS. NAW EH MAY HTOO	(Director)
(v)	MR. MIN KUN HTAW	(Director)

The Company was subsequently issued Tour Business Licence No.Kha – 0740 dated 14 December 1999 by the Ministry of Hotels and Tourism.

The registered office of the Company is 104-B2, Yadanarmyaing Housing, Yadanarmyaing Street, Kamayut Township, Yangon, Myanmar.

2. Summary of significant accounting policies

The principal accounting policies which have been applied consistently throughout the financial years are summarized below:

A. Basis of preparation

The accompanying financial statements have been prepared in accordance with MFRS for SMEs and are based on historical cost convention.

(i) Going concern

As at 31 December 2024, the Company is in a net current liabilities position of USD 2,456,853 (December 2023: USD 2,019,918) and there is a deficit on equity of USD 2,403,274 (December 2023: deficit of USD 1,968,225). The appropriateness of preparing the financial statements of the Company on a going concern basis is dependent on the Company receiving continuing financial support from its holding company.

2. Summary of significant accounting policies (continued)

A. **Basis of preparation** (continued)

(i) Going concern

The holding company, Asian Trails Holding Limited, has confirmed its intention to provide financial support to the Company so as to enable the Company to meet its liabilities as and when they fall due for the next 12 months from the date of the financial statements.

In view of the foregoing, the directors consider that it is appropriate to prepare the financial statements on a going concern basis. Accordingly, the financial statements have not included any adjustments relating to the recoverability and classification of recorded assets amounts or the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

B. **Foreign currency translation**

(1) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in United States dollars, which is the functional currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at monthly-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

C. **Use of estimates and judgments**

The preparation of the financial statements in conformity with MFRS for SMEs requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2. **Summary of significant accounting policies** (continued)

D. **Property and equipment**

Property and equipment are stated at cost less accumulated depreciation. Depreciation has been charged for assets under straight-line method. Depreciation rates are as follows;

Furniture and fixture	20%
Vehicles (motor cycle)	20%
PC, screens, office machines and installation	20%-33.33%

E. **Cash and cash equivalent**

Cash and cash equivalent comprise cash in hand and deposits with local and foreign banks.

F. **Liabilities**

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

G. **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made.

H. **Revenue**

Revenue from services is recognized when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

I. **Income tax**

Income tax expense represents the tax based on estimated taxable profit for the year.

J. **Related party**

A party is related to an entity if:
(a) directly, or indirectly through one or more intermediaries, the party:
  (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  (ii) has an interest in the entity that gives it significant influence over the entity; or
  (iii) has joint control over the entity;
(b) the party is an associate of the entity;
(c) the party is a joint venture in which the entity is a venture;
(d) the party is a member of key management personnel of the entity or its parents;
(e) the party is a close member of the family of any individual referred to in (a) or (d);

2. **Summary of significant accounting policies** (continued)

J. **Related party** (continued)

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
(g) the party is a post-employment benefit plan for the benefit of employees of the entity, or if any entity that is a related party of the entity.

K. **Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3. **Property and equipment**

	Furniture and fixture	Vehicles	PC, screens, office machines, installation	Total
	USD	USD	USD	USD
Cost				
At January 2024	**31,387**	**807**	**169,303**	**201,497**
Additions	**2,269**	**–**	**530**	**2,799**
At 31 December 2024	**33,656**	**807**	**169,833**	**204,296**
Accumulated depreciation and impairment losses				
At 1 January 2024	**31,387**	**807**	**167,610**	**199,804**
Depreciation	**245**	**–**	**668**	**913**
At 31 December 2024	**31,632**	**807**	**168,278**	**200,717**
Net book value				
At 31 December 2024	**2,024**	**–**	**1,555**	**3,579**
Cost				
At 1 January 2023	31,387	807	169,303	201,497
Additions	–	–	–	–
At 31 December 2023	31,387	807	169,303	201,497
Accumulated depreciation and impairment losses				
At 1 January 2023	31,350	807	166,721	198,878
Depreciation	37	–	889	926
At 31 December 2023	31,387	807	167,610	199,804
Net book value				
At 31 December 2023	–	–	1,693	1,693

4. **Loan to shareholder (USD 50,000)**

The above comprises the principal loan amount to U Min Kun Htaw who is one of the shareholders of the Company. {Note 14 (b)}

5. Cash and cash equivalents

	31 December 2024 USD	31 December 2023 USD
Cash in hand	**13,007**	9,696
Cash at banks	**35,197**	37,482
	48,204	47,178

6. Trade and other receivables

	31 December 2024 USD	31 December 2023 USD
Trade receivables		
- Related parties {Note 14 (a)}	**16,868**	10,835
- Non-related parties	**805**	2,313
Other receivables		
- Related parties	**–**	–
- Non-related parties	**2,280**	11,495
	19,953	24,643

7. Advances and prepayments

	31 December 2024 USD	31 December 2023 USD
Advance and prepayments	**9,528**	11,048
Advance payments to suppliers	**6,076**	8,580
	15,604	19,628

8. Trade and other payables

	31 December 2024 USD	31 December 2023 USD
Trade payables		
- Related parties {Note 14 (c)}	**924,138**	567,293
- Non-related parties	**20,360**	17,099
Other payables		
- Related parties {Note 14 (c)}	**6,079**	–
- Non-related parties	**–**	–
Deposits	**20,813**	28,408
Income tax payables	**7,594**	7,359
	978,984	620,159

9. **Intercompany loan** {Note 14 (b)}

The Company acquired additional loan from Asian Trails Holding Limited during the financial year. The details are as follows:

	31 December 2024 USD	31 December 2023 USD
Opening balance	**1,465,000**	1,360,000
Additions	**70,000**	105,000
	1,535,000	1,465,000

10. **Accrued expenses**

	31 December 2024 USD	31 December 2023 USD
Accrued other	**22,685**	22,400
Accrued standard cost	**3,945**	3,808
	26,630	26,208

11. **Revenue - net**

	31 December 2024 USD	31 December 2023 USD
Revenue	**175,494**	56,876
3% commercial tax	**(2,480)**	(73)
Net revenue	**173,014**	56,803

12. **Other income**

	31 December 2024 USD	31 December 2023 USD
Prior year GOP income	**3,884**	3,246
Thomas Cook India Groups IC income	**155,429**	53,880
Interest income	**6,667**	18
Income tax adjustment	**–**	15,452
Gain on sale of fixed assets	**12**	100
	165,992	72,696

13. Expenses by nature

The total of cost of sales, sales and marketing expenses, administrative expenses and finance expense are as follows:

	31 December 2024 USD	31 December 2023 USD
Direct costs	**161,844**	52,169
Staff costs	**209,895**	146,103
Key management personnel and director remuneration {Note 14 (d)}	**17,588**	12,588
Office expenses	**12,566**	4,833
Rent and utility expenses	**479**	360
Lease and maintenance	**15,380**	16,236
Information technology expenses	**9,160**	12,572
Travel and entertainment	**5,393**	5,282
Bad debt	**–**	60
Miscellaneous	**10,412**	15,000
Groups allocation charges	**182,321**	209,115
Depreciation	**913**	926
Realized and unrealized exchange gain	**(22,317)**	(9,883)
Marketing and advertising	**26,893**	22,271
Interest expenses	**143,528**	128,014
	774,055	615,646

14. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and the related parties at terms agreed between the parties;

(a) Sales and purchase of goods and services

	Transactions value for the year ended 31 December 2024 USD	**Balance outstanding as at 31 December 2024 USD**
Sales of tour package (Note - 6)	**6,033**	**16,868**

	Transactions value for the year ended 31 December 2023 USD	Balance outstanding as at 31 December 2023 USD
Sales of tour package (Note - 6)	1,186	10,835

14. **Related party transactions** (continued)

(b) *Loan*

	Transactions value for the year ended 31 December 2024 USD	**Balance outstanding as at 31 December 2024 USD**
Loan to shareholder (Note 4)	–	**50,000**
Loan from Holding (Note 9)	**70,000**	**1,535,000**

	Transactions value for the year ended 31 December 2023 USD	Balance outstanding as at 31 December 2023 USD
Loan to shareholder (Note 4)	–	50,000
Loan from Holding (Note 9)	105,000	1,465,000

(c) Other (Note 8)

	Transactions value for the year ended 31 December 2024 USD	**Balance outstanding as at 31 December 2024 USD**
Expenses incurred on behalf of the Company	**362,924**	**930,217**

	Transactions value for the year ended 31 December 2023 USD	Balance outstanding as at 31 December 2023 USD
Expenses incurred on behalf of the Company	365,917	567,293

(d) Key management personnel and director remuneration (Note 13)

	Transactions value for the year ended 31 December 2024 USD	**Balance outstanding as at 31 December 2024 USD**
Remuneration	**17,588**	–

	Transactions value for the year ended 31 December 2023 USD	Balance outstanding as at 31 December 2023 USD
Remuneration	12,588	–

15. **Authorization of financial statements**

The financial statements of the Company for the year ended 31 December 2024 were authorized for issue, in accordance with a resolution of the Company's Board of Directors, on 18 February 2025.

ASIAN TRAILS CO., LTD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
AND
REPORT OF THE INDEPENDENT AUDITORS

Corporate Information

Company:	Asian Trails Co., Ltd.	
Registration No:	00007518	
Registered office:	Building No. G5ab, No. 540 Aquation, Koh Pich Street, Phum 14 Sangkat Tonle Bassac, Khan Chamkamorn, Phnom Penh Kingdom of Cambodia	
Shareholders:	Asian Trails Holding Limited Mrs. Khiev Bophaphuong	
Board of Directors:	Ms. Virginie Laurence Kury Mrs. Khiev Bophaphuong Mr. Mendonca Sebastian Alex Mr. Laurent Kunzle Mr. Lersan Misitsakul	Chairwoman Director Director Director Director
Principal Bankers:	Cambodian Public Bank Plc. Maybank (Cambodia) Plc.	
Auditors:	Fii&Associates Co., Ltd.	

Asian Trails Co., Ltd.

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asian trails

Statement by the Directors

I, the undersigned, on behalf of the Board of Directors of Asian Trails Co., Ltd. ("the Company"), do hereby approve the financial statements which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 5 to 24.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board,

Virginie Laurence Kury
Chairwoman and Managing Director

24 March 2025

Report of the Independent Auditors

To the shareholders

Asian Trails Co., Ltd.

Qualified Opinion

We have audited the financial statements of Asian Trails Co., Ltd. ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 5 to 24.

In our opinion, except for the possible effects of the matters described in the "Basis for Qualified Opinion" section below, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRS for SMEs").

Basis for Qualified Opinion

(i) We were unable to satisfy ourselves as to completeness and accuracy of tax related exposures, including withholding tax, tax on salary, value added tax and prepayment of profit tax as at and for the year ended 31 December 2024. We were unable to determine whether adjustments might have been necessary the amounts shown in the financial statements for tax related exposure, net loss and accumulated losses as at and for the year ended.

(ii) The Company does not recognise and disclose income tax in accordance with Section 19, Income Tax of CIFRS for SMEs. We were unable to determine whether adjustments might have been necessary the amounts shown in the financial statements for income tax expense, income tax liability, net loss and accumulated losses as at and for the year ended.

Our opinion expressed on the financial statements of the Company as at and for the year ended 31 December 2023 was qualified of opinion due to above similar matters.

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the financial statements which describes that the Company incurred a net loss of US$133,516 during the year ended 31 December 2024 and, as of that date, the Company carried accumulated losses of US$1,505,951, the current liabilities exceeded its current assets by US$565,100. These conditions indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with CIFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditors' Responsibility for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For **Fii&Associates Co., Ltd.**

Seng Chanthan
Audit Partner

Phnom Penh, Kingdom of Cambodia

24 March 2025

Asian Trails Co., Ltd.

Statement of financial position
as at 31 December 2024

	Note	2024 US$	2024 KHR'000 (Note 2.4)	2023 US$	2023 KHR'000 (Note 2.4)
ASSETS					
Current assets					
Cash and cash equivalents	5	375,274	1,510,478	262,580	1,072,639
Trade receivables	6	459,112	1,847,926	413,196	1,687,906
Ticket and other stocks		19,272	77,570	15,794	64,518
Other receivables	7	351,175	1,413,479	265,301	1,083,755
Total current assets		1,204,833	4,849,453	956,871	3,908,818
Non-current assets					
Property and equipment	8	9,149	36,825	14,967	61,140
Guarantee deposit		5,000	20,125	5,000	20,425
Total non-current assets		14,149	56,950	19,967	81,565
Total assets		1,218,982	4,906,403	976,838	3,990,383
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	9	647,157	2,604,807	503,493	2,056,769
Other payables	10	1,036,022	4,169,989	789,675	3,225,822
Tax liabilities	11	86,754	349,185	51,105	208,764
Total current liabilities		1,769,933	7,123,981	1,344,273	5,491,355
Non-current liabilities					
Borrowings from a shareholder	17.2	705,000	2,837,625	755,000	3,084,175
Total liabilities		2,474,933	9,961,606	2,099,273	8,575,530
Equity					
Share capital	12	250,000	1,000,000	250,000	1,000,000
Accumulated losses		(1,505,951)	(6,134,700)	(1,372,435)	(5,591,156)
Currency translation differences		-	79,497	-	6,009
Total equity		(1,255,951)	(5,055,203)	(1,122,435)	(4,585,147)
Total liabilities and equity		1,218,982	4,906,403	976,838	3,990,383

The accompanying notes form an integral part of these financial statements.

Asian Trails Co., Ltd.

Statement of comprehensive income
for the year ended 31 December 2024

	Note	2024 US$	2024 KHR'000 (Note 2.4)	2023 US$	2023 KHR'000 (Note 2.4)
Revenue	13	5,295,462	21,557,826	3,801,071	15,622,402
Cost of sales	14	(4,101,214)	(16,696,042)	(2,959,416)	(12,163,200)
Gross profit		1,194,248	4,861,784	841,655	3,459,202
Other income	15	6,445	26,238	(4,230)	(17,385)
Employee salaries and benefits		(598,599)	(2,436,897)	(500,304)	(2,056,249)
Depreciation	8	(10,616)	(43,218)	(13,594)	(55,871)
Other operating expenses	16	(724,994)	(2,951,451)	(458,281)	(1,883,534)
Loss before income tax		(133,516)	(543,544)	(134,754)	(553,837)
Income tax expense	11	-	-	-	-
Net loss for the year		(133,516)	(543,544)	(134,754)	(553,837)
Other comprehensive income					
Currency translation difference		-	73,488	-	34,973
Total comprehensive loss for the year		(133,516)	(470,056)	(134,754)	(518,864)

The accompanying notes form an integral part of these financial statements.

Asian Trails Co., Ltd.

Statement of changes in equity
for the year ended 31 December 2024

	Share capital		Accumulated losses		Currency translation differences		Total	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
As at 1 January 2023	250,000	1,000,000	(1,237,681)	(5,037,319)	-	(28,964)	(987,681)	(4,066,283)
Comprehensive loss for the year								
Net loss for the year	-	-	(134,754)	(553,837)	-	-	(134,754)	(553,837)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	34,973	-	34,973
Total comprehensive (loss)/income for the year	-	-	(134,754)	(553,837)	-	34,973	(134,754)	(518,864)
As at 31 December 2023	250,000	1,000,000	(1,372,435)	(5,591,156)	-	6,009	(1,122,435)	(4,585,147)
As at 1 January 2024	250,000	1,000,000	(1,372,435)	(5,591,156)	-	6,009	(1,122,435)	(4,585,147)
Comprehensive loss for the year								
Net loss for the year	-	-	(133,516)	(543,544)	-	-	(133,516)	(543,544)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	73,488	-	73,488
Total comprehensive (loss)/income for the year	-	-	(133,516)	(543,544)	-	73,488	(133,516)	(470,056)
As at 31 December 2024	250,000	1,000,000	(1,505,951)	(6,134,700)	-	79,497	(1,255,951)	(5,055,203)

The accompanying notes form an integral part of these financial statements.

Asian Trails Co., Ltd.

Statement of cash flows
for the year ended 31 December 2024

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Cash flows from operating activities				
Net loss for the year	(133,516)	(543,544)	(134,754)	(553,837)
Adjustments for:				
Income tax expense	-	-	-	-
Property and equipment adjustment	50	204	(47)	(193)
Depreciation	10,616	43,218	13,594	55,871
	(122,850)	(500,122)	(121,207)	(498,159)
Changes in:				
Trade receivables	(45,916)	(186,924)	(139,191)	(572,075)
Tickets and other stocks	(3,478)	(14,159)	6,336	26,041
Other receivables	(85,874)	(349,593)	(15,337)	(63,035)
Trade and other payables	425,660	1,732,862	367,055	1,508,596
Net cash generated from operations	167,542	682,064	97,656	401,368
Income tax paid	-	-	-	-
Net cash generated from operating activities	167,542	682,064	97,656	401,368
Cash flows from investing activities				
Acquisition of property and equipment	(4,848)	(19,736)	(1,625)	(6,679)
Net cash used in investing activities	(4,848)	(19,736)	(1,625)	(6,679)
Cash flows from financing activities				
Repayment of borrowings to shareholder	(50,000)	(203,550)	-	-
Additional borrowings from a shareholder	-	-	30,000	123,300
Net cash (used in)/generated from financing activities	(50,000)	(203,550)	30,000	123,300
Net increase in cash and cash equivalents	112,694	458,778	126,031	517,989
Cash and cash equivalents at 1 January	262,580	1,072,639	136,549	562,172
Currency translation differences	-	(20,939)	-	(7,522)
Cash and cash equivalents at 31 December (Note 5)	375,274	1,510,478	262,580	1,072,639

The accompanying notes form an integral part of these financial statements.

1. Reporting entity

Asian Trails Co., Ltd ("the Company") is a private limited company incorporated in the Kingdom of Cambodia on 1 June 1999 under registration number 00007518 issued by the Ministry of Commerce. The Company has its head office located in Phnom Penh and one branch in Siem Reap province.

The principal activities of the Company include provision of inbound package tours and related services.

The Company's head office is located in Phnom Penh at Building No. G5ab, No. 540 Aquation, Koh Pich Street, Phum 14, Sangkat Tonle Bassac, Khan Chamkarmorn, Phnom Penh, Cambodia.

As at 31 December 2024, the Company had 39 employees (31 December 2023: 37 employees).

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRS for SMEs").

Details of the Company's significant accounting policies are included in Note 20.

These financial statements were approved by the Board of Directors and authorised for issue on 24 March 2025.

2.2 Fiscal year and reporting period

The Company's fiscal year starts on 1 January and ends on 31 December.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.4 Functional and presentation currency

The national currency of Cambodia is the Khmer Riel ("KHR"). The Company transacts its business and maintain its accounting records primarily in United States Dollars ("US$"). Management has determined the US$ to be the Company's functional currency as it reflects the economic substance of the underlying events and circumstances of the Company.

2. Basis of preparation (continued)

2.4 Functional and presentation currency (continued)

The financial statements are expressed in US$. The translations of US$ amounts into KHR are included solely for meeting the presentation requirements pursuant to the Law on Accounting and Auditing.

Assets and liabilities are translated at the closing rate as at the reporting date, and the share capital is translated at the historical rate. The statements of comprehensive income and cash flows are translated into KHR using the average rate for the year. Exchange differences arising from the translation are recognised as "currency translation difference" in the other comprehensive income. The accumulated currency translation differences are recognised as a separate component of equity. All values in KHR are rounded to the nearest thousand ("KHR'000"), except if otherwise indicated.

The financial statements are presented in KHR based on the following applicable exchange rate per US$1:

Reporting date			Closing rate	Average rate
31 December 2024	US$1	=	KHR4,025	KHR4,071
31 December 2023	US$1	=	KHR4,085	KHR4,110

These translations are for compliance purposes only and should not be construed as presentations that the US$ amounts have been, could be, or could in the future be, converted into KHR at this or any other rate of exchange.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with CIFRS for SMEs requires management to make judgments, estimates assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in period in which the estimates are revised and in any future period affected.

3. Critical accounting estimates and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

3.1 Income and other taxes

Taxes are calculated on the basis of current interpretation of the tax obligations. However, these regulations are subject to periodic variation and different interpretation following inspection by the tax authorities. These may result in tax increases and other retroactive tax claims. It is difficult to predict the timing and severity of these occurrences or their potential effect.

3.2 Property and equipment

Accounting for property and equipment involves the use of estimates for determining the expected useful lives of these assets. The determination of useful lives of the assets is based on Management's judgement.

3.3 Allowance for doubtful debts

Management establishes allowance for doubtful debts on a case-by-case basis when they believe collection of amounts owed is unlikely to occur. In establishing these allowances, the management considers its historical experience and changes to its customers' financial position. If the financial condition of customer were deteriorated, resulting in an inability to make the required payments, allowance may be required to be made for such receivable.

4. Going concern

The financial statements have been prepared on a going concern basis. The Company incurred a net loss of US$133,516 during the year ended 31 December 2024 and, as of that date, the Company carried accumulated losses of US$1,505,951, the current liabilities exceeded its current assets by US$565,100. The validity of the going concern assumption fundamentally depends on the shareholders continuing to provide such financial assistance as is necessary to enable the Company to meet its liabilities as and when they fall due and to maintain the Company in existence as a going concern for the foreseeable future of its operations.

At the date of this report, there is no reason for the management to believe that the shareholder will not provide their support.

5. Cash and cash equivalents

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Cash on hand	21,981	88,474	18,584	75,915
Cash at banks	353,293	1,422,004	243,996	996,724
	375,274	1,510,478	262,580	1,072,639

6. Trade receivables

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Third parties	353,177	1,421,538	308,782	1,261,375
Related parties (Note 17.2)	105,935	426,388	104,414	426,531
	459,112	1,847,926	413,196	1,687,906

7. Other receivables

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Amounts due from related parties (Note 17.2)	150,538	605,915	127,919	522,549
Advance to suppliers	129,843	522,618	58,092	237,306
Deposits to suppliers	36,837	148,269	38,126	155,745
Fixed deposit (*)	9,121	36,712	8,588	35,082
Refundable deposits	8,800	35,420	8,800	35,948
Advance to employees	6,453	25,973	3,535	14,440
Prepayment and others	4,577	18,422	15,769	64,416
Others	5,006	20,150	4,472	18,269
	351,175	1,413,479	265,301	1,083,755

(*) The fixed deposit of US$9,121 is for the period of 12 months, matured on 30 July 2024 and earns an interest rate of 3.50% per annum.

8. Property and equipment

31 December 2024	Leasehold improvement US$	Furniture and fixtures US$	Office equipment US$	Vehicles US$	Total US$	KHR'000 (Note 2.4)
Cost						
At 1 January 2024	79,388	9,164	25,580	89,190	203,322	837,078
Additions	-	-	4,848	-	4,848	19,736
Adjustment	-	(2)	(48)	-	(50)	(204)
Currency translation difference	-	-	-	-	-	(12,516)
At 31 December 2024	79,388	9,162	32,005	89,190	209,745	844,225
Less: **Accumulated depreciation**						
At 1 January 2024	74,082	8,769	25,639	81,490	189,980	776,069
Depreciation for the year	1,725	272	919	7,700	10,616	43,218
Currency translation difference	-	-	-	-	-	(11,887)
At 31 December 2024	75,807	9,041	26,558	89,190	200,596	807,400
Carrying amounts						
At 31 December 2024	3,581	121	5,447	-	9,149	36,825

8. Property and equipment (continued)

31 December 2023	Leasehold improvement US$	Furniture and fixtures US$	Office equipment US$	Vehicles US$	Total US$	KHR'000 (Note 2.4)
Cost						
At 1 January 2023	79,388	9,164	25,580	89,190	203,322	837,078
Additions	-	-	1,625	-	1,625	6,679
Currency translation difference	-	-	-	-	-	(6,548)
At 31 December 2023	79,388	9,164	27,205	89,190	204,947	837,209
Less: **Accumulated depreciation**						
At 1 January 2022	70,595	8,183	25,405	72,250	176,433	726,376
Depreciation for the year	3,487	633	234	9,240	13,594	55,871
Adjustment	-	(47)	-	-	(47)	(193)
Currency translation difference	-	-	-	-	-	(5,985)
At 31 December 2023	74,082	8,769	25,639	81,490	189,980	776,069
Carrying amounts						
At 31 December 2023	5,306	395	1,566	7,700	14,967	61,140

9. Trade payables

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Third parties	346,742	1,395,637	294,018	1,201,064
Related parties (Note 17.2)	300,415	1,209,170	209,475	855,705
	647,157	2,604,807	503,493	2,056,769

10. Other payables

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Advance from clients	628,744	2,530,695	434,663	1,775,598
Accrued standard costs	314,654	1,266,482	256,826	1,049,134
Accrued others	63,738	256,545	77,848	318,009
Accrued commission	18,428	74,173	19,895	81,271
Salaries and bonuses	10,000	40,250	-	-
Others	458	1,844	443	1,810
	1,036,022	4,169,989	789,675	3,225,822

11. Tax liabilities

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
At 1 January	51,105	208,764	159,121	655,101
Addition during the year	129,117	525,635	-	-
Paid during the year	(122,003)	(496,674)	(106,609)	(438,163)
Adjustment	28,535	116,166	(1,407)	(5,783)
Currency translation difference	-	(4,706)	-	(2,391)
At 31 December	86,754	349,185	51,105	208,764

12. Share capital

	2024			2023		
	Number	US$	KHR'000 (Note 2.4)	Number	US$	KHR'000 (Note 2.4)
Registered:						
Ordinary shares of US$25 each	10,000	250,000	1,000,000	10,000	250,000	1,000,000
Issued and paid-up:						
Ordinary shares of US$25 each	10,000	250,000	1,000,000	10,000	250,000	1,000,000

13. Revenue

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Sales to third parties	4,239,964	17,260,893	2,934,647	12,061,399
Sales to related parties (Note 17.1)	1,055,498	4,296,933	866,424	3,561,003
	5,295,462	21,557,826	3,801,071	15,622,402

14. Cost of sales

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Direct costs	4,157,435	16,924,918	2,976,335	12,232,737
Reversal for over-accrued costs (*)	(56,221)	(228,876)	(16,919)	(69,537)
	4,101,214	16,696,042	2,959,416	12,163,200

(*) This represents the over-estimate cost of sales in prior years and were reversed in the current financial year.

15. Other income

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Shopping commission	5,873	23,909	5,250	21,578
Interest income	572	2,329	16	66
Reversal of previous year income	-	-	(9,543)	(39,222)
Adjustment of property and equipment	-	-	47	193
	6,445	26,238	(4,230)	(17,385)

16. Other operating expenses

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Administrative expenses	279,972	1,139,766	206,714	849,595
Other tax expenses	129,117	525,635	-	-
Royalties expense	78,380	319,085	56,980	234,188
Interest expenses inter-company (Note 17.1)	72,316	294,398	66,743	274,314
Office expenses	68,800	280,085	69,528	285,760
Sales and marketing	47,443	193,140	22,831	93,835
Consulting fees	25,800	105,032	19,147	78,694
Bank charges	12,649	51,494	11,185	45,970
Communication	2,565	10,442	5,003	20,562
Others	7,952	32,374	150	616
	724,994	2,951,451	458,281	1,883,534

17. Related party transactions and balances

17.1 Transactions with related parties

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Parent company (Asian Trails Holding)				
Expenses:				
Management fees	54,130	220,363	54,130	222,474
Cost contribution	110,433	449,573	66,480	273,233
Royalty expenses	78,380	319,085	56,980	234,188
Borrowing:				
Repayment of borrowing	50,000	203,550	-	-
Additional borrowing	-	-	30,000	123,300
Interest expenses	72,316	294,398	66,743	274,314
Inter-companies:				
Revenue	1,055,498	4,296,933	866,424	3,561,003
Expenses	156,275	636,195	129,682	532,992
Key management personnel				
Salary and benefits	125,506	510,935	89,235	366 ,756

17.2. Balances with related parties

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Trade receivables	105,935	426,388	104,414	426,531
Other receivables (*)	150,538	605,915	127,919	522,549
Trade payables	300,415	1,209,170	209,475	855,705
Borrowings (**)	705,000	2,837,625	755,000	3,084,175

17. Related party transactions and balances (continued)

17.2. Balances with related parties (continued)

(*) Amounts due from Asia NextGen Pte Ltd. represent bank account with DBS Bank Ltd. on behalf of Asian Trails Co., Ltd.

(**) Borrowings represent borrowings from Asian Trails Holding Limited which are unsecured, bear interests at 8.86% to 9.82% and maturing in 2025 and 2026 respectively.

18. Operating lease commitments

	2024		2023	
	US$	KHR'000 (Note 2.4)	US$	KHR'000 (Note 2.4)
Within 1 year	43,320	174,363	38,136	155,786
Within 2-5 years	92,600	372,715	39,000	159,315
	135,920	547,078	77,136	315,101

19. Taxation contingencies

The taxation system in Cambodia is characterised by numerous taxes and frequently changing legislation, which is often unclear, contradictory, and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges.

The Company has been under comprehensive tax audits by the General Department of Taxation ("GDT") for the fiscal years ended 2011 to 2014 and 2016 to 2018 resulting in multiple tax assessments being imposed on the Company. The Company has already settled the assessed amounts and cleared its tax liabilities while the financial years ended 31 December 2015, 2019 2023 and 2024 have not yet undergone comprehensive tax audit by the GDT. Accordingly, the provision for taxation for these remaining open tax years has not been made by the Company in its financial statements.

20. Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

20.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with banks and other highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

20.2 Trade and other receivables

Trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

20.3 Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains or losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within other income in profit or loss.

(ii) Subsequent costs

The costs of replacing a part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

20. Significant accounting policies (continued)

20.3 Property and equipment (continued)

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is calculated using the straight-line method on all property and equipment to allocate their cost to their residual values over their estimated useful lives as follows:

Leasehold improvement	20% to 100%
Furniture and fixtures	6.66% to 100%
Office and IT equipment, EDP equipment	20% to 100%
Vehicles	20%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

20.4 Intangible assets

Intangible assets are purchased computer software that is stated at cost less accumulated amortisation and any accumulated impairment losses. The cost is amortised on a straight-line method at the rate of 33% per annum. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

20.5 Impairment of assets

At each reporting date, property and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

20. Significant accounting policies (continued)

20.5 Impairment of assets (continued)

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

20.6 Trade and other payables

Trade and other payables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost using the effective interest method except for non-interest bearing trade payables on the basis of normal credit terms are not amortised.

20.7 Provisions

Provisions are recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

20.8 Revenue

Revenue is recognised on an accrual basis to the extent that it is possible that the economic benefit will flow to the Company and the revenue can be reliably measured. For monthly and annual cut-off purposes, revenue is recognised on the first day of arrival of each group of tour in Cambodia and the related cost of sales is immediately accrued based on standard costing to match this early revenue recognition.

20.9 Leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

20. Significant accounting policies (continued)

20.10 Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of the benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

20.11 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss, except that an adjustment attributable to an item of income or expense recognised in other comprehensive income shall also be recognised in other comprehensive income.

20. Significant accounting policies (continued)

20.11 Income tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

20.12 Related parties

Enterprises and individual that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including the holding companies, subsidiaries and fellow subsidiaries, are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including Director and officers of the Company and close members of the family of these individuals and companies associated with these individuals, also constitute related parties.

21. Upcoming changes in Accounting Standards

On 27 February 2025, the International Accounting Standards Board issued the third edition of the IFRS for SMEs, introducing revisions to key areas, including revenue recognition. As IFRS for SMEs is adopted in Cambodia, the updated standard will be applicable upon issuance. The standard is effective for annual periods beginning on or after 1 January 2027, with early adoption permitted. Management is assessing its impact and will adopt it in line with the effective date or earlier if appropriate.

AT LAO COMPANY LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

AT LAO COMPANY LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

AT LAO COMPANY LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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AT LAO COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2024
STATEMENT BY THE BOARD OF DIRECTORS

THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors are responsible for preparing financial statements of AT Lao Company Limited ("the Company") for each financial year which have been prepared in all material respects, in accordance with the accounting policies set out in Note 2 to the financial statements. In preparing these financial statements, the Board of Directors are required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- maintain adequate accounting records and an effective system of internal controls;
- state whether applicable accounting policies have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue operations for the foreseeable future; and
- effectively control and direct the Company and be involved in all material decisions affecting the operations and performance of the Company and ascertain that such decisions have been properly reflected in the financial statements.

The Board of Directors are responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the accounting records comply with the principal accounting policies set out in Note 2 to the financial statements. It is also responsible for safeguarding the assets of the Company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements for the year ended 31 December 2024 which have been prepared, in all material respects, in accordance with the accounting policies set out in Note 2 to the financial statements.

On behalf of the Board of Directors:

Mrs. Phouangsy Phommixay
Finance and Administration Manager
Date: 15 January 2025

PSL

PSL Accounting and Audit Services Co.,Ltd
ບໍລິສັດ ພີເອັສແອວ ບັນຊີການເງິນ - ການກວດສອບ ແລະ ການປຶກສາ ຈຳກັດ
ໂທ: 021 413284 / 030 5267212, ມືຖື: 020 22889994

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of AT Lao Company Limited (the Company), which comprises the statement of financial position and statement of income for the year ended and as at 31 December 2024 and a summary of significant accounting policies and other explanatory information together the financial statements. The financial statements have been prepared by management of the Company in accordance with the accounting policies.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements in accordance with the accounting policies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also involves evaluating the appropriateness of accounting polices used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements are prepared, in all material respect, in accordance with the basis as described in Company's accounting policy.

For PSL Accounting and Audit Services Co., Ltd

By Phoutpaserth Luanglath
Director
Vientiane, Lao PDR
Date: 15 January 2025

AT LAO COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	31 December 2024 USD	31 December 2023 USD
ASSETS			
Current assets			
Cash and cash equivalents	3	256,911	341,062
Trade accounts receivable	4	267,573	204,626
Other current assets	5	110,515	94,592
Total current assets		**634,999**	**640,280**
Non-current assets			
Property and equipment, net	6	2,853	221
Intangible assets, net	7	-	-
Total non-current assets		**2,853**	**221**
Total assets		**637,852**	**640,501**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and other payables	8	7,240	16,593
Short-term borrowings	13	228,000	416,000
Intercompany payable	8	13,334	6,050
Other current liabilities	9	655,481	640,652
Total current liabilities		**904,055**	**1,079,295**
Non-current liabilities			
Long-term borrowings, net		-	-
Total non-current liabilities		-	-
Total liabilities		**904,055**	**1,079,295**
Shareholders' equity			
Share capital	10	200,000	200,000
Deficits	11	(466,203)	(638,794)
Total shareholders' equity		**(266,203)**	**(438,794)**
Total equity and liabilities		**637,852**	**640,501**

Mrs. Phouangsy Phommixay
Finance and Administration Manager
Date: 15 January 2025

The accompanying notes on pages 6 to 15 form an integral part of these financial statements.

PSL

AT LAO COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 USD	31 December 2023 USD
Revenue from sales and services			
Touring revenues		2,883,222	1,627,116
		2,883,222	**1,627,116**
Cost of sale and services			
Cost of services		(2,413,023)	(1,407,976)
		(2,413,023)	**(1,407,976)**
Gross profit		**470,199**	**219,140**
Other income and expense			
Operating expenses		(204,987)	(160,367)
Depreciation and amortisation expense		(347)	(569)
Financial Income		1,090	482
Other operating expenses		(29,974)	(38,920)
Other Expense		-	1
Gain on exchange rate		8,136	5,383
Profit before income tax		**244,117**	**25,150**
Income tax expense	12	(21,528)	(6,323)
Profit for the year		**222,589**	**18,827**

Mrs. Phouangsy Phommixay
Finance and Administration Manager
Date: 15 January 2025

The accompanying notes on pages 6 to 15 form an integral part of these financial statements.

AT LAO COMPANY LIMITED

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	(Note 10)	Issued share capital USD	Deficits USD	Total USD
Balance at 1 January 2024		200,000	(638,794)	(438,794)
Profit for the year		-	222,591	222,591
Distributed of dividends		-	(50,000)	(50,000)
Balance at 31 December 2024		**200,000**	**(466,203)**	**(266,203)**
Balance at 1 January 2023		200,000	(657,621)	(457,621)
Profit for the year		-	18,827	18,827
Balance at 31 December 2023		**200,000**	**(638,794)**	**(438,794)**

Mrs. Phouangsy Phommixay
Finance and Administration Manager
Date: 15 January 2025

The accompanying notes on pages 6 to 15 form an integral part of these financial statements

1. General information

AT LAO CO., LTD is a subsidiary company of the Asian Trails Group that has headquarters office in Bangkok and that financial management is under supervision of Bangkok office.

Asian Trails has commenced its tourist business in Laos in November 2002 by sending tourist group tour to Lao Asian Trails. Due to Lao Asian Trails failed to implement agreement, in 2003 Lao Asian Trails was changed to Asian Trails then had cooperation with Say Nam Houng. From 2003 to 2006, Say Nam Houng tried to obtain a joint venture business license between Asian Trails and Say Nam Houng but was not successful.

In September 2006, Asian Trails changed business partnership from Say Nam Houng to Green Discovery and ran its business under the name of Green Discovery. Green Discovery obtained successfully an application for a joint venture business.

The Company AT LAO CO., LTD. is a joint venture business between Asian Trials and Green Discovery. It was granted an authorization to establish its business in Laos as a Tour Operator with Foreign Investment License dated 23 February 2007 issued by the Ministry of Planning and Investment, Business License No. 0701 dated 01 August 2018 (newly updated since the office location was changed) issued by the Ministry of Industry and Commerce, and Business Operation License (tour company) No. 83 dated 27 13 December 2017 issued by the Municipal Department of Information, Culture and Tourism, Ministry of Information, Culture and Tourism, Laos.

The Company's principle activities are sales of inbound tour packages and provide air tickets to tour groups who come to Laos.

The address of its registered office is Simeuang Village, Simeuang Road, Sisattanark District, Vientiane Capital, Lao P.D.R.

The financial statements were prepared under the responsibility of the Board of Directors and Managing Director and were authorised for issue by the Board of Directors on 15 January 2021 as below:

1.	Mr. Lersan	Misitsankul (LM)	Director, appointed by ATH
2.	Mr. Laurent	Kuenzle (LK)	Director, appointed by ATH
3.	Mr. Inthy	Deuansavan (ID)	Director (proxy to LK)

2. Significant accounting policies

(a) Basis of preparation

The financial statements, prepared in US Dollars ("USD") have been prepared under the historical cost convention drawn up in accordance with accounting policies prescribed in the related Note 2 of these financial statements.

The accounting principles applied may differ from generally accepted accounting principles adopted in other countries and jurisdictions. The accompanying financial statements are therefore not intended to present the financial position, financial performance in accordance with jurisdictions other than the Lao PDR. Consequently, these financial statements are only addressed to those who are informed about the Company's accounting policies.

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2. **Significant accounting policies (Continued)**

The preparation of the financial statements in conformity with the Company's accounting policy requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

(b) Foreign currency translation

Items included in the financial statements are measured using US Dollars ("USD"). USD is the currency as widely used by the Company.

Foreign currency transactions are translated into USD using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into USD at the exchange rates prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statements.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks but do not include deposits with banks which are held to maturity, and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

(d) Trade accounts receivables

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in the income statement within operating expense.

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2. Significant accounting policies (Continued)

(e) Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line basis to write off the cost of each asset, to its residual value over the estimated useful life as follows;

The annual rates used for this purpose by category of assets are:

	Years
Installation	10
Furniture	5
PC, Screens, office equipment	5
Vehicles	5

Where the carrying amount of assets is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovation is included in the carrying amount of the assets when it is possible that future economic benefits in excess of the originally assessed standard of performance of the existing assets will flow to the entity. Major renovations are depreciated over the remaining useful life of the related asset.

Gain and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the operating profit.

(f) Intangible asset

Intangible asset represents the right to use the former Accounting software over the period of 5 years. Right is stated at cost less accumulated amortisation which is amortised using the straight-line basis over its useful lives of 5 years.

2. Significant accounting policies (Continued)

(g) Revenue recognition

Revenue is recognised when significant risk and rewards of ownership of the goods or services are transferred to the buyer, which is generally at the time when goods are dispatched or services are rendered to the customer and invoices are issued.

Touring service

Revenue from Touring services are recognised when services have been rendered which generally at delivery acceptance and invoicing.

Other revenues

Other revenues are recognised when services have been rendered which generally at delivery acceptance.

(h) Taxation

The Company does not recognise income taxes payable or receivable in future periods with respect to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Tax expenses for the year are determined on the basis of the profits of the Company calculated under Lao tax accounting rules.

The Company's tax returns are subject to periodic examination by the tax authorities. Because the application of tax laws and regulations, many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

2. Significant accounting policies (Continued)

(i) Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company.

(j) Dividends

Dividends are recorded in the company's financial statements in the period in which they are approved by the shareholders.

(k) Comparatives

The comparative information has been reclassified where appropriate to enhance comparability.

3. Cash and cash equivalents

	31 December 2024 USD	31 December 2023 USD
Cash on hand	12,627	24,365
Cash at bank - current accounts	46,891	107,902
Cash at bank - saving accounts	197,393	208,795
Total	**256,911**	**341,062**

Cash at bank - saving accounts are deposits at local banks with interest rate of 0,60% per annum for USD currency.

4. Trade accounts receivable

	31 December 2024 USD	31 December 2023 USD
Account receivable - TIC	19,327	21,022
Account receivable – Third Party	247,948	183,604
Other Receivable	298	-
Total	**267,573**	**204,626**

*Intercompany (TIC)
*Non-Intercompany (Third Party)

Aging analysis of trade accounts receivable is as below:

	31 December 2024 USD	31 December 2023 USD
Up to 30 days	265,587	33,570
31 to 60 days	1,869	47,245
Over 90 days	117	123,811
Total	**267,573**	**204,626**

5. Other current assets

	31 December 2024 USD	31 December 2023 USD
Advances to the related parties	96,854	81,819
Prepaid expenses	13,661	12,773
Total	**110,515**	**94,592**

6. Property and equipment, net

	Installation	Furniture and Fixture	PC, Screens, office equipment	Vehicles	Total
	USD	USD	USD	USD	USD
Year ended 31 December 2024					
As at 31 December 2023	-	16,126	61,802	94,961	172,889
Additions	-	298	2,681	-	2,979
Disposal	-	-	-	-	-
Written off	-	-	-	-	-
As at 31 December 2024	-	**16,424**	**64,483**	**94,961**	**175,868**
Accumulated Depreciation					
As at 31 December 2023	-	16,120	61,652	94,896	172,668
Charge for the year	-	18	264	65	347
Disposal	-	-	-	-	-
As at 31 December 2024	-	**16,138**	**61,916**	**94,961**	**173,015**
As at 31 December 2023, net	-	6	150	65	**221**
As at 31 December 2024, net	-	**286**	**2,567**	-	**2,853**

*** Depreciation -Property and equipment as at 31 December 2023** **569**
*** Depreciation -Property and equipment as at 31 December 2024** **347**

7. Intangible assets, net

	Program software	Total
	USD	USD
Year ended 31 December 2024		
As at 31 December 2023	19,258	19,258
Additions	-	-
Disposal	-	-
Written off	-	-
As at 31 December 2024	**19,258**	**19,258**
Accumulated Depreciation		
As at 31 December 2023	19,258	19,258
Charge for the year	-	-
As at 31 Dec 2024	**19,258**	**19,258**
As at 31 December 2023, net	-	-
As at 31 December 2024, net	-	-

*** Amortisation-Intangible assets as at 31 December 2023** -
*** Amortisation-Intangible asset as at 31 December 2024** -

8. Trade payables and other payables

	31 December 2024	31 December 2023
	USD	USD
Trade payables – TIC	13,334	6,050
Trade payables – Third party	7,240	16,593
	20,573	**22,643**

9. Other current liabilities

	31 December 2024 USD	31 December 2023 USD
Accrued cost of sales	475,603	322,817
Accrued tax	13,848	10,056
Other liabilities	1,156	-
Other accruals	164,874	307,779
	655,481	**640,652**

As at 31 December 2024, accrued cost of sales mainly represented to the accrual for operating supplier.

Other accruals mainly represent the Staff bonus for Fiscal Year 2024, Prepayments received from Agents, Sale commission, Audit Fee and Others.

10. Share capital

	31 December 2024 USD	31 December 2023 USD
Share Capital	200,000	200,000
Total	**200,000**	**200,000**

11. Deficits

	31 December 2024 USD	31 December 2023 USD
Retained Earnings	(638,794)	(657,621)
Profit for the year	222,591	18,827
Distributed of dividends to Intercompany	(40,000)	-
Distributed of dividends to Third party	(10,000)	-
	(466,203)	**(638,794)**

12. Income Tax expense

The Income Tax expense for the year ended 31 December 2024 was 21,528 USD.

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13. Borrowing

	31 December 2024 USD	31 December 2023 USD
Borrowings from shareholder		
Borrowing	228,000	416,000
Total	**228,000**	**416,000**

The Company has borrowed from Head Quarter which has no timeline on repayment schedule, then it has been considered as Short-term borrowings.

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PT. ASIAN TRAILS INDONESIA

LAPORAN KEUANGAN/
FINANCIAL STATEMENTS

UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2024
FOR THE YEAR ENDED DECEMBER 31, 2024

DAN LAPORAN AUDITOR INDEPENDEN/
AND INDEPENDENT AUDITORS' REPORT

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SURAT PERNYATAAN DIREKSI/*DIRECTORS' STATEMENT LETTER*
TENTANG TANGGUNG JAWAB ATAS LAPORAN KEUANGAN/
RELATING TO THE RESPONSIBILITY ON THE FINANCIAL STATEMENTS
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2024/
FOR THE YEAR ENDED DECEMBER 31, 2024

PT. ASIAN TRAILS INDONESIA

Kami yang bertanda tangan dibawah ini: *We, the undersigned:*

1. Nama/*Name* : Rocky Wisuda Praputranto
   Alamat kantor/*Office address* : Jl. By Pass Ngurah Rai No. 260
   Alamat domisili/*Domicile* : Jl. Jakarta D 5 Buana Gubug, Jimbaran Kuta Selatan – Bali
   Nomor Telepon/*Phone Number* : (0361) 285771
   Jabatan/*Position* : Direktur Utama/*President Director*

2. Nama/*Name* : Björn Schimanski
   Alamat kantor/*Office address* : Jl. By Pass Ngurah Rai No. 260
   Alamat domisili/*Domicile* : Jl. Betngandang I No. 6E, Sanur Kauh, Denpasar Selatan - Bali
   Nomor Telepon/*Phone Number* : (0361) 285771
   Jabatan/*Position* : Direktur Keuangan/*Finance Director*

menyatakan bahwa: *state that:*

1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan Perusahaan;
2. Laporan keuangan Perusahaan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan Perusahaan telah dimuat secara lengkap dan benar;
   b. Laporan keuangan Perusahaan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. Kami bertanggung jawab atas sistem pengendalian intern dalam Perusahaan.

1. We are responsible for the preparation and presentation of the financial statements of the Company;
2. The financial statements of the Company have been prepared and presented in accordance with Indonesia Financial Accounting Standards;
3. a. All information contain in the financial statements of the Company is complete and correct;
b. The financial statements of the Company do not contain misleading material information or facts, and do not omit material information and facts.
4. We are responsible for the Company internal control system.

Demikian pernyataan ini dibuat dengan sebenarnya. *This statement letter is made truthfully.*

Denpasar, 17 Maret 2025/*March 17, 2025*
Atas nama dan mewakili Direksi
On behalf of Director

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SEPULUH RIBU RUPIAH 10000 METERAI TEMPEL
10EB3AMX210455115

Rocky Wisuda Praputranto	Bjorn Schimanski
Direktur Utama/ *President Director*	Direktur Keuangan/ *Finance Director*

Kantor Akuntan Publik
DRS. ABDUL MUNTALIB & YUNUS
(d/h BISMAR, MUNTALIB DAN YUNUS)
Izin Menteri Keuangan: KEP-124/KM.1/2016

Laporan nomor : 00021/2.1059/AU.1/05/0596-5/1/III/2025

Laporan Auditor Independen

Pemegang Saham, Dewan Komisaris
dan Dewan Direksi
PT Asian Trails Indonesia

Opini

Kami telah mengaudit laporan keuangan **PT Asian Trails Indonesia** (Perusahaan) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2024, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, Serta catatan atas laporan keuangan, termasuk ikhtisar kebijakan akuntansi signifikan.

Menurut Opini kami, laporan keuangan terlampir **menyajikan secara wajar**, dalam semua hal yang material posisi keuangan Perusahaan tanggal 31 Desember 2024 serta kinerja keuangan dan arus kas untuk tahun yang berakhir pada tanggal tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Basis Opini

Kami melaksanakan audit berdasarkan Standar Audit yang ditetapkan oleh institut Akuntan Publik Indonesia. Tanggung Jawab kami menurut standar tersebut diuraikan lebih lanjut dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami. Kami Independen terhadap Perusahaan berdasarkan ketentuan etika yang relevan dalam audit kami atas laporan keuangan di Indonesia, dan kami telah memenuhi tanggung jawab etika lainnya berdasarkan ketentuan tersebut. Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Tanggung Jawab Manajemen dan Pihak yang Bertanggung Jawab atas Tata Kelola terhadap Laporan Keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Dalam penyusunan laporan keuangan, manajemen bertanggung jawab untuk menilai kemampuan Perusahaan dalam mempertahankan kelangsungan usahanya, mengungkapkan sesuai dengan kondisinya, hal-hal yang berkaitan dengan kelangsungan usaha, dan menggunakan basis akuntansi kelangsungan usaha, kecuali manajemen memiliki intensi untuk melikuidasi Perusahaan atau menghentikan operasi, atau memiliki alternatif yang realistis selain melaksanakannya.

Report number : 00021/2.1059/AU.1/05/0596-5/1/III/2025

Independent Auditors' Report

The Stockholders, Boards of Commissioners and
Board of Directors
PT Asian Trails Indonesia

Opinion

*We have audited the attached financial statements of **PT Asian Trails Indonesia** (the Company), which consist of a statement of financial position as of December 31, 2024, as well as other comprehensive income and income statements, equity change reports and cash flow statements for the year ended on that date, as well as notes on financial statements, including significant accounting policy overviews.*

*In our opinion, the attached financial statements **present Fairly**, in all material respects, the Company's financial position as at December 31, 2024 as well as the financial performance and cash flows for the year ended on that date in accordance with the Financial Accounting Standards in Indonesia.*

Basis Opinion

We conduct audits based on the Audit Standards set by the Indonesian Institute of Public Accountants. Our Responsibilities under these standards are further outlined in the Auditor's Responsibilities for Auditing of Financial Statements section of our reports. We are Independent of the Company based on the relevant ethical provisions in our audits of financial statements in Indonesia, and we have fulfilled other ethical responsibilities under those provisions. We are confident that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management and Those Charged with Governance for Financial Statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with the Financial Accounting Standards in Indonesia, and for such internal controls as management deems necessary to enable the preparation of financial statements that are free from material misrepresentation, either caused by fraud or error.

In the preparation of financial statements, management is responsible for assessing the Company's ability to maintain its business continuity, disclose in accordance with its conditions, matters related to business continuity, and use the business continuity accounting base, unless management has the intention to liquidate the Company or stop operations, or has realistic alternatives other than implementing them.

Pihak yang bertanggung jawab atas tata kelola bertanggung jawab untuk mengawasi proses pelaporan keuangan perusahaan.

The party responsible for governance is responsible for overseeing the company's financial reporting process.

Tanggung jawab Auditor terhadap Audit atas Laporan Keuangan

Auditor's Responsibility for the Audit of Financial Statements

Tujuan kami adalah memperoleh keyakinan memadai tentang apakah laporan keuangan secara keseluruhan bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan, dan untuk menerbitkan laporan auditor yang mencakup opini kami. Keyakinan memadai merupakan suatu tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit akan selalu mendeteksi kesalahan penyajian material ketika hal tersebut ada. Kesalahan penyajian dapat disebabkan oleh kecurangan maupun kesalahan dan dianggap material jika, baik secara individual maupun secara agregat, dapat diekspektasikan secara wajar akan memengaruhi keputusan ekonomi yang diambil oleh pengguna berdasarkan laporan keuangan tersebut.

Our goal is to obtain adequate confidence about whether the financial statements as a whole are free from material misrepresentations, whether caused by fraud or error, and to publish an auditor's report that includes our opinion. Adequate confidence is a high level of confidence, but it is not a guarantee that audits conducted under the Audit Standards will always detect material misrepresentations when they exist. Misrepresentations may be caused by fraud or misrepresentation and are deemed material if, either individually or in aggregate, it can reasonably be expected to affect the economic decisions made by users based on such financial statements.

Sebagai bagian dari suatu audit berdasarkan Standar Audit, kami menerapkan Pertimbangan profesional dan mempertahankan skeptisme profesional selama audit, kami juga :

As part of an audit based on the Audit Standards, we apply professional Considerations and maintain professional skepticism during the audit, we also:

- Mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan, mendesain dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memperoleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami, Risiko tidak terdeteksinya kesalahan penyajian material yang disebabkan oleh kecurangan lebih tinggi dari yang disebabkan oleh kesalahan, karena kecurangan dapat melibatkan kolusi, pemalsuan, penghilangan secara sengaja, pernyataan salah, atau pengabaian pengendalian internal.

- *Identifying and assessing the risk of material misrepresentation in the financial statements, whether caused by fraud or error, designing and implementing audit procedures that are responsive to such risks, and obtaining sufficient and appropriate audit evidence to provide a basis for our opinion, The risk of undetected material misrepresentation caused by fraud is higher than that caused by the error, Because cheating may involve collusion, forgery, willful disappearance, misrepresentation, or neglect of internal control.*

- Memperoleh suatu pemahaman tentang pengendalian internal yang relevan dengan audit untuk mendesain prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal Perusahaan.

- *Gain an understanding of internal controls relevant to auditing in order to design appropriate audit procedures according to their conditions, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.*

- Mengevaluasi ketepatan kebijakan akuntansi yang digunakan serta kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen.

- *Evaluate the accuracy of the accounting policies used as well as the reasonableness of accounting estimates and related disclosures made by management.*

• Menyimpulkan ketepatan penggunaan basis akuntansi kelangsungan usaha oleh manajemen dan berdasarkan bukti audit yang diperoleh, apakah terdapat suatu ketidakpastian material yang terikat dengan peristiwa atau kondisi yang dapat menyebabkan keraguan signifikan atas kemampuan perusahaan untuk mempertahankan kelangsungan usahanya. Ketika kami menyimpulkan bahwa terdapat suatu ketidakpastian material, kami diharuskan menarik perhatian dalam laporan auditor kami ke pengungkapan terkait dalam laporan keuangan atau, jika pengungkapan tersebut tidak memadai, harus menentukan apakah perlu untuk memodifikasi opini kami. Kesimpulan kami didasarkan pada bukti audit yang diperoleh hingga tanggal laporan auditor kami. Namun, peristiwa atau kondisi masa depan dapat menyebabkan perusahaan tidak dapat mempertahankan kelangsungan usaha.

• Mengevaluasi penyajian struktur dan isi laporan keuangan secara keseluruhan, termasuk pengungkapannya, dan apakah laporan keuangan mencerminkan transaksi dan peristiwa yang mendasarinya dengan suatu cara yang mencapai penyajian wajar.

Kami mengkomunikasikan kepada pihak yang bertanggung jawab atas tatakelola mengenai, antara lain, ruang lingkup dan saat yang direncanakan atas audit, serta temuan audit signifikan, termasuk setiap defisiensi signifikan dalam pengendalian internal yang teridentifikasi oleh kami selama audit.

• Summing up the accuracy of management's use of the business continuity accounting base and based on the audit evidence obtained, whether there is a material uncertainty tied to events or conditions that may cause significant doubts over the company's ability to maintain its business continuity. When we conclude that there is a material uncertainty, we are required to draw attention in our auditor's report to the relevant disclosure in the financial statements or, if such disclosure is inadequate, must determine whether it is necessary to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to be unable to maintain business continuity.

• Evaluate the presentation of the structure and content of the financial statements as a whole, including their disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that achieves reasonable presentation.

We communicate to those responsible for governance regarding, among other things, the scope and planned timing of the audit, as well as significant audit findings, including any significant deficiencies in internal controls identified by us during the audit.

KANTOR AKUNTAN PUBLIK / *REGISTERED PUBLIC ACCOUNTANT FIRMS*
ABDUL MUNTALIB & YUNUS

Drs. Abdul Muntalib M.S., Akt., CA., CPA., CPI., CLI., ACPA
Registrasi Akuntan Publik No. AP 0596 / Registration of Public Accountant No. AP 0596
Izin Akuntan Publik / Public Accountant License No. KEPMEN 911/KM.1/2021
Izin Kantor Akuntan Publik / Public Accounting Firm Permi No. KEPMEN 124/KM.1/2016

17 Maret 2025 / *17 March 2025*

00021

PT. ASIAN TRAILS INDONESIA
LAPORAN POSISI KEUANGAN
31 DESEMBER 2024
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT. ASIAN TRAILS INDONESIA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024
(Presented in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2024	2023	
ASET				***ASSETS***
ASET LANCAR				***CURRENT ASSETS***
Kas dan bank	4	33.764.525.565	23.922.750.016	*Cash on hand and in banks*
Piutang usaha				*Trade receivable*
Pihak berelasi	5,22	1.443.914.640	664.026.419	*Related parties*
Pihak ketiga	5	9.817.418.865	5.312.935.011	*Third parties*
Piutang lain-lain				*Other receivable*
Pihak berelasi	6,22	9.576.525.000	9.161.215.000	*Related parties*
Pihak ketiga	6	2.509.934.775	2.438.746.227	*Third parties*
Uang muka	8	15.747.508.950	12.912.540.080	*Advances payment*
Biaya dibayar dimuka	7	3.619.894.260	4.199.762.705	*Prepaid expenses*
Jumlah Aset Lancar		**76.479.722.055**	**58.611.975.458**	***Total Current Assets***
ASET TIDAK LANCAR				***NON CURRENT ASSET***
Aset tetap - bersih	9	5.037.514.177	2.751.412.567	*Property and equipment - net*
JUMLAH ASET		**81.517.236.232**	**61.363.388.025**	***TOTAL ASSETS***
LIABILITAS DAN EKUITAS				***LIABILITIES AND EQUITY***
LIABILITAS JANGKA PENDEK				***CURRENT LIABILITIES***
Utang usaha				*Trade payables*
Pihak berelasi	10,23	546.457.440	61.079.899	*Related parties*
Pihak ketiga	10	1.913.953.020	2.396.789.402	*Third parties*
Utang lain-lain		1.395.533.070	34.612.456	*Others payable*
Utang pajak	13	4.356.169.105	1.130.647.901	*Taxes payable*
Biaya yang masih harus dibayar	11	37.548.215.671	23.320.989.065	*Accrued expenses*
Deposit diterima dimuka	12	8.436.290.820	6.784.472.492	*Deposit accepted in advancet*
Jumlah Liabilitas Jangka Pendek		**54.196.619.126**	**33.728.591.215**	***Total Current Liabilities***
LIABILITAS JANGKA PANJANG				***NON CURRENT LIABILITY***
Liabilitas imbalan kerja karyawan	14	2.035.464.169	1.464.560.512	*Post-employment benefits obligation*
JUMLAH LIABILITAS		**56.232.083.295**	**35.193.151.727**	***TOTAL LIABILITIES***
EKUITAS				***EQUITY***
Modal saham - nilai nominal Rp 720.000 per saham				*Capital stock - IDR 720,000 par value per share*
Modal dasar - 2.000 saham				*Authorized - 2,000 shares*
Modal ditempatkan dan disetor - 2.000 saham	15	1.440.000.000	1.440.000.000	*Issued and fully paid - 2,000 shares*
Selisih kurs modal		138.248.000	138.248.000	*Difference rate on capital*
Saldo laba		23.706.904.937	24.591.988.298	*Retained earnings*
Jumlah Ekuitas		**25.285.152.937**	**26.170.236.298**	***Total Equity***
JUMLAH LIABILITAS DAN EKUITAS		**81.517.236.232**	**61.363.388.025**	***TOTAL LIABILITIES AND EQUITY***

Lihat catatan atas laporan keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompaying notes to financial statements which are an integral part of the financial statements.

PT. ASIAN TRAILS INDONESIA
LAPORAN LABA RUGI KOMPREHENSIF
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2024
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT. ASIAN TRAILS INDONESIA
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024
(Presented in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2024	2023	
PENDAPATAN USAHA	17	276.293.646.998	187.593.306.529	***REVENUES***
BEBAN POKOK PENDAPATAN	18	(226.214.498.680)	(149.453.751.960)	***COST OF REVENUES***
LABA KOTOR		**50.079.148.318**	**38.139.554.569**	***GROSS LOSS***
Beban penjualan	19	(3.601.075.845)	(2.964.969.496)	*Selling expense*
Beban umum dan administrasi	20	(32.603.026.066)	(22.645.153.147)	*General and administrative expense*
Beban lainnya	21	(509.667.342)	(567.509.700)	*Other expense*
Pendapatan lainnya	22	8.259.337.654	4.254.960.950	*Other income*
LABA SEBELUM BEBAN PAJAK PENGHASILAN		**21.624.716.719**	**16.216.883.176**	***GAIN BEFORE TAX***
BEBAN PAJAK PENGHASILAN	13	(3.195.800.080)	-	***INCOME TAX EXPENSE***
Pendapatan komprehensif lain		-	-	***Other comprehensif income***
LABA BERSIH KOMPREHENSIF		**18.428.916.639**	**16.216.883.176**	***NET COMPREHENSIVE GAIN***

Lihat catatan atas laporan keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompaying notes to financial statements which are an integral part of the financial statements.

	Catatan/ *Notes*	Modal Ditempatkan dan Disetor/ *Issued and Fully Paid-in Capital*	Selisih Kurs Modal/ *Difference rate capital*	Saldo Laba/ *Retained earnings*	Jumlah Ekuitas/ *Total Equity*	
Saldo per 1 Januari 2023		**1.440.000.000**	**138.248.000**	**8.375.105.122**	**9.953.353.122**	***Balance as of January 1, 2023***
Laba bersih tahun berjalan		**-**	-	16.216.883.176	16.216.883.176	*Net gain for the year*
Saldo per 31 Desember 2023		**1.440.000.000**	**138.248.000**	**24.591.988.298**	**26.170.236.298**	***Balance as of December 31, 2023***
Dividen tunai	16	-	-	(19.314.000.000)	(19.314.000.000)	*Cash dividens*
Laba bersih tahun berjalan		-	-	18.428.916.639	18.428.916.639	*Net gain for the year*
Saldo per 31 Desember 2024		**1.440.000.000**	**138.248.000**	**23.706.904.937**	**25.285.152.937**	***Balance as of December 31, 2024***

Lihat catatan atas laporan keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompaying notes to financial statements which are an integral part of the financial statements.

PT. ASIAN TRAILS INDONESIA
LAPORAN ARUS KAS
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2024
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT. ASIAN TRAILS INDONESIA
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Presented in Rupiah, unless otherwise stated)

	2024	2023	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOW FROM OPERATING ACTIVITIES***
Penerimaan kas dari pelanggan	290.644.112.653	195.446.333.539	*Cash receipt from customers*
Pembayaran kas kepada pemasok dan karyawan	(259.257.915.206)	(173.563.312.788)	*Cash paid to suppliers and employees*
Pembayaran beban keuangan	(509.667.342)	(457.783.604)	*Payments of financial charges*
Kas Bersih Diperoleh Dari Aktivitas Operasi	**30.876.530.105**	**21.425.237.147**	***Net Cash Provided by Operating Activities***
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITIES***
Hasil penjualan aset tetap	534.787.996	129.550.000	*Proceeds from sale of property and equipment*
Penerimaan bunga	628.475.681	516.353.792	*Interest received*
Perolehan aset tetap	(2.954.085.774)	(2.224.727.929)	*Acquisitions of property and equipment*
Kas Bersih Diperoleh dari Aktivitas Investasi	**(1.790.822.097)**	**(1.578.824.137)**	***Net Cash Provided by Investing Activities***
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Kenaikan (Penurunan) utang pihak berelasi	485.377.541	(189.665.824)	*Increased (Decreased) of due to related parties*
Kenaikan (Penurunan) piutang lain-lain pihak berelasi	(415.310.000)	(4.568.802.500)	*Increased (Decreased) of other receivable related parties*
Pembayaran Dividen	(19.314.000.000)	-	*Payment Cash Dividends*
Kas Bersih Diperoleh Dari (Digunakan untuk) Aktivitas Pendanaan	**(19.243.932.459)**	**(4.758.468.324)**	***Net Cash Provided by (Used in) Financing Activities***
KENAIKAN BERSIH KAS DAN BANK	**9.841.775.549**	**15.087.944.686**	***NET INCREASE CASH ON HAND AND IN BANKS***
KAS DAN BANK AWAL TAHUN	23.922.750.016	8.834.805.330	***CASH ON HAND AND IN BANKS AT BEGINNNIG OF YEAR***
KAS DAN BANK AKHIR TAHUN	**33.764.525.565**	**23.922.750.016**	***CASH ON HAND AND IN BANKS AT END OF YEAR***

Lihat catatan atas laporan keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompaying notes to financial statements which are an integral part of the financial statements.

1. UMUM

a. Pendirian dan Informasi Umum

PT. Asian Trails Indonesia didirikan berdasarkan akta notaris Silvia Veronica, S.H. No. 26 tanggal 24 Desember 1999. Akta pendirian ini disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-88884 HT.01.04.TH.1999 yang ditetapkan tanggal 24 Mei 1999. Akta Perusahaan telah mengalami beberapa kali perubahan, terakhir kali berdasarkan akta notaris Hendra Justin FU, S.H., M.kn, No. 28 tanggal 28 September 2022, mengenai penyesuaian bidang usaha Perseroan dan perubahan susunan pengurus. Akta perubahan tersebut telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0197504.AH.01.11.tahun 2022 Tanggal 04 Oktober 2022.

Perusahaan berdomisili di Denpasar Bali dan berkedudukan di Jl. By Pass Ngurah Rai No. 260. Sanur, Denpasar, Bali.

Sesuai dengan pasal 3 anggaran dasar Perusahaan, ruang lingkup kegiatan Perusahaan adalah bergerak di bidang biro perjalanan wisata. Perusahaan mulai beroperasi pada tahun 2007. Perusahaan memiliki karyawan pada tanggal 31 Desember 2024 dan 2023 sebanyak 122 orang dan 86 orang.

Susunan dewan komisaris dan direksi Perusahaan pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

1. GENERAL

a. Establishment and General Information

PT. Asian Trails Indonesia was established based on notarial deed No. 26 of Silvia Veronica, S.H., dated December 24, 1999. The deed of establishment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. C-88884 HT.01.04.TH.1999 dated May 24, 1999. The Company's articles of association have been amended several times, most recently by notarial deed No. 28 of Hendra Justin FU, S.H., M.kn, dated September 28, 2022, regarding changes to the Company's articles of association. The deed of amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in a Decree No. AHU-0197504.AH.01.11.tahun 2022 on Oktober 04, 2022.

The Company is domiciled in Denpasar Bali and located at Jl. By Pass Ngurah Rai No.260. Sanur, Denpasar, Bali.

In accordance with article 3 of the Company's articles of association, the scope of its activities are tour and traveling business. The Company started its operations in 2007. The Company had total number of employees of 122 and 86 as of December 31, 2024 and 2023.

The Company's management as of December 31, 2024 and 2023 consisted of the following:

31 Desember 2024 dan 2023 *December 31, 2024 and 2023*		
Presiden Komisaris	Mr. Luzi Andrea Matzig/Lersan Misitsakul	*President Commissioner*
Komisaris	Mr. Dharmayanto Tirtawisata	*Commissioners*
	Mr. Laurent Kunzle	
Presiden Direktur	Mr. Rocky Wisuda Praputranto	*President Director*
Direktur	Mr. Bjorn Schimanski	*Directors*
	Mr. Sebastian Alex Mendoca	

2. IKHTISAR KEBIJAKAN AKUNTANSI

a. Dasar penyusunan laporan keuangan

Laporan keuangan telah disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia ("SAK"), yang mencakup Pernyataan Standar Akuntansi Keuangan ("PSAK") dan Interpretasi Standar Akuntansi Keuangan ("ISAK") yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia ("DSAK-IAI"),

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis preparation of financial statements

The financial statements have been prepared in accordance with Financial Accounting Standards in Indonesia ("SAK"), which comprise the Statements of Financial Accounting Standards ("PSAK") and Interpretations to Financial Accounting Standards ("ISAK") issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants, also Indonesian Institute of Accountants ("DSAK-IAI").

2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)

Laporan keuangan, kecuali untuk laporan arus kas konsolidasian interim, disusun berdasarkan dasar akrual dengan menggunakan konsep harga perolehan, kecuali beberapa akun tertentu disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

a. Dasar penyusunan laporan keuangan (lanjutan)

Laporan arus kas disusun dengan menggunakan metode langsung dengan mengelompokkan arus kas dalam aktivitas-aktivitas operasi, investasi dan pendanaan.

Seluruh angka dalam laporan keuangan ini, disajikan dalam Rupiah ("Rp"), kecuali dinyatakan lain.

b. Kas dan bank

Kas dan bank terdiri dari kas dan kas di bank, dan tidak digunakan sebagai jaminan atau dibatasi penggunaannya.

c. Instrumen keuangan

i. Aset keuangan

Pengakuan awal

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laba rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, dan aset keuangan tersedia untuk dijual, mana yang sesuai. Perusahaan menetapkan klasifikasi aset keuangan setelah pengakuan awal dan, jika diperbolehkan dan sesuai, akan melakukan evaluasi atas klasifikasi ini pada setiap tanggal pelaporan.

Aset keuangan Perusahaan yang meliputi kas dan bank, piutang usaha, aset keuangan lancar lainnya, piutang pihak berelasi dan aset keuangan tidak lancar lainnya diklasifikasikan sebagai pinjaman yang diberikan dan piutang, sementara investasi pada saham dengan persentase kepemilikan di bawah 20% diklasifikasikan sebagai aset keuangan tersedia untuk dijual.

Pada tanggal 31 Desember 2024 dan 2023, Perusahaan tidak memiliki aset keuangan yang diukur pada nilai wajar melalui laba rugi dan investasi dimiliki hingga jatuh tempo.

Pada saat pengakuan awalnya, aset keuangan diukur pada nilai wajar ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The financial statements, except for the interim consolidated statement of cash flows, have been prepared on the accrual basis using the historical cost basis of accounting, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

a. Basis preparation of financial statements (continued)

The interim *consolidated statements of cash flows have been prepared using direct method which classify cash flows into operating, investing and financing activities.*

All figures in the financial statements are rounded to and expressed in millions of Indonesian Rupiah ("IDR"), unless otherwise stated.

b. Cash and banks

Cash and banks are cash dan cash in banks, and which are not used as collateral or not restricted.

c. Financial instruments

i. Financial assets

Initial recognition

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each reporting date.

The Company's financial assets which include cash and cash equivalents, trade receivables, other current financial assets, due from related parties and other non-current financial assets are classified as loans and receivables, while investments in shares with percentage of ownership interest less than 20% are classified as available-for-sale financial assets.

As of December 31, 2024 and 2023, the Company does not have any financial assets at fair value through profit or loss and held-to-maturity investments.

When financial assets are recognized initially, they are measured at fair value plus directly attributable transaction costs.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Pengukuran setelah pengakuan awal

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan tidak memiliki kuotasi di pasar aktif. Setelah pengakuan awal, aset tersebut dicatat pada biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif (SBE) dan keuntungan atau kerugian terkait diakui dalam laba rugi ketika aset tersebut mengalami penurunan nilai atau melalui proses amortisasi. Arus kas terkait dengan pinjaman yang diberikan dan piutang jangka pendek tidak didiskontokan apabila efek diskonto tidak material.

Aset keuangan tersedia untuk dijual adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam 3 (tiga) kategori lainnya. Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur dengan nilai wajar dengan keuntungan atau kerugian yang belum terealisasi diakui dalam ekuitas sampai aset tersebut dihentikan pengakuannya.

Penghentian pengakuan

Penghentian pengakuan atas suatu aset keuangan, atau, bila dapat diterapkan untuk bagian dari aset keuangan atau bagian dari kelompok aset keuangan serupa, terjadi bila:

i. hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau
ii. Perusahaan mentransfer hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan tersebut atau menanggung kewajiban untuk membayar arus kas yang diterima tersebut tanpa penundaan yang signifikan kepada pihak ketiga melalui suatu kesepakatan penyerahan dan apabila (a) secara substansial mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, atau (b) secara substansial tidak mentransfer dan tidak mempertahankan seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, namun telah mentransfer pengendalian atas aset keuangan tersebut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

i. Financial assets (continued)

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, such assets are carried at amortized cost using the effective interest (EIR) method and the related gains or losses are recognized in profit or loss when the assets are impaired or through amortization process. Cash flows relating to short-term loans and receivables are not discounted if the effect of discounting is immaterial.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the 3 (three) preceding categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealized gains or losses recognized in equity until the assets are derecognized.

Derecognition

A financial asset, or, where applicable a part of a financial asset or part of a group of similar financial assets, is derecognized when:

i. the contractual rights to receive cash flows from the financial asset have expired; or

ii. The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Apabila Perusahaan mentransfer hak untuk menerima arus kas yang berasal dari aset keuangan atau mengadakan kesepakatan penyerahan, atau tidak mentransfer maupun tidak mempertahankan secara substansial seluruh risiko dan manfaat atas aset keuangan tersebut namun telah mentransfer pengendalian atas aset keuangan tersebut, maka suatu aset keuangan baru diakui oleh Perusahaan sebesar keterlibatannya yang berkelanjutan dengan aset keuangan tersebut.

Pada saat penghentian pengakuan atas aset keuangan secara keseluruhan, maka selisih antara nilai tercatat dan jumlah dari (i) pembayaran yang diterima, termasuk aset baru yang diperoleh dikurangi dengan liabilitas baru yang ditanggung; dan (ii) keuntungan atau kerugian kumulatif yang telah diakui secara langsung dalam ekuitas, harus diakui dalam laba rugi.

Penurunan nilai

Pada setiap tanggal pelaporan, Perusahaan mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai.

Penurunan nilai atas aset keuangan atau kelompok aset keuangan dianggap telah terjadi, jika dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut ("peristiwa kerugian"), dan peristiwa kerugian tersebut berdampak pada estimasi arus kas masa depan aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara andal.
Bukti penurunan nilai dapat meliputi indikasi pihak peminjam atau kelompok peminjam mengalami kesulitan keuangan signifikan, wanprestasi atau tunggakan pembayaran bunga atau pokok, terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya, dan pada saat data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa depan, seperti meningkatnya tunggakan atau kondisi ekonomi yang berkorelasi dengan wanprestasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

i. Financial assets (continued)

Where the Company has transferred its rights to receive cash flows from a financial asset or has entered into a pass-through arrangement, or has neither transferred nor retained substantially all the risks and rewards of the financial asset but has transferred control of the financial asset, a new financial asset is recognized to the extent of the Company's continuing involvement in the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognized directly in equity, is recognized in profit or loss.

Impairment

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Untuk pinjaman yang diberikan dan piutang yang dicatat pada biaya perolehan yang diamortisasi, Perusahaan pertama kali secara individual menentukan bahwa terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang signifikan secara individual, atau secara kolektif untuk aset keuangan yang tidak signifikan secara individual. Jika Perusahaan menentukan tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Perusahaan memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian atau penurunan nilai secara kolektif.

Jika terdapat bukti obyektif bahwa kerugian penurunan nilai telah terjadi, maka jumlah kerugian tersebut diukur berdasarkan selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa depan (tidak termasuk ekspektasi kerugian kredit masa depan yang belum terjadi).

Nilai kini estimasi arus kas masa depan didiskonto menggunakan SBE awal dari aset keuangan tersebut. Jika pinjaman yang diberikan atau piutang memiliki suku bunga variabel, tingkat diskonto untuk mengukur kerugian penurunan nilai adalah SBE terkini.

Nilai tercatat aset keuangan dikurangi melalui penggunaan akun penyisihan dan jumlah kerugian tersebut diakui secara langsung dalam laba rugi. Pendapatan bunga terus diakui atas nilai tercatat yang telah dikurangi tersebut berdasarkan suku bunga yang digunakan untuk mendiskontokan arus kas masa depan dengan tujuan untuk mengukur kerugian penurunan nilai. Pinjaman yang diberikan dan piutang beserta dengan penyisihan terkait dihapuskan jika tidak terdapat kemungkinan yang realistis atas pemulihan di masa mendatang dan seluruh agunan, jika ada, sudah direalisasi atau ditransfer kepada Perusahaan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

i. Financial assets (continued)

For loans and receivables carried at amortized cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a the Company of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment or impairment.

When there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred).

The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a loan or receivable has a variable interest rate, the discount rate for measuring impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is directly recognized in profit or loss. Interest income continues to be accrued on the reduced carrying amount based on the rate of interest used to discount future cash flows for the purpose of measuring impairment loss. Loans and receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Ketika penurunan nilai wajar aset keuangan tersedia untuk dijual telah diakui dalam ekuitas dan terdapat bukti obyektif bahwa aset tersebut mengalami penurunan nilai, maka kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus dikeluarkan dari ekuitas dan diakui dalam laba rugi meskipun aset keuangan tersebut belum dihentikan pengakuannya. Jumlah kerugian kumulatif yang dikeluarkan dari ekuitas dan diakui dalam laba rugi merupakan selisih antara biaya perolehan dengan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui dalam laba rugi.
Jika, dalam periode pelaporan berikutnya, nilai estimasi kerugian penurunan nilai aset keuangan bertambah atau berkurang yang dikarenakan peristiwa yang terjadi setelah penurunan nilai diakui, maka kerugian penurunan nilai yang sebelumnya diakui ditambahkan atau dikurangi (dipulihkan) dengan menyesuaikan akun penyisihan. Pemulihan tersebut tidak boleh mengakibatkan nilai tercatat aset keuangan melebihi biaya perolehan yang diamortisasi yang seharusnya jika penurunan nilai tidak diakui pada tanggal pemulihan dilakukan. Jika penghapusan nantinya terpulihkan, jumlah pemulihan aset keuangan diakui dalam laba rugi.

ii. Liabilitas keuangan

Pengakuan awal

Perusahaan mengklasifikasikan semua liabilitas keuangannya ke dalam kategori liabilitas keuangan yang diukur pada biaya perolehan diamortisasi, yang pada awalnya diakui sebesar nilai wajar dan termasuk biaya transaksi yang dapat diatribusikan secara langsung.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

i. Financial assets (continued)

When a decline in the fair value of an available-for-sale financial asset has been recognized in equity and there is objective evidence that the assets are impaired, the cumulative loss that had been recognized in equity will be reclassified from equity to profit or loss even though the financial asset has not been derecognized. The amount of the cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss.

If, in the subsequent reporting period, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. If a future write-off is later recovered, the recovery is recognized in profit or loss.

ii. Financial liabilities

Initial recognition

The Company classifies all its Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

ii. Liabilitas keuangan (lanjutan)

Pengukuran setelah pengakuan awal

Setelah pengakuan awal, utang dan pinjaman diukur pada biaya perolehan yang diamortisasi dengan menggunakan metode SBE dan keuntungan atau kerugian terkait diakui dalam laba rugi melalui proses amortisasi. Biaya perolehan yang diamortisasi diukur dengan menggunakan metode SBE dikurangi penyisihan penurunan nilai dan pembayaran atau pengurangan pokok. Perhitungan ini mencakup seluruh premi atau diskonto pada saat perolehan dan mencakup biaya transaksi serta komisi yang merupakan bagian tak terpisahkan dari SBE. Arus kas terkait dengan pinjaman dan utang jangka pendek tidak didiskontokan apabila efek diskonto tidak material.

Penghentian pengakuan

Suatu liabilitas keuangan dihentikan pengakuannya pada saat kewajiban yang ditetapkan dalam kontrak dihentikan, dibatalkan atau kadaluwarsa.

Ketika suatu liabilitas keuangan ditukar dengan liabilitas keuangan lain dari pemberi pinjaman yang sama atas persyaratan yang secara substansial berbeda, atau bila persyaratan dari liabilitas keuangan tersebut dimodifikasi secara substansial, pertukaran atau modifikasi persyaratan tersebut dicatat sebagai penghentian pengakuan liabilitas keuangan awal dan pengakuan liabilitas keuangan baru, dan selisih antara nilai tercatat masing-masing liabilitas keuangan tersebut diakui dalam laba rugi.

iii. Saling hapus instrumen keuangan

Aset keuangan dan liabilitas keuangan saling hapus dan nilai netonya disajikan dalam laporan posisi keuangan jika, dan hanya jika, terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui dari aset keuangan dan liabilitas keuangan tersebut dan terdapat intensi untuk menyelesaikan dengan menggunakan dasar neto, atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara bersamaan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

ii. Financial liabilities (continued)

Subsequent measurement

Subsequent to initial recognition, loans and borrowings are measured at amortized costs using the EIR method and the related gains and losses are recognized in profit or loss through amortization process. Amortized cost is computed using the EIR method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the EIR. Cash flows relating to short-term loans and borrowings are not discounted if the effect of discounting is immaterial.

Derecognition

A financial liability is derecognized when the obligation under the contract is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

c. Instrumen keuangan (lanjutan)

iv. Nilai wajar instrumen keuangan

Nilai wajar instrumen keuangan yang tidak diperdagangkan di pasar aktif ditentukan dengan menggunakan teknik penilaian. Teknik penilaian tersebut meliputi penggunaan transaksi pasar terkini yang dilakukan secara wajar oleh pihak-pihak yang berkeinginan dan memahami (*recent arm's-length market transaction*), referensi atas nilai wajar terkini dari instrumen lain yang secara substansial sama, analisis arus kas yang didiskonto, atau model penilaian lainnya.

d. Transaksi dan saldo dalam mata uang asing

i. Mata uang fungsional dan penyajian

Pos-pos dalam laporan keuangan dari setiap entitas dalam Perusahaan diukur dalam mata uang pada lingkungan ekonomi utama dimana entitas beroperasi ("mata uang fungsional"). Laporan keuangan disajikan dalam Rupiah, yang merupakan mata uang fungsional dan penyajian Perusahaan.

ii. Transaksi dan saldo dalam mata uang asing

Transaksi dalam mata uang selain mata uang Rupiah dijabarkan menjadi mata uang Rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi.

Nilai tukar mata uang asing terhadap Rupiah pada tanggal 31 Desember 2024 dan 2023 (berdasarkan kurs yang ditetapkan oleh Thomas Cook Group) adalah sebagai berikut:

	31 Desember 2024/ *December 31, 2024*	31 Desember 2023/ *December 31, 2023*	
1 Dolar Amerika Serikat	16.095,00	15.396,99	*United States of America Dollar 1*
1 Euro	16.666,32	17.008,37	*Euro 1*

Keuntungan atau kerugian dari selisih kurs, yang sudah terealisasi maupun yang belum, baik yang berasal dari transaksi dalam mata uang asing maupun penjabaran aset dan liabilitas moneter dibebankan dalam laba rugi, kecuali jika ditangguhkan dalam penghasilan komprehensif lain sebagai lindung nilai arus kas dan lindung nilai investasi neto yang memenuhi syarat.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

iv. Fair value of financial instruments

The fair value of financial instruments that are not traded in active markets is determined using valuation techniques. Such techniques may include using recent arm's-length market transaction, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models.

d. Transactions and balances in foreign currencies

i. Functional and presentation currency

Items included in the consolidated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Rupiah, which is the Company's functional and presentation currency.

ii. Transactions and balances in foreign currencies

Transactions denominated in currencies other than Rupiah are converted into Rupiah at the rates prevailing as of the date of the transaction.

The exchange rate of foreign currency against Rupiah on December 31, 2024 and 2023 (based on the exchange rate set by the Thomas Cook Group) were as follows:

Realized or unrealized foreign exchange gains or losses arising from transactions in foreign currency and from the translation of foreign currency monetary assets and liabilities are recognized in profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

e. Transaksi dengan pihak-pihak berelasi

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya.

i. Orang atau anggota keluarga terdekat mempunyai relasi dengan entitas pelapor jika orang tersebut:

1). Memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
2). Memiliki pengaruh signifikan atas entitas pelapor; atau
3). Personil manajemen kunci entitas pelapor atau entitas induk entitas pelapor.

ii. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut:

1). Entitas dan entitas pelapor adalah anggota dari Perusahaan yang sama (artinya entitas induk, entitas anak dan entitas anak berikutnya terkait dengan entitas lain);

2). Satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu Perusahaan, yang mana entitas lain tersebut adalah anggotanya);
3). Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;
4). Satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;
5). Entitas tersebut adalah suatu program imbalan pasca-kerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor;
6). Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf i);
7). Orang yang diidentifikasi dalam huruf i) 1) memiliki pengaruh signifikan atas entitas atau personil manajemen kunci entitas (atau entitas induk dari entitas); dan
8). Entitas, atau anggota dari kelompok yang mana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personil manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Transactions with related parties

A related party is a person or entity that is related to the entity preparing its financial statements.

i. A person or a close member of that person's family is related to reporting entity if that person:

1). Has control or joint control over the reporting entity;

2). Has significant influence over the reporting entity; or
3). Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

ii. An entity is related to a reporting entity if any the following conditions applies:

1). The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

2). One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

3). Both entities are joint ventures of the third party.
4). One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

5). The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

6). The entity is a controlled or jointly controlled by a person identified in i).

7). A person identified in i) 1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

8). An entity, or member of a group where the entity is part of the group, provides services to key management personnel to the reporting entity or to the parent entity of the reporting entity.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

e. Transaksi dengan pihak-pihak berelasi (lanjutan)

Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak yang tidak berelasi.

f. Biaya dibayar dimuka

Biaya dibayar dimuka diamortisasi berdasarkan masa manfaatnya dengan menggunakan metode garis lurus (*straight-line method*).

g. Aset tetap

Seluruh aset tetap awalnya diakui sebesar biaya perolehan, yang terdiri atas harga perolehan dan biaya-biaya tambahan yang dapat diatribusikan langsung untuk membawa aset ke lokasi dan kondisi yang diinginkan supaya aset tersebut siap digunakan sesuai dengan maksud manajemen.
Aset tetap dinyatakan sebesar biaya perolehan dikurangi dengan akumulasi penyusutan dan penyisihan penurunan nilai. Tanah tidak disusutkan. Termasuk juga ke dalam biaya perolehan adalah biaya-biaya penggantian bagian dari aset tetap jika biaya itu terjadi, dan apabila terdapat kemungkinan yang besar bahwa Perusahaan akan mendapat manfaat ekonomis di masa depan dari bagian aset tersebut serta biaya perolehannya dapat diukur secara andal.

Demikian pula, pada saat inspeksi yang signifikan dilakukan, biaya inspeksi itu diakui ke dalam jumlah tercatat *(carrying amount)* aset tetap sebagai suatu penggantian jika memenuhi kriteria pengakuan. Semua biaya pemeliharaan dan perbaikan yang tidak memenuhi kriteria pengakuan diakui dalam laba rugi pada saat terjadinya.
Biaya legal awal yang terjadi untuk memperoleh hak atas tanah diakui sebagai bagian dari biaya akuisisi.
Penyusutan dihitung dengan menggunakan metode garis lurus selama estimasi masa manfaat aset tetap yang bersangkutan yaitu sebagai berikut:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Transactions with related parties (continued)

This transaction is carried out based on terms agreed by both parties, where such requirements may not be the same as other transactions conducted with unrelated parties.

f. Prepaid expenses

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

g. Fixed assets

All fixed assets are initially recognized at cost, which comprises the purchase price and any costs directly attributable in bringing the assets to the location and condition necessary for the assets to be capable of operating in the manner intended by management.

Fixed assets are stated at cost less accumulated depreciation and allowance for impairment. Land is not depreciated. The cost includes the cost of replacing part of the fixed assets when that cost is incurred, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in profit or loss as incurred.

Initial legal costs incurred to obtain legal rights of land are recognized as part of the acquisition costs.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	Tahun/*Year*	
Lisensi	4	*Licence*
Instalasi	4	*Instalation*
Furnitur kantor	4	*Office furniture*
Kendaraan	4	*Vehicles*
Perlengkapan kantor	4	*Office supplies*

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

g. Aset tetap (lanjutan)

Aset dalam penyelesaian merupakan biaya-biaya yang berhubungan langsung dengan pembangunan dan akuisisi aset tetap, termasuk biaya pendanaan, jika ada. Biaya-biaya tersebut akan dipindahkan ke aset tetap yang bersangkutan pada saat pembangunannya telah selesai. Penyusutan mulai dibebankan pada saat aset tersebut siap digunakan.
Jumlah tercatat aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis di masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset, yang merupakan perbedaan antara jumlah neto hasil pelepasan dengan jumlah tercatatnya, disajikan dalam laba rugi.

Nilai residu, umur manfaat dan metode penyusutan ditinjau ulang dan, jika diperlukan, akan disesuaikan secara prospektif pada setiap tanggal pelaporan.

h. Penurunan nilai aset non-keuangan

Aset yang memiliki umur manfaat tidak terbatas, sebagai contoh goodwill atau aset tak berwujud yang belum siap digunakan, tidak diamortisasi dan dilakukan pengujian penurunan nilai secara tahunan, atau lebih sering apabila terdapat peristiwa atau perubahan pada kondisi yang mengindikasikan kemungkinan penurunan nilai.

Aset yang diamortisasi atau disusutkan ditinjau ulang ketika *terdapat* indikasi bahwa jumlah tercatatnya mungkin tidak dapat dipulihkan. Penurunan nilai diakui jika jumlah tercatat aset melebihi jumlah terpulihkan. Jumlah terpulihkan adalah nilai yang lebih tinggi antara nilai wajar aset dikurangi biaya untuk menjual dan nilai pakai aset. Dalam menentukan penurunan nilai, aset dikelompokkan sampai tingkat yang paling rendah dimana arus kasnya dapat diidentifikasi ("UPK"). Aset non-keuangan selain *goodwill* yang mengalami penurunan nilai ditinjau ulang pada setiap tanggal pelaporan untuk menentukan apakah terdapat kemungkinan pemulihan penurunan nilai.

Pemulihan kerugian penurunan nilai untuk aset selain *goodwill*, diakui jika, terdapat perubahan estimasi yang digunakan dalam menentukan jumlah terpulihkan aset sejak peninjauan ulang penurunan nilai yang terakhir. Pembalikan kerugian penurunan nilai tersebut diakui segera dalam laba rugi, kecuali untuk aset yang disajikan pada jumlah revaluasian yang diatur PSAK lain. Kerugian penurunan nilai yang diakui atas *goodwill* tidak dibalik kembali.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Fixed assets (continued)

Construction in progress represents costs directly attributable to the construction and acquisition of fixed assets, including financial costs, if any. These costs are transferred to the relevant asset account when the construction is complete. Depreciation is charged from the date the assets are ready for use.

An item of fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in profit or loss.

The residual values, useful lifes and methods of depreciation are reviewed, and adjusted prospectively, if appropriate, at each reporting date.

h. Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready for use - are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Assets that are subject to amortization or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("CGU"). Non-financial assets other than goodwill that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

Reversal on impairment loss for assets other than goodwill would be recognized if there had been a change in the estimates used to determine the asset's recoverable amount since the last impairment test was carried out. Reversal on impairment loss will be immediately recognized in profit or loss, except for assets measured using the revaluation model as required by other PSAK. Impairment loss relating to goodwill would not be reversed.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

i. Modal saham

Biaya tambahan yang secara langsung dapat diatribusikan kepada penerbitan saham biasa atau opsi disajikan pada ekuitas sebagai pengurang penerimaan, setelah dikurangi pajak.

Ketika Perusahaan membeli modal saham ekuitas entitas (saham treasuri), imbalan yang dibayar, termasuk biaya tambahan yang secara langsung dapat diatribusikan (dikurangi pajak penghasilan) dikurangkan dari ekuitas yang diatribusikan kepada pemilik ekuitas entitas sampai saham tersebut dibatalkan atau diterbitkan kembali. Ketika saham biasa tersebut selanjutnya diterbitkan kembali, imbalan yang diterima, dikurangi biaya tambahan transaksi yang terkait dan dampak pajak penghasilan yang terkait dimasukkan pada ekuitas yang dapat diatribusikan kepada pemilik Entitas Induk.

j. Imbalan kerja Karyawan

Setiap perubahan kewajiban imbalan pascakerja setelah penerapan atribusi imbalan sebagaimana dijelaskan dalam siaran pers ini dianggap sebagai perubahan kebijakan akuntansi. Berdasarkan siaran pers, setiap Perusahaan perlu menilai waktu yang wajar untuk mengubah kebijakan akuntansinya terkait hal ini, yang dampaknya harus diperhitungkan secara retrospektif pada saldo awal periode komparatif paling awal, jika material.

Imbalan kerja jangka pendek

Perusahaan mengakui liabilitas imbalan kerja jangka pendek ketika jasa diberikan oleh karyawan dan imbalan atas jasa tersebut akan dibayarkan dalam waktu dua belas bulan setelah jasa tersebut diberikan.

Perusahaan mengakui kewajiban imbalan kerja yang tidak didanai sesuai dengan Peraturan Pemerintah No. 35 Tahun 2022 (PP 35/2022) yang menerapkan pengaturan Peraturan Pemerintah Pengganti Undang-Undang (Perppu) No. 2 tahun 2022 tentang Cipta Kerja yang kemudian disahkan menjadi Undang-Undang No. 6 tahun 2023. Beban pensiun berdasarkan program dana pensiun manfaat pasti Grup ditentukan melalui perhitungan aktuaria secara periodik dengan menggunakan metode *projected-unit credit* dan menerapkan asumsi atas tingkat diskonto dan tingkat kenaikan manfaat pasti pensiun tahunan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Capital stock

Additional costs that are directly attributable to the issuance of ordinary shares or options are presented in equity as deduction from income, net of tax.

When the Company purchases the entity's equity capital (treasury shares), the benefits paid, including additional costs that are directly attributable (less income tax) are deducted from equity attributable to the owners of the equity until the shares are canceled or reissued. When the ordinary shares are subsequently reissued, the benefits received, less the related transaction costs and the related income tax effects are included in equity which can be attributed to the owners of the Parent Entity.

j. Employee benefits

Any changes in the post-employment benefits obligation after applying the attribution of benefits as explained in this press release are considered as a change in accounting policy. Based on the press release, each Company needs to assess the reasonable timing to change its accounting policy on this matter, which should be retrospectively accounted for the impact on the beginning balance of the earliest comparative period, if it is material.

Post-employment benefits

The Company recognizes short-term employee benefits liability when services are rendered and the compensation for such services are to be paid within twelve months after the rendering of such services

The Company recognized unfunded employee benefits liability in accordance with Government Regulation Number 35 Year 2022 (PP 35/2022) that implement the provisions of Government Regulation in Lieu of Law ("Perppu") No. 2 of 2022 on Job Creation which was later passed into Law No. 6 in 2023. Pension costs under the Group's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate and annual rate of increase in compensation.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

j. Imbalan kerja Karyawan (lanjutan)

Pengukuran kembali, terdiri dari keuntungan dan kerugian aktuarial yang tercermin langsung dalam laporan posisi keuangan yang dibebankan atau dikreditkan diakui dalam penghasilan komprehensif lain pada periode terjadinya. Pengukuran kembali diakui dalam penghasilan komprehensif lain tercermin segera dalam saldo laba dan tidak akan direklasifikasi ke laba rugi.

Biaya jasa lalu harus diakui sebagai beban pada saat yang lebih awal antara:

i. Ketika program amandemen atau kurtailmen terjadi; atau
ii. Ketika Perusahaan mengakui biaya restrukturisasi atau imbalan terminasi terkait.

Bunga neto dihitung dengan menerapkan tingkat diskonto yang digunakan terhadap liabilitas imbalan kerja. perusahaan mengakui perubahan berikut pada akun "Beban Umum dan Administrasi" pada laporan laba rugi dan penghasilan komprehensif lain.

i. Biaya jasa terdiri atas biaya jasa kini, biaya jasa lalu, keuntungan atau kerugian atas penyelesaian (curtailment) tidak rutin dan
ii. Beban atau penghasilan bunga neto.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j. Employee benefits (continued)

Remeasurement, comprising actuarial gains and losses is reflected immediately in the consolidated statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service costs are recognized in profit or loss at the earlier between:

i. the date of the plan amendment or curtailment, and
ii. the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognize the following changes under "General and Administrative Expenses" in the consolidated statements of profit or loss and other comprehensive income:

i. service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and
ii. net interest expense or income

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

k. Pengakuan pendapatan dan beban

i. Penjualan jasa

Perusahaan mengakui pendapatan sesuai dengan ketentuan PSAK 115, Grup mengakui pendapatan pada saat dan sejauh pengalihan barang atau jasa kepada pelanggan akan mencerminkan jumlah yang diharapkan akan diterima perusahaan dalam pertukaran untuk barang atau jasa tersebut. Dalam menerapkan Standar ini, Perusahaan mempertimbangkan syarat-syarat kontrak dan semua fakta dan keadaan yang relevan. Pendapatan diakui menggunakan penilaian 5 (lima) langkah:

1. Identifikasi kontrak dengan pelanggan.
2. Identifikasi kewajiban pelaksanaan dalam kontrak. Kewajiban pelaksanaan merupakan janji-janji dalam kontrak untuk menyerahkan barang atau jasa yang memiliki karakteristik berbeda ke pelanggan.
3. Menetapkan harga transaksi, setelah dikurangi diskon, retur, insentif penjualan dan pajak pertambahan nilai, yang berhak diperoleh suatu entitas sebagai kompensasi atas diserahkannya barang atau jasa yang dijanjikan di kontrak.
4. Alokasi harga transaksi ke setiap kewajiban pelaksanaan dengan menggunakan dasar harga jual berdiri sendiri relatif dari setiap barang atau jasa berbeda yang dijanjikan dikontrak. Ketika tidak dapat diamati secara langsung, harga jual berdiri sendiri relatif diperkirakan berdasarkan biaya yang diharapkan ditambah marjin.
5. Pengakuan pendapatan ketika kewajiban pelaksanaan telah dipenuhi dengan menyerahkan barang atau jasa yang dijanjikan ke pelanggan (ketika pelanggan telah memiliki kendali atas barang atau jasa tersebut).

Kewajiban pelaksanaan dapat dipenuhi dengan 2 cara, yakni:

a. Suatu titik waktu (umumnya janji untuk menyerahkan barang ke pelanggan); atau
b. Suatu periode waktu (umumnya janji untuk menyerahkan jasa ke (pelanggan). Untuk kewajiban pelaksanaan yang dipenuhi dalam suatu periode waktu.

Penerimaan kas dari pelanggan sehubungan dengan transaksi pendapatan yang belum memenuhi kriteria pengakuan pendapatan, dicatat sebagai bagian dari "Pendapatan Diterima di Muka" dalam laporan posisi keuangan konsolidasian.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Revenues and expenses recognition

i. Sales of services

The Company recognizes revenue in accordance with the provisions of PSAK 115, the Company recognizes revenue at the time and to the extent that the transfer of goods or services to customers would reflect an amount that the Company expects to receive in exchange for those goods or services. In applying this Standard, the Group takes into account *the terms of the contract and all relevant facts and circumstances. Revenue is recognized using the 5 (five) step assessment:*

1. Identify contract (s) with a customer.
2. Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that ate distinct.
3. Determine the transaction price, net of discounts, returns, sales incentives and value added tax, ehich an entity expects to be entitled in exchange for transferring the promised goods or services to a customer.
4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct goods or services promises in the contract. Where these are not directly observable, the relative standalone selling price are estimated based on expected cost plus margin.
5. Recognise revenue when performance obligation is satisfied by transfeering a promised goods or services to a customer (which is when the customer obtains control of that goods or services).

A performance obligation may be satisfied at the following:

a. A point in time (typically for promises to transfer goods to a customer); or
b. Over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time.

Cash received from customer related to the revenues transactions which have not fulfilled the criteria for revenue recognition are recorded as part of "Unearned Revenues" in the consolidated statements of financial position.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

ii. Beban

Beban diakui pada saat terjadinya berdasarkan konsep akrual.

l. Perpajakan

Pajak kini

Aset dan liabilitas pajak kini untuk periode berjalan diukur sebesar jumlah yang diharapkan dapat direstitusi dari atau dibayarkan kepada otoritas perpajakan. Beban pajak kini ditentukan berdasarkan estimasi penghasilan kena pajak periode berjalan yang dihitung berdasarkan tarif pajak yang berlaku.

Kekurangan pembayaran pajak penghasilan dicatat sebagai bagian dari beban pajak kini dalam laba rugi. Perusahaan juga menyajikan bunga/denda, jika ada, sebagai bagian dari beban pajak kini.
Koreksi terhadap liabilitas perpajakan diakui pada saat surat ketetapan pajak diterima atau, jika diajukan keberatan, pada saat keputusan atas keberatan ditetapkan.

Pajak tangguhan

Aset dan liabilitas pajak tangguhan diakui menggunakan metode liabilitas atas konsekuensi pajak pada masa mendatang yang timbul dari perbedaan jumlah tercatat aset dan liabilitas menurut laporan keuangan dengan dasar pengenaan pajak aset dan liabilitas pada setiap tanggal pelaporan. Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dan aset pajak tangguhan diakui untuk semua perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal, sepanjang besar kemungkinan perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal tersebut dapat dimanfaatkan untuk mengurangi penghasilan kena pajak pada masa depan.

Jumlah tercatat aset pajak tangguhan ditelaah ulang pada akhir setiap periode pelaporan dan diturunkan apabila penghasilan kena pajak mungkin tidak memadai untuk mengkompensasi sebagian atau semua manfaat aset pajak tangguhan tersebut. Pada akhir setiap periode pelaporan, Perusahaan menilai kembali aset pajak tangguhan yang tidak diakui. Perusahaan mengakui aset pajak tangguhan yang sebelumnya tidak diakui apabila besar kemungkinan bahwa penghasilan kena pajak pada masa depan akan tersedia untuk pemulihannya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ii. Expenses

Expenses are recognized when incurred on an accrual basis

l. Taxation

Current tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority. Current tax expense is determined based on the estimated taxable income for the period computed using the prevailing tax rates.

Underpayment of income tax are presented as part of current tax expense in profit or loss. The Company also presented interest/penalty, if any, as part of current tax expense.

Amendments to tax obligations are recorded when a tax assessment letter is received or, if appealed against, when the result of the appeal is determined.

Deferred tax

Deferred tax assets and liabilities are recognized using the liability method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the consolidated financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

l. Perpajakan (lanjutan)

Pajak tangguhan dihitung dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal pelaporan. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada laba rugi periode berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

Aset dan liabilitas pajak tangguhan disajikan secara saling hapus dalam laporan posisi keuangan konsolidasian, kecuali aset dan liabilitas pajak tangguhan untuk entitas yang berbeda, sesuai dengan penyajian aset dan liabilitas pajak kini.

m. Provisi

Provisi diakui jika, sebagai akibat peristiwa masa lalu, Perusahaan memiliki kewajiban kini, baik bersifat hukum maupun bersifat konstruktif yang dapat diukur secara andal dan kemungkinan besar penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi. Jika dampak nilai waktu uang cukup material, maka provisi dinyatakan pada estimasi nilai kini dari jumlah kewajiban yang harus diselesaikan.

n. Peristiwa setelah periode pelaporan

Peristiwa setelah periode pelaporan yang memberikan informasi tambahan atas posisi Perusahaan pada akhir periode pelaporan (peristiwa yang memerlukan penyesuaian) tercermin dalam laporan keuangan.

Peristiwa setelah periode pelaporan yang tidak memerlukan penyesuaian diungkapkan dalam catatan atas laporan keuangan apabila material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Taxation (continued)

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current period profit or loss, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset in the consolidated statement of financial position, except if they are for different legal entities, consistent with the presentation of current tax assets and liabilities.

m. Provision

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the time value of money is material, provision is stated at the present value of the expenditure expected to be required to settle the obligation.

n. Events after the reporting period

Events after the reporting period that provide additional information on the Company's position at the end of the reporting period (events that require adjustments) are reflected in the financial statements.

Events after the reporting period that do not require adjustments are disclosed in the notes to the financial statements if material.

2. IKHTISAR KEBIJAKAN AKUNTANSI SIGNIFIKAN (lanjutan)

o. Pernyataan dan Interpretasi Standar Akuntansi Baru dan Revisi yang berlaku Efektif pada Tahun Berjalan

Standar Akuntansi Keuangan ("SAK") dan Interpretasi Standar Akuntansi Keuangan ("ISAK") yang Diterbitkan dan Berlaku Efektif pada 1 Januari 2024 :
- Amandemen PSAK No. 201, "Penyajian Laporan Keuangan": Klasifikasi Liabilitas sebagai Jangka Pendek atau Jangka Panjang.
- Amandemen PSAK No. 201, "Penyajian Laporan Keuangan" terkait Liabilitas Jangka Panjang dengan Kovenan.
- Amendemen PSAK No. 207: "Laporan Arus Kas".
- Amendemen PSAK No. 107: "Instrumen Keuangan: Pengungkapan": Pengaturan Pembiayaan Pemasok.
- Amandemen PSAK No. 116, "Sewa" terkait Liabilitas Sewa pada Transaksi Jual dan Sewa-balik.

Penerapan atas PSAK revisi tidak mengakibatkan perubahan atas kebijakan akuntansi Perusahaan dan tidak memiliki dampak material terhadap jumlah yang dilaporkan pada periode berjalan atau tahun-tahun sebelumnya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Standars, Amendments/Improvements and Interpretation to Standars Effective in the Current Year

Financial Accounting Standards ("SAKs") and Interpretation to Financial Accounting Standards ("ISAKs") Issued and Effective on January 1, 2024
- Amendments to PSAK No. 201: "Presentation of Financial Statements": Classification of Liabilities as Current or Non-Current.
- Amendment to PSAK No. 201, "Presentation of Financial Statements" regarding Long-term Liabilities with the Covenant.
- Amendment to PSAK No. 207, "Statements of Cash Flows".
- Amendment to PSAK No. 107, "Financial Instruments: Disclosures": Supplier Finance Arrangements.
- Amendment to PSAK No. 116, "Leases" regarding Lease Liabilities in Sale-and-lease Back Transaction.

The adoption of these revised PSAKs does not result in changes to the Company accounting policies and has no material effect on the amounts reported for the current period or prior years.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI SIGNIFIKAN

Penyusunan laporan keuangan konsolidasian sesuai dengan Standar Akuntansi Keuangan di Indonesia mewajibkan manajemen untuk membuat estimasi dan asumsi yang mempengaruhi jumlah-jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan liabilitas kontinjensi pada tanggal pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian nilai tercatat aset dan liabilitas dalam periode pelaporan berikutnya.

a. Pertimbangan

Pertimbangan-pertimbangan berikut dibuat oleh manajemen dalam proses penerapan kebijakan akuntansi Perusahaan yang memiliki dampak yang paling signifikan terhadap jumlah-jumlah yang diakui dalam laporan keuangan:

Penentuan Mata Uang Fungsional

Berdasarkan substansi ekonomis dari kondisi yang sesuai dengan Perusahaan, mata uang fungsional telah ditentukan berupa Rupiah, karena hal ini berkaitan dengan fakta bahwa mayoritas bisnis Perusahaan dipengaruhi oleh lingkungan ekonomi utama dimana Perusahaan beroperasi dan harga jual jasa dan barang dalam mata uang Rupiah.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements, in conformity with Indonesian Financial Accounting Standards, requires management to make judgments of estimations and assumptions that affect the amounts reported on income, expenses, assets and liabilities and disclosures of Contingent liabilities at the reporting date. The estimation uncertainty may cause adjustment to the carrying amounts of assets and liabilities within the next reporting period.

a. Judgements

The following judgements, made by management in the process of applying the Company's accounting policies, have the most significant effects on the amounts recognized in the consolidated financial statements:

Determination of functional currency

Based on the economic substance of conditions that are in accordance with the Company, the functional currency has been determined in the form of Rupiah, because this relates to the fact that the majority of the Company's business is affected by the main economic environment in which the Company operates and the selling price of services and goods in Rupiah.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI SIGNIFIKAN (lanjutan)

a. Pertimbangan (lanjutan)

Klasifikasi aset keuangan dan liabilitas keuangan

Perusahaan menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan apakah definisi yang ditetapkan PSAK No. 55 (Revisi 2014) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Perusahaan seperti diungkapkan pada Catatan 2c.

b. Estimasi dan asumsi

Asumsi utama mengenai masa depan dan sumber utama lain dalam mengestimasi ketidakpastian pada tanggal pelaporan yang mempunyai risiko signifikan yang dapat menyebabkan penyesuaian material terhadap jumlah tercatat aset dan liabilitas dalam periode pelaporan berikutnya diungkapkan di bawah ini. Perusahaan mendasarkan asumsi dan estimasi pada parameter yang tersedia saat laporan keuangan disusun. Kondisi yang ada dan asumsi mengenai perkembangan masa depan dapat berubah karena perubahan situasi pasar yang berada di luar kendali Perusahaan. Perubahan tersebut tercermin dalam asumsi ketika keadaan tersebut terjadi.

Penurunan nilai aset keuangan

Penyisihan dibentuk berdasarkan pengalaman penagihan masa lalu dan faktor-faktor lainnya yang mungkin mempengaruhi kolektibilitas, antara lain kemungkinan kesulitan likuiditas atau kesulitan keuangan yang signifikan yang dialami oleh debitur atau penundaan pembayaran yang signifikan.

Jika terdapat bukti obyektif penurunan nilai, maka saat dan besaran total yang dapat ditagih diestimasi berdasarkan pengalaman kerugian masa lalu. Penyisihan penurunan nilai dibentuk atas akun-akun yang diidentifikasi secara spesifik telah mengalami penurunan nilai. Akun pinjaman dan piutang dihapusbukukan berdasarkan keputusan manajemen bahwa aset keuangan tersebut tidak dapat ditagih atau direalisasi meskipun segala cara dan tindakan telah dilaksanakan. Suatu evaluasi atas piutang, yang bertujuan untuk mengindentifikasi total penyisihan yang harus dibentuk, dilakukan secara berkala sepanjang tahun. Oleh karena itu, saat dan besaran total penyisihan penurunan nilai yang tercatat pada setiap tahun dapat berbeda tergantung pada pertimbangan dan estimasi yang digunakan.

33. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

a. Judgements (continued)

Classification of financial assets and financial liabilities

The Company determines the classification of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No. 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Notes 2c.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are disclosed below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes on circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial assets

The level of allowance is based on past collection experience and other factors that may affect collectability such as the probability of insolvency or significant financial difficulties of the debtor or significant delay in payments.

If there is objective evidence of impairment, timing and collectible amounts are estimated based on historical loss data. Allowance for impairment is provided on accounts specifically identified as impaired. Loans and receivables written off are based on management's decisions that the financial assets are uncollectible or cannot be realized regardless of actions taken. Evaluation of receivables to determine the total allowance to be provided is performed periodically during the year. Therefore, the timing and amount of allowance for impairment recorded in each year might differ based on the judgements and estimates that have been used.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI SIGNIFIKAN (lanjutan)

b. Estimasi dan asumsi (lanjutan)

Penentuan nilai wajar dikurangi biaya untuk menjual atau nilai pakai mengharuskan manajemen untuk membuat estimasi dan asumsi mengenai pendapatan, biaya operasi, dan pengeluaran modal di masa depan. Estimasi dan asumsi ini mengandung risiko dan ketidakpastian; sehingga ada kemungkinan perubahan situasi dapat mengubah proyeksi ini, yang dapat mempengaruhi nilai aset yang dapat dipulihkan kembali. Dalam keadaan seperti itu, sebagian atau seluruh jumlah tercatat aset mungkin akan mengalami penurunan nilai lebih lanjut atau terjadi pengurangan penyisihan penurunan nilai.

Penyusutan, estimasi nilai sisa dan masa manfaat aset tetap

Masa manfaat aset tetap Perusahaan diestimasi berdasarkan jangka waktu aset tersebut diperkirakan dapat digunakan. Estimasi tersebut didasarkan pada penilaian kolektif berdasarkan bidang usaha yang sama, evaluasi teknis internal dan pengalaman terhadap aset sejenis. Taksiran masa manfaat setiap aset ditelaah secara berkala dan diperbarui jika estimasi berbeda dari perkiraan sebelumnya yang disebabkan karena pemakaian, usang secara teknis atau komersial serta keterbatasan hak atau pembatasan lainnya terhadap penggunaan aset.

Hasil operasi di masa mendatang mungkin dapat terpengaruh secara signifikan oleh perubahan dalam waktu dan biaya yang terjadi karena perubahan yang disebabkan oleh faktor-faktor yang disebutkan di atas. Penurunan taksiran masa manfaat ekonomis setiap aset tetap akan menyebabkan kenaikan beban penyusutan dan penurunan nilai tercatat aset tetap.

Imbalan kerja

Penentuan liabilitas imbalan kerja Perusahaan bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji, tingkat kematian, usia pensiun dan tingkat pengunduran diri. Hasil aktual yang berbeda dari asumsi yang ditetapkan Perusahaan diakui dalam penghasilan komprehensif lain. Sementara Perusahaan berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Perusahaan dapat mempengaruhi secara material liabilitas imbalan kerja dan beban imbalan kerja neto yang diakui dalam laba rugi dan penghasilan komprehensif lain.

33. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

b. *Estimates and assumptions (continued*

The determination of fair value less costs to sell or value in use requires management to make estimates and assumptions about expected revenue, operating costs and future capital expenditure. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may have an impact on the recoverable amount of the assets. In such circumstances, some or all of the carrying amount of the assets may be further impaired, or the allowance for impairment may be reduced.

Depreciation, estimate of residual values and useful lives of fixed assets and investment properties

The useful lives of the Company's fixed assets and investment properties are estimated based on the period over which the assets are expected to be available for use. Such estimation is based on a collective assessment of similar businesses, internal technical evaluations and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset.

It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of fixed assets and investment properties would increase the recorded depreciation and decrease the carrying values of fixed assets and investment properties.

Employee benefits

The determination of the Company's employee benefits liability is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, salary increase rate, mortality rate, retirement age and resignation rate. Actual results that differ from the Company's assumptions are recognized in other comprehensive income. While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company actual results or significant changes in the Company's assumptions may materially affect its estimated liabilities for employee benefits and net employee benefits expense recognized in profit or loss and other comprehensive income.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI SIGNIFIKAN (lanjutan)

b. Estimasi dan asumsi (lanjutan)

Beban pajak kini

Perusahaan mengakui beban pajak kini berdasarkan estimasi penghasilan kena pajak periode berjalan yang dihitung berdasarkan tarif pajak yang berlaku.

Aset pajak tangguhan

Aset pajak tangguhan diakui untuk semua perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal, sepanjang besar kemungkinan perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal tersebut dapat dimanfaatkan untuk mengurangi penghasilan kena pajak pada masa depan. Estimasi signifikan oleh manajemen disyaratkan dalam menentukan total aset pajak tangguhan yang dapat diakui, berdasarkan saat penggunaan dan tingkat penghasilan kena pajak serta strategi perencanaan pajak masa depan.

33. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

b. Estimates and assumptions (continued)

Current tax expense

The Company recognizes current tax expense based on the estimated taxable income for the period computed using the prevailing tax rates.

Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of the future taxable income together with future tax planning strategies.

4. KAS DAN BANK

4. CASH ON HAND AND IN BANKS

	2024	2023	
Kas			*Cash on hand*
Rupiah	94.429.365	175.587.388	*Indonesian Rupiah*
Dolar Amerika Serikat	27.425.880	24.327.260	*US Dollar*
Bank			*Cash in banks*
Rupiah			*Indonesian Rupiah*
PT. Bank Negara Indonesia (Persero) Tbk.	585.713.145	646.119.708	*PT Bank Negara Indonesia (Persero) Tbk.*
PT. Bank CIMB Niaga Tbk.	10.493.940	2.093.992	*PT.Bank CIMB Niaga Tbk.*
Dolar Amerika Serikat			*US Dollar*
PT. Bank Negara Indonesia (Persero) Tbk.	29.638.250.415	21.529.409.542	*PT Bank Negara Indonesia (Persero) Tbk.*
PT. Bank DBS Indonesia	3.408.212.820	1.545.212.126	*PT Bank DBS Indonesia*
Jumlah	**33.764.525.565**	**23.922.750.016**	***Total***

Tidak terdapat saldo pihak berelasi di dalam saldo kas dan bank.

There are no balance of cash and bank held by related parties.

5. PIUTANG USAHA / *5. TRADE RECEIVABLE*

	2024	2023	
Berdasarkan Pelanggan :			***By Customers:***
Pihak berelasi			*Related parties*
Thomas Cooks India Ltd.	448.680.315	218.144.696	*Thomas Cooks India Ltd.*
SOTC travel India Pvt Ltd.	353.542.770	196.050.001	*SOTC travel India Pvt Ltd.*
Asian Trails Malaysia	392.219.055	173.862.924	*Asian Trails Malaysia*
Asian Trails Thailand	116.463.420	75.968.798	*Asian Trails Thailand*
Asian Trails Singapura	133.009.080	-	*Asian Trails Singapore*
Jumlah pihak berelasi	**1.443.914.640**	**664.026.419**	***Total related parties***
Pihak ketiga			*Third parties*
FTIi frosch Touristik GmbH	1.685.629.350	1.647.217.251	*FTIi frosch Touristik GmbH*
Emerging Travel Inc.	862.418.385	-	*Emerging Travel Inc.*
PT. Mitra Global Holiday - USD	810.608.580	-	*PT. Mitra Global Holiday - USD*
Tourasia Switzerland	796.702.500	205.888.684	*Tourasia Switzerland*
Viaggi del Mappamondo	736.056.540	-	*Viaggi del Mappamondo*
Dida Travel	563.582.520	232.001.996	*Dida Travel*
Nordic Leisure Travel Group	552.219.450	-	*Nordic Leisure Travel Group*
Sensation Travel GmbH	485.972.430	652.971.373	*Sensation Travel GmbH*
Odynovo Tours	412.901.130	-	*Odynovo Tours*
Mayorista De Viajes S.A.| Special Tours	409.875.270		*Mayorista De Viajes S.A.| Special Tours*
TBO India	269.575.155	139.773.161	*TBO India*
Rakuten Travel Xchange Pte Ltd	247.685.955	-	*Rakuten Travel Xchange Pte Ltd*
BigxtraTourisitikGmbH	201.605.970	106.778.195	*BigxtraTourisitikGmbH*
TBO Holiday Online	122.885.325	162.730.893	*TBO Holiday Online*
Marco Vasco Planet Veo	102.380.295	184.255.899	*Marco Vasco Planet Veo*
Tischler Reisen	75.147.555	133.522.784	*Tischler Reisen*
WebBeds	74.149.665	416.165.513	*WebBeds*
LA Maison	-	369.543.397	*LA Maison*
Lain-lain (dibawah Rp 100 juta)	1.408.022.790	1.062.085.865	*Others (below IDR 100 million)*
Jumlah pihak ketiga	**9.817.418.865**	**5.312.935.011**	***Total third parties***
Jumlah Piutang Usaha	**11.261.333.505**	**5.976.961.430**	**Total Trade Receivable**

	2024	2023	
Berdasarkan Umur :			***By Aging:***
Pihak berelasi			*Related Parties*
Kurang dari 30 hari	747.435.222	115.442.087	*Less than 30 days*
31 s/d 60 hari	109.043.625	91.027.064	*31 s/d 60 days*
61 s/d 90 hari	53.548.065	89.682.598	*61 s/d 90 days*
Lebih dari 90 hari	533.887.728	367.874.670	*More than 90 days*
Jumlah	**1.443.914.640**	**664.026.419**	***Total***
Pihak ketiga			*Third parties*
Kurang dari 30 hari	5.635.726.377	351.375.245	*Less than 30 days*
31 s/d 60 hari	1.583.738.987	1.816.792.572	*31 s/d 60 days*
61 s/d 90 hari	422.502.280	1.976.690.417	*61 s/d 90 days*
Lebih dari 90 hari	2.175.451.221	1.168.076.777	*More than 90 days*
Jumlah	**9.817.418.865**	**5.312.935.011**	***Total***
Jumlah piutang usaha	**11.261.333.505**	**5.976.961.430**	

Seluruh piutang usaha didenominasi dalam mata uang Dolar Amerika Serikat. Perusahaan tidak memiliki jaminan atas saldo tersebut.

All outstanding trade accounts receivable are denominated in US Dollar. The Company does not hold any collateral over these balance.

Berdasarkan hasil penelaahan keadaan akun piutang usaha masing-masing pelanggan pada tanggal 31 Desember 2024 dan 2023, Manajemen Perusahaan berpendapat bahwa seluruh saldo

Based on review of the condition of each receivable at the end of December 31, 2023 and 2022, the Management of the Company believes, that all of the receivables balances are collectible hence no allowance for doubtful accounts were provided.

piutang usaha dapat ditagih sehingga tidak membentuk cadangan penurunan nilai.

6. PIUTANG LAIN-LAIN / *6. OTHERS RECEIVABLE*

	2024	2023	
Pihak berelasi:			*Related parties:*
Asian Trails Holding Ltd	9.576.525.000	9.161.215.000	*Asian Trails Holding Ltd*
Jumlah	**9.576.525.000**	**9.161.215.000**	***Total Related parties***
Pihak ketiga:			*Third parties:*
Lain-lain	2.509.934.775	2.438.746.227	*Others*
Jumlah	**2.509.934.775**	**2.438.746.227**	***Total Third parties***

Pada tanggal 31 Desember 2024 dan 2023 total piutang kepada Asian Trails Holding Ltd. sebesar USD 595.000.

As of December 31, 2024 and 2023, total receivables from Asian Trails Holding Ltd. Amounting to USD 595,000.

7. BIAYA DIBAYAR DIMUKA / *7. PREPAID EXPENSE*

	2024	2023	
Biaya tur akan datang	2.592.791.835	2.781.806.784	*Future Expenses*
Sewa kantor	798.843.135	955.353.056	*Office rental*
Asuransi	28.311.105	48.716.108	*Insurance*
Lain-lain (dibawah Rp 50 juta)	199.948.185	413.886.757	*Others (below IDR 50 million)*
Jumlah	**3.619.894.260**	**4.199.762.705**	***Total***

8. UANG MUKA / *8. ADVANCES*

	2024	2023	
Uang muka ke pemasok	15.747.508.950	12.540.656.339	*Advance payment to suppliers*
Uang muka karyawan	-	371.883.741	*Advance to employee*
Jumlah	**15.747.508.950**	**12.912.540.080**	***Total***

9. ASET TETAP / 9. *PROPERTY AND EQUIPMENT*

	1 Januari 2024/ *January 1, 2024*	Penambahan/ *Additions*	Pengurangan/ Reklasifikasi *Deduction/ Recrasification*	31 Desember 2024/ *December 31, 2024*	
Biaya perolehan:					*Cost:*
Pemilikan langsung					*Direct acquisition*
Lisensi	1.271.504.212			1.271.504.212	*License*
Instalasi	1.078.619.600			1.078.619.600	*Instalation*
Furniture kantor	710.664.999	150.021.495		860.686.494	*Office furniture*
Kendaraan	7.507.034.932	2.585.790.510	(892.575.736)	9.200.249.706	*Vehicles*
Perlengkapan kantor	2.706.107.490	218.280.390	(901.680)	2.923.486.200	*Office supplies*
Jumlah	13.273.931.233	2.954.092.395	(893.477.416)	15.334.546.212	*Total*
Akumulasi penyusutan:					*Accumulated depreciation:*
Pemilikan langsung					*Direct acquisition*
Lisensi	1.271.504.212			1.271.504.212	*License*
Instalasi	1.078.619.600			1.078.619.600	*Instalation*
Furniture kantor	667.649.696	21.744.345		689.394.041	*Office furniture*
Kendaraan	4.979.283.051	574.655.880	(892.575.736)	4.661.363.195	*Vehicles*
Perlengkapan kantor	2.525.462.107	71.590.560	(901.680)	2.596.150.987	*Office supplies*
Jumlah	10.522.518.666	667.990.785	(893.477.416)	10.297.032.035	*Total*
Jumlah tercatat	**2.751.412.567**			**5.037.514.177**	*Net book value*

	1 Januari 2023/ *January 1, 2023*	Penambahan/ *Additions*	Pengurangan/ Reklasifikasi *Deduction/ Recrasification*	31 Desember 2023/ *December 31, 2023*	
Biaya perolehan:					*Cost:*
Pemilikan langsung					*Direct acquisition*
Lisensi	1.271.504.212	-	-	1.271.504.212	*License*
Instalasi	1.078.619.600	-	-	1.078.619.600	*Instalation*
Furniture kantor	670.831.583	63.620.404	(23.786.988)	710.664.999	*Office furniture*
Kendaraan	5.730.520.008	1.959.914.924	(183.400.000)	7.507.034.932	*Vehicles*
Perlengkapan kantor	2.513.909.891	201.192.599	(8.995.000)	2.706.107.490	*Office supplies*
Jumlah	11.265.385.294	2.224.727.927	(216.181.988)	13.273.931.233	*Total*
Akumulasi penyusutan:					*Accumulated depreciation:*
Pemilikan langsung					*Direct acquisition*
Lisensi	1.271.504.212	-	-	1.271.504.212	*License*
Instalasi	1.078.619.600	-	-	1.078.619.600	*Instalation*
Furniture kantor	649.680.020	41.756.664	(23.786.988)	667.649.696	*Office furniture*
Kendaraan	4.626.097.601	536.585.450	(183.400.000)	4.979.283.051	*Vehicles*
Perlengkapan kantor	2.476.287.241	58.169.866	(8.995.000)	2.525.462.107	*Office supplies*
Jumlah	10.102.188.674	636.511.980	(216.181.988)	10.522.518.666	*Total*
Jumlah tercatat	**1.163.196.620**			**2.751.412.567**	*Net book value*

Manajemen Perusahaan berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan timbulnya kerugian atas aset yang dipertanggungkan.

The Company management believes that the insurance coverage are adequate to cover possible losses on the assets insured.

Beban penyusutan dicatat pada akun "Beban Umum dan Administrasi" sebesar Rp 667.990.785 dan Rp 636.511.980 masing-masing untuk tahun yang berakhir 31 Desember 2024 dan 2023 dalam laporan laba rugi komprehensif (Catatan 19).

Depreciation expense is recorded in "General and Administrative Expenses" amounting to IDR 667,990,785 and IDR 636.511.980 respectively, for the year ended December 31, 2024 and 2023 in the statement of comprehensive income (Notes 19).

10. UTANG USAHA / 10. *TRADE PAYABLE*

	2024	2023	
Berdasarkan pemasok:			**By Supplier :**
Pihak berelasi	546.457.440	61.079.899	*Related parties*
Pihak ketiga	1.913.953.020	2.396.789.402	*Third Parties*
Jumlah	**2.460.410.460**	**2.457.869.301**	***Total***
Berdasarkan Mata Uang:			***By Currencies:***
Pihak ketiga			*Third parties*
Rupiah	2.460.410.460	2.457.869.301	*Indonesian Rupiah*
Jumlah	**2.460.410.460**	**2.457.869.301**	***Total***

11. BIAYA YANG MASIH HARUS DIBAYAR / 11. *ACCRUED EXPENSES*

	2024	2023	
Harga pokok penjualan	25.686.686.490	18.656.760.458	*Cost of sales*
Beban penjualan	2.913.935.370	2.025.968.054	*Sales expenses*
Beban pajak	2.742.458.915	-	*Taxes expense*
Beban operational	1.287.600.000	1.308.775.794	*Operational expenses*
Lain-lain (dibawah Rp 100 juta)	4.908.868.436	1.329.484.759	*Others (below IDR 100 million)*
Jumlah	**37.539.549.211**	**23.320.989.065**	***Total***

12. DEPOSIT DITERIMA DIMUKA / *12. DEPOSIT ACCEPTED IN ADVANCE*

	2024	2023	
Goway Canada	1.883.462.491	748.863.889	*Goway Canada*
Nordic Leisure Travel Group AB	985.191.045	-	*Nordic Leisure Travel Group AB*
Last Paradise Tour Operator	281.022.563	-	*Last Paradise Tour Operator*
Check Point Travel ApS	265.783.334	548.029.270	*Check Point Travel ApS*
Khimjis House Of Travel	261.946.125	-	*Khimjis House Of Travel*
Silverjet Belgium	244.531.335	295.191.284	*Silverjet Belgium*
TUI Deutschland GmbH	214.691.205	143.076.622	*TUI Deutschland GmbH*
Voyages Circuit Oriental Inc.	201.412.830	-	*Voyages Circuit Oriental Inc.*
My Asian Trip	191.875.738	-	*My Asian Trip*
Nuba Expediciones	170.187.725	220.899.989	*Nuba Expediciones*
CWT Kaleva Travel	160.563.720	153.600.472	*CWT Kaleva Travel*
Orkide Ekspressen	153.224.400	154.354.925	*Orkide Ekspressen*
Brecode Bvba	138.993.201	-	*Brecode Bvba*
S-Guide S.R.O.	131.801.955		*S-Guide S.R.O.*
Kangaroo Tours	96.466.187	134.985.499	*Kangaroo Tours*
A&S Signature Journeys, Inc.	85.519.495	110.735.224	A&S Signature Journeys, Inc.
Queensberry Viagens e Turismo	44.160.495	431.770.680	*Queensberry Viagens e Turismo*
Tours 4 The World	29.177.499	123.531.363	*Tours 4 The World*
Sensation Travel GmbH	23.468.763	124.638.715	*Sensation Travel GmbH*
Tang Dynasty Travel Co.,Ltd	4.190.977	117.001.803	*Tang Dynasty Travel Co.,Ltd*
Reisebazaar AS	3.508.710	270.648.466	*Reisebazaar AS*
Bamboo Tours	-	165.625.529	*Bamboo Tours*
The Village Experience	-	124.099.820	*The Village Experience*
Mayorista De Viajes S.A.	-	111.628.250	*Mayorista De Viajes S.A.*
Omeya Touts	-	107.132.326	*Omeya Touts*
Lain-lain (dibawah Rp 100 juta)	2.865.111.027	2.698.658.366	*Others (below IDR 100 million)*
Jumlah	**8.436.290.820**	**6.784.472.492**	***Total***

Akun ini merupakan pembayaran deposit dari pelanggan atas biaya tiket wisata dan jasa wisata lainnya.

This account was a deposit payment from the customer for the costs of tickets and other tourist services.

13. PERPAJAKAN / *13. TAXATION*

a) Utang pajak terdiri dari: / *a) Tax payables consists of:*

	2024	2023	
Pajak penghasilan			*Income taxes*
Pasal 21	159.936.015	155.155.569	*Article 21*
Pasal 23	889.908.645	918.277.080	*Article 23**
Pasal 29	3.195.800.080	-	*Article 29*
Pajak pertambahan nilai	110.524.365	57.215.252	*Value added taxes*
Jumlah	**4.356.169.105**	**1.130.647.901**	***Total***

b) Pajak penghasilan / *b) Income taxes*

	2024	2023	
Laba sebelum beban pajak penghasilan per laporan laba rugi	21.624.716.719	16.216.883.176	*Profit (loss) before income taxes per statements of income*
Perbedaan tetap	8.333.309.703	127.016.927	*Permanent differences*
Laba Fiskal	29.958.026.422	16.343.900.103	***Fiscal Gain (Loss)***
Laba (Rugi) fiskal tahun-tahun sebelumnya			*Prior year's fiscal losses*
2023	16.320.050.150		*2023*
2022	2.530.901.880	2.530.901.880	*2022*
2021	(10.695.802.831)	(10.695.802.831)	*2021*
2020	(23.586.811.169)	(23.586.811.169)	*2020*
Akumulasi rugi fiskal	14.526.364.452	(15.407.812.017)	*Accumulated fiscal losses*
Beban pajak kini	3.195.800.080	N I H I L	*Income tax expense*
Dikurangi pembayaran pajak dibayar dimuka PPh pasal 25	-	-	*Less prepaid tax Income tax art 25*
Utang pajak penghasilan pasal 29	**3.195.800.080**	**N I H I L**	*Income tax payable art 29*

14. LIABILITAS IMBALAN KERJA KARYAWAN / *14. POST-EMPLOYEMENT BENEFITS OBLIGATION*

	2024	2023	
Liabilitas imbalan kerja keryawan	1.464.560.512	855.840.117	*Post employement benefits obligation*
Biaya jasa	570.903.657	608.720.395	*Service cost*
Jumlah	**2.035.464.169**	**1.464.560.512**	***Total***

Perusahaan telah menghitung sendiri liabilitas imbalan pasca kerjanya.

The Company has calculated itself the employee benefit liability.

15. MODAL SAHAM / *15. CAPITAL STOCK*

Rincian pemegang saham Perusahaan dan persentase pemilikannya pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

The breakdown of the Company's shareholders and their ownership percentage as per December 31, 2024 and 2023 are as follows:

Nama Pemegang Saham/ *Name of shareholders*	Jumlah saham/ *Number of shares*	Persentase kepemilikan/ *Percentage of ownership*	Jumlah Modal disetor/ *Paid-up capital stock*
Asian Trails Holding Ltd	1.320	66%	950.400.000
PT. Panorama Tirta Investama	680	34%	489.600.000
Jumlah/*Total*	**2.000**	**100,00%**	**1.440.000.000**

16. DIVIDEN / *16. DIVIDENDS*

Berdasarkan Anggaran Dasar Perseroan, pembayaran dividen dapat disetujui dalam rapat Direksi dan Dewan Komisaris untuk kemudian bersama-sama dengan pembayaran dividen final disahkan dalam Notulen Rapat Umum Pemegang Saham Tahunan pada tanggal 5 Juni 2024.

Based on the Company's Articles of Association, dividend payments may be approved by meetings of the Directors and Board of Commissioner which together with the final dividend payments are authorised by minutes of Annual General Meeting of the Shareholders on June 5, 2024.

Jumlah dividen disepakati untuk dibagikan kepada pemegang saham adalah USD 1.200.000 untuk tahun 2023 dan sudah dibayarkan pada tanggal 19 September 2024 sebanyak 34% atau USD 633.600 setara dengan Rp 6.245.640.000.

The amount of dividends agreed to be distributed to shareholders was USD 1,200,000 for year ended December 2023 and was paid on September 19, 2024 at 34% or USD 633.600 equivalent to IDR 6.245.640.000.

17. PENDAPATAN USAHA / *17. REVENUES*

	2024	2023	
Akomodasi	160.806.782.088	71.727.316.046	*Accomodation*
Jasa angkutan penumpang	38.815.420.842	16.256.397.720	*Transportation*
Tiket pesawat	2.772.533.466	2.045.481.442	*Airplanes tickets*
Lain-lain	73.898.910.602	97.564.111.321	*Others*
Penjualan bersih	**276.293.646.998**	**187.593.306.529**	***Net sales***

18. BEBAN POKOK PENDAPATAN / *18. COST OF REVENUE*

	2024	2023	
Akomodasi	126.328.821.592	63.487.997.344	*Accomodation*
Jasa angkutan penumpang	29.094.771.180	12.362.149.680	*Transportation*
Tiket pesawat	2.705.189.202	1.902.828.699	*Airplanes tickets*
Lain-lain	68.085.716.706	71.700.776.237	*Others*
Jumlah	**226.214.498.680**	**149.453.751.960**	***Total***

19. BEBAN PENJUALAN / *19. SELLING EXPENSE*

	2024	2023	
Fee Manajemen	3.303.603.586	2.765.070.245	*Management fee*
Lain-lain (dibawah Rp 100 juta)	297.472.259	199.899.251	*Others (below IDR 100 million)*
Jumlah	**3.601.075.845**	**2.964.969.496**	***Total***

20. BEBAN UMUM DAN ADMINISTRASI / *20. GENERAL AND ADMINISTRATIVE EXPENSE*

	2024	2023	
Gaji dan kesejahteraan karyawan	14.730.095.771	12.528.046.196	*Salary and employee benefit*
Beban PPN*	3.039.234.837	2.063.521.337	*VAT expense**
Development & Training	2.955.620.756	2.770.659.356	*Development & Training*
Beban pajak	4.189.339.577	2.386.535	*Tax expense*
Penghapusan piutang	2.278.281.760	1.009.442.717	*Bad debt expense*
Sewa kantor	897.580.291	766.247.102	*Office rental*
Penyusutan (Catatan 9)	667.990.785	636.511.980	*Depreciation (Note 9)*
Perjamuan	589.274.156	744.106.216	*Entertaintment*
Beban imbalan kerja karyawan	569.567.157	245.720.723	*Employee benefit expense*
Perjalanan dinas	338.115.133	534.352.885	*Traveling Expense*
Asuransi	319.757.732	187.042.756	*Insurance*
Pemeliharaan dan perbaikan	261.375.178	28.746.199	*Repairs and maintenance*
Listrik & air	162.318.072	140.820.962	*Electricity & water*
Lain-lain (dibawah Rp 50 juta)	1.604.474.861	987.548.183	*Others (below IDR 50 million)*
Jumlah	**32.603.026.066**	**22.645.153.147**	***Total***

21. BEBAN LAINNYA / *21. OTHER EXPENSE*

	2024	2023	
Kerugian kurs mata uang asing	-	109.726.096	*Loss on foreign exchange*
Beban administrasi bank	509.667.342	457.783.604	*Bank administration expenses*
Jumlah	**509.667.342**	**567.509.700**	***Total***

22. PENDAPATAN LAINNYA / *22. OTHER INCOME*

	2024	2023	
Keuntungan kurs mata uang asing	-	15.797.322	*Gain on foreign exchange*
Pendapatan bunga pinjaman dan jasa giro	628.475.681	1.301.816.350	*Interest income loans and current account*
Lainnya	7.630.861.973	2.937.347.278	*Others*
Jumlah	**8.259.337.654**	**4.254.960.950**	***Total***

23. SIFAT DAN TRANSAKSI PIHAK BERELASI

a. Sifat hubungan

- Asian Trails Holding Ltd., merupakan pemegang saham Perusahaan.
- Travel Circle International Mauritius merupakan perusahaan entitas sepengendali.
- Asian Trails Malaysia, Asian Trails Thailand, Asian Trails Holding FI, Thomas Cooks India Ltd dan SOTC Travel India Pvt Ltd merupakan perusahaan atau agen yang berada dalam satu grup.

b. Transaksi-transaksi dengan pihak berelasi

Berikut ini disajikan saldo aset dan liabilitas atas transaksi dengan pihak berelasi:

23. NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES

a. Nature of relationship

- *Asian Trails Holding Ltd., are the shareholders of the Company.*
- *Travel Circle International Mauritius is an entity under common control.*
- *Asian Trails Malaysia, Asian Trails Thailand, Asian Trails Holding FI,Thomas Cooks India Ltd and SOTC Travel India Pvt Ltd is a joint Company or agency that are in one group.*

b. Transactions with related parties

Here in below is the balance of assets and liabilities for the transaction with related parties:

	2024	2023	
Piutang usaha			***Trade accounts receivable***
Asian Trails Holding Ltd	1.443.914.640	664.026.419	*Asian Trails Holding Ltd*
Jumlah	**1.443.914.640**	**664.026.419**	***Total***
Persentase terhadap jumlah aset	1,77%	1,08%	*Percentage of total assets*
Piutang lain-lain			***Other receivable***
Asian Trails Holding Ltd	9.576.525.000	9.161.215.000	*Asian Trails Holding Ltd*
Jumlah	**9.576.525.000**	**9.161.215.000**	***Total***
Persentase terhadap jumlah aset	11,75%	16,01%	*Percentage of total assets*
Utang usaha			***Trade accounts payable***
Asian Trails Thailand	546.457.440	61.079.899	*Asian Trails Thailand*
Jumlah	**546.457.440**	**61.079.899**	***Total***
Persentase terhadap jumlah liabilitas	0,97%	0,10%	*Percentage of total liabilities*

Pada tanggal 31 Desember 2024 dan 2023 total piutang lain-lain kepada Asian Trails Holding Ltd. masing-masing sebesar USD 595.000.

As of December 31, 2024 and 2023, total other receivables from Asian Trails Holding Ltd. USD USD 595,000, respectively.

24. NILAI WAJAR DARI INSTRUMEN KEUANGAN

Nilai wajar aset dan liabilitas keuangan sebagai berikut:

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities is as follows:

	31 Desember 2024/ *Desember 31, 2024*		31 Desember 2023/ *Desember 31, 2023*		
	Nilai Tercatat/ *Carrying Value*	Nilai Wajar*/ *Fair Value**	Nilai Tercatat/ *Carrying Value*	Nilai Wajar*/ *Fair Value**	
Aset Keuangan					***Financial Assets***
Kas dan bank	33.764.525.565	33.764.525.565	23.922.750.016	23.922.750.016	*Cash and bank*
Piutang usaha-pihak ketiga	9.817.418.865	9.817.418.865	5.312.935.011	5.312.935.011	*Trade receivable-Third parties*
Piutang lain-lain-pihak ketiga	2.509.934.775	2.509.934.775	2.438.746.227	2.438.746.227	*Other receivable-Third parties*

25. NILAI WAJAR DARI INSTRUMEN KEUANGAN (lanjutan)

25. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 Desember 2024/ *Desember 31, 2024*		31 Desember 2023/ *Desember 31, 2023*		
	Nilai Tercatat/ *Carrying Value*	Nilai Wajar*/ *Fair Value**	Nilai Tercatat/ *Carrying Value*	Nilai Wajar*/ *Fair Value**	
Liabilitas Keuangan					***Financial Liabilities***
Utang Usaha-pihak ketiga	1.913.953.020	1.913.953.020	2.396.789.402	2.396.789.402	*Trade payable-Third parties*
Utang lain-lain-pihak ketiga	1.395.533.070	1.395.533.070	34.612.456	34.612.456	*Other payable-Third parties*
Biaya yang masih harus dibayar	37.548.215.671	37.548.215.671	23.320.989.065	23.320.989.065	*Accrued expenses*
Uang muka pelanggan	8.436.290.820	8.436.290.820	6.784.472.492	6.784.472.492	*Deposit from customer*

*) Diukur dengan hirarki pengukuran nilai wajar Tingkat 3

*) *Measured by Level 3 fair value measurement hierarchy*

Manajemen Perusahaan menetapkan bahwa nilai tercatat (berdasarkan jumlah nosional) aset dan liabilitas keuangan yang meliputi kas dan bank, piutang usaha – pihak ketiga, piutang lain-lain - pihak ketiga, utang usaha - pihak ketiga, beban akrual dan uang muka pelanggan kurang lebih sebesar nilai wajarnya karena dampak dari diskonto yang tidak signifikan.

The Company's management stipulates that the carrying amount (based on notional amount) of financial assets and liabilities which includes cash and banks, trade receivables - third parties, other receivables - third parties, trade payables - third parties, accrued expenses and customer advances of approximately third fair value because the impact of discount is not significant.

26. TUJUAN DAN KEBIJAKAN MANAJEMEN RISIKO KEUANGAN

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Aktivitas Perusahaan mengandung berbagai macam risiko keuangan yaitu risiko tingkat bunga, risiko kredit dan risiko likuiditas. Dewan direksi menelaah secara informal dan menyetujui kebijakan untuk mengelola masing-masing risiko, dari tahun sebelumnya seperti yang diungkapkan di bawah ini:

Company activities contain various types of financial risks, namely interest rate risk, credit risk and liquidity risk. The board of directors reviews informally and approves policies for managing each risk, from the previous year as stated below:

a. Manajemen risiko tingkat bunga

a. Interest rate risk management

Eksposur risiko tingkat bunga berhubungan dengan aset dan liabilitas dimana perubahan tingkat bunga dapat mempengaruhi laba sebelum pajak. Risiko pendapatan bunga terbatas dikarenakan Perusahaan hanya mempertahankan kecukupan saldo kas untuk keperluan operasional. Dalam beban bunga, keseimbangan optimal antara utang dengan tingkat bunga tetap dan mengambang telah ditentukan di awal

Exposure to interest rate risk relates to assets and liabilities where changes in interest rates can affect pre-tax profit. The risk of interest income is limited because the Company only maintains sufficient cash balance for operational purposes. In interest expense, the optimal balance between debt with a fixed and floating interest rate has been determined at the outset.

27. TUJUAN DAN KEBIJAKAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

a. Manajemen risiko tingkat bunga (lanjutan)

Persetujuan dari Dewan Komisaris dan Direksi harus diperoleh sebelum Perusahaan menggunakan instrumen keuangan tersebut untuk mengelola eksposur risiko suku bunga. Perusahaan memiliki eksposur tingkat suku bunga atas aset dan liabilitas keuangan sebagaimana yang dijabarkan dibawah ini:

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

a. Interest rate risk management (continued)

Approval from the Board of Commissioners and Directors must be obtained before the Company uses these financial instruments to manage interest rate risk exposures. The company has interest rate exposures on financial assets and liabilities as outlined below:

	31 Desember 2024 / *December 31, 2024*				
	Bunga mengambang/ ***Floating interest***	**Bunga tetap/** ***Fixed interest***	**Tanpa bunga/** ***Without interest***	**Jumlah/** ***Total***	
Aset Keuangan					***Financial Assets***
Kas dan bank	-	33.642.670.320	121.855.245	33.764.525.565	*Cash and bank*
Piutang usaha-pihak ketiga	-	-	9.817.418.865	9.817.418.865	*Trade receivable-Third parties*
Piutang lain-lain-pihak ketiga	-	-	2.509.934.775	2.509.934.775	*Other receivable-Third parties*
Jumlah Aset Keuangan	-	33.642.670.320	12.449.208.885	46.091.879.205	*Total Financial Assets*
Liabilitas Keuangan					***Financial Liabilities***
Utang Usaha-pihak ketiga	-	-	1.913.953.020	1.913.953.020	*Trade payable-Third parties*
Utang lain-lain-pihak ketiga	-	-	1.395.533.070	1.395.533.070	*Other payable-Third parties*
Biaya yang masih harus dibayar	-	-	37.548.215.671	37.548.215.671	*Accrued expenses*
Uang muka pelanggan	-	-	8.436.290.820	8.436.290.820	*Deposit from customer*
Jumlah Liabilitas Keuangan	-	-	49.293.992.581	49.293.992.581	*Total Financial Liabilities*
Jumlah Aset (Liabilitas) Keuangan - Bersih	-	33.642.670.320	(36.844.783.696)	(3.202.113.376)	*Total Financial Assets (Liabilities) - Net*

	31 Desember 2023 / *December 31, 2023*				
	Bunga mengambang/ ***Floating interest***	**Bunga tetap/** ***Fixed interest***	**Tanpa bunga/** ***Without interest***	**Jumlah/** ***Total***	
Aset Keuangan					***Financial Assets***
Kas dan bank	-	23.722.835.368	199.914.648	23.922.750.016	*Cash and bank*
Piutang usaha-pihak ketiga	-	-	5.312.935.011	5.312.935.011	*Trade receivable-Third parties*
Piutang lain-lain-pihak ketiga	-	-	2.438.746.227	2.438.746.227	*Other receivable-Third parties*
Jumlah Aset Keuangan	-	23.722.835.368	7.951.595.886	31.674.431.254	*Total Financial Assets*
Liabilitas Keuangan					***Financial Liabilities***
Utang Usaha-pihak ketiga	-	-	2.396.789.402	2.396.789.402	*Trade payable-Third parties*
Utang lain-lain-pihak ketiga	-	-	34.612.456	34.612.456	*Other payable-Third parties*
Biaya yang masih harus dibayar	-	-	23.320.989.065	23.320.989.065	*Accrued expenses*
Uang muka pelanggan	-	-	6.784.472.492	6.784.472.492	*Deposit from customer*
Jumlah Liabilitas Keuangan	-	-	32.536.863.415	32.536.863.415	*Total Financial Liabilities*
Jumlah Aset (Liabilitas) Keuangan - Bersih	-	23.722.835.368	(24.585.267.529)	(862.432.161)	*Total Financial Assets (Liabilities) - Net*

28. TUJUAN DAN KEBIJAKAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

b. Manajemen risiko kredit

Risiko kredit adalah risiko kerugian yang timbul atas saldo instrumen keuangan dalam hal konsumen tidak dapat memenuhi kewajibannya untuk membayar utang terhadap Perusahaan.

Perusahaan mengelola dan mengendalikan risiko kredit dengan hanya berurusan dengan pihak yang diakui dan layak kredit, menetapkan kebijakan internal atas verifikasi dan otorisasi kredit, dan secara teratur memonitor kolektibilitas piutang untuk mengurangi risiko tersebut.

Pada tanggal 31 Desember 2024 dan 2023, maksimum eksposur Perusahaan untuk risiko kredit disajikan sebesar nilai tercatat setiap aset keuangan yang diakui dalam laporan posisi keuangan.

c. Manajemen risiko likuiditas

Risiko likuiditas adalah risiko dimana Perusahaan akan mengatasi kesulitan yang berasal dari pemenuhan kewajiban keuangan dikarenakan kekurangan dana.

Tabel berikut menampilkan jatuh tempo dari liabilitas keuangan Perusahaan pada akhir tahun pelaporan berdasarkan pembayaran kontraktual yang tidak didiskontokan.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

b. Credit risk management

Credit risk is the risk of losses arising from the balance of financial instruments in the event that the consumer cannot fulfill his obligation to pay the debt to the Company.

The company manages and controls credit risk by only dealing with recognized and creditworthy parties, establishing internal policies for verification and authorization of credit, and regularly monitoring collectibility of receivables to reduce these risks.

As of December 31, 2024 and 2023, the Company's maximum exposure to credit risk is stated at the carrying amount of each financial asset recognized in the statement of financial position.

c. Liquidity risk management

Liquidity risk is the risk that the Company will overcome difficulties arising from fulfilling financial obligations due to lack of funds.

The following table shows the maturity of the Company's financial liabilities at the end of the reporting year based on contractual, undiscounted payments.

	31 Desember 2024 / *December 31, 2024*			
	Nilai Tercatat/ *Carrying Value*	**Kurang dari satu tahun/ *less than one year***	**Lebih dari satu tahun/ *More than one year***	
Liabilitas Keuangan				***Financial Liabilities***
Utang usaha-pihak ketiga	1.913.953.020	1.913.953.020	-	*Trade payable-third parties*
Utang lain-lain-pihak ketiga	1.395.533.070	1.395.533.070	-	*Others payable-third parties*
Biaya yang masih harus dibayar	37.548.215.671	37.548.215.671	-	*Accrued expenses*
Uang muka pelanggan	-	-	-	*Deposit from customer*
Jumlah	40.857.701.761	40.857.701.761	-	***Total***

	31 Desember 2023 / *December 31, 2023*			
	Nilai Tercatat/ *Carrying Value*	**Kurang dari satu tahun/ *less than one year***	**Lebih dari satu tahun/ *More than one year***	
Liabilitas Keuangan				***Financial Liabilities***
Utang usaha-pihak ketiga	2.396.789.402	2.396.789.402	-	*Trade payable-third parties*
Utang lain-lain-pihak ketiga	34.612.456	34.612.456	-	*Others payable-third parties*
Biaya yang masih harus dibayar	23.320.989.065	23.320.989.065	-	*Accrued expenses*
Uang muka pelanggan	84.472.492	84.472.492	-	*Deposit from customer*
Jumlah	25.836.863.415	25.836.863.415	-	***Total***

29. TUJUAN DAN KEBIJAKAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

d. Manajemen risiko modal

Tujuan utama manajemen permodalan Perusahaan adalah untuk memastikan pemeliharaan tingkat kredit yang kuat dan rasio permodalan yang sehat untuk mendukung usaha dan memaksimalkan nilai pemegang saham.

Perusahaan mengelola struktur permodalan dan melakukan penyesuaian berdasarkan strategi dan kondisi keuangan Perusahaan, serta kondisi ekonomi global dan domestik. Untuk memelihara atau menyesuaikan struktur permodalan, Perusahaan dapat menyesuaikan pembayaran dividen kepada pemegang saham, pengembalian modal kepada pemegang saham atau menerbitkan saham baru.

Selanjutnya, Perusahaan memiliki kebijakan kas manajemen untuk mengelola modal. Perusahaan menerapkan manajemen keuangan terpusat untuk menjaga fleksibilitas pembiayaan dan mengurangi risiko likuiditas. Perusahaan juga berusaha untuk mempertahankan kebutuhan modal kerja yang memadai.

Selanjutnya, Perusahaan memiliki kebijakan kas manajemen untuk mengelola modal. Perusahaan menerapkan manajemen keuangan terpusat untuk menjaga fleksibilitas pembiayaan dan mengurangi risiko likuiditas. Perusahaan juga berusaha untuk mempertahankan kebutuhan modal kerja yang memadai.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

d. Capital risk management

The main objective of the Company's capital management is to ensure the maintenance of a strong credit level and a healthy capital ratio to support the business and maximize shareholder value.

The company manages the capital structure and makes adjustments based on the Company's strategy and financial conditions, as well as global and domestic economic conditions. To maintain or adjust the capital structure, the Company can adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

Furthermore, the Company has a management cash policy to manage capital. The company implements centralized financial management to maintain financing flexibility and reduce liquidity risk. The company also strives to maintain adequate working capital needs.

Furthermore, the Company has a management cash policy to manage capital. The company implements centralized financial management to maintain financing flexibility and reduce liquidity risk. The company also strives to maintain adequate working capital needs.

30. PERIKATAN

Berdasarkan perjanjian "Trademark License Agreement" tanggal 3 Februari 2000 antara Asian Trails Holding Ltd. ("ATH") dengan PT. Asian Trails Indonesia ("ATI"), bahwa ATH telah menyetujui penggunaan merk dagang "Asian Trail" atau "Asian Trails" ("nama") dan atau nama-nama lain, logo dan lain-lain milik ATH dalam nama Perusahaan, nama bisnis dan produk dalam wilayah Republik di Indonesia.

Atas perjanjian tersebut ATI membayar iuran royalty kepada ATH sebesar 1,5% dari omset pada akhir setiap laporan keuangan tahunan.

Dikarena kondisi ekonomi sejak tahun 2020 sampai dengan 2022, ATI tidak membayar iuran royalty ini.

30. COMMITMENT

Based on the "Trademark License Agreement" dated February 3, 2000 between Asian Trails Holding Ltd. ("ATH") with PT. Asian Trails Indonesia ("ATI"), that the ATH has approved the use of the trademark "Asian Trail" or "Asian Trails" ("the name") and/ or other names, logos, etc, belonging to ATH in its Company name, business names and products within Republic of Indonesia.

For such agreement, the ATI shall pay a royalty of 1.5% of turnover to ATH at the end of each financial year.

Due to the economis condition, ATI has not paid any royalty fees from 2020 to 2022.

31. PENYELESAIAN LAPORAN KEUANGAN

Manajemen Perusahaan bertanggung jawab atas penyusunan laporan keuangan dan telah menyetujui untuk menerbitkan laporan keuangan perusahaan untuk tahun yang berakhir 31 Desember 2024 pada tanggal 17 Maret 2025.

31. COMPLETION OF FINANCIAL STATEMENTS

The Company's Management is responsible forthe preparation of the Company's financial statements and approve to issue the Company's financial statements for the year ended December 31, 2024 on March 17, 2025.

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ASIAN TRAILS (M) SDN. BHD.

Registration No. 200001012196 (514802-A)
Incorporated in Malaysia

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2024

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

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Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

CORPORATE INFORMATION

DIRECTORS	Lersan Misitsakul Laurent Kunzle Emir Cherif
COMPANY SECRETARY	Chong Ai Ling (MIA 29380)
AUDITORS	Peter Chong & Co PLT (LLP0037938-LCA & AF 0165) Chartered Accountants
PRINCIPAL BANKERS	Deutsche Bank (Malaysia) Berhad Malayan Banking Berhad
IMMEDIATE HOLDING COMPANY	Asian Trails Holding Ltd
ULTIMATE HOLDING COMPANY	Fairfax Financial Holdings Limited
REGISTERED OFFICE	SOHO Suites @ KLCC Block A2, Level 28-3 & 3A No. 20, Jalan Perak 50450 Kuala Lumpur
PRINCIPAL PLACE OF BUSINESS	Suite 7.01, 7th Floor Wisma Mirama Jalan Wisma Putra 50460 Kuala Lumpur

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Company for the financial year ended 31st December 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of providing holidays, tours and travel services to overseas and local clientele. There have been no significant changes in the nature of these principal activities during the financial year.

FINANCIAL RESULTS

	RM
Loss for the financial year	(35,755)

DIVIDENDS

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors also do not recommend the payment of any dividend for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any options to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORS' REPORT (Cont'd)

DIRECTORS IN OFFICE

The following Directors served on the Board since the date of the last report:

Lersan Misitsakul
Laurent Kunzle
Emir Cherif
Marcel Jordi Grifoll (Resigned on 25th November 2024)

In accordance with the Company's Constitution, Mr. Emir Cherif retires by rotation, and being eligible, offers himself for re-election.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than Directors' remuneration as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has substantial financial interest except for:

a) certain Directors who received remuneration from related corporations in their capacities as directors and/or executives of those related corporations; and

b) any deemed benefits which may arise from the related party transactions as disclosed in Note 18 to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of Directors' remuneration during the financial year were as follows:

	RM
Salaries, bonuses and allowances	630,965

DIRECTORS' INTEREST

None of the Directors in office at the end of the financial year held or dealt in shares of the Company and its related corporations during the financial year.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were made out, the Directors took reasonable steps:

a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

At the date of this report, the Directors are not aware of any circumstances:

a) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or

b) which would render the values attributed to the current assets in the financial statements of the Company misleading; or

c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

d) not otherwise dealt with in this report or financial statements, which would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

a) any charge on the assets of the Company which has arisen since the end of the financial year to secure the liability of any other person; or

b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION (cont'd)

In the opinion of the Directors,

a) the results of the Company's operations during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

HOLDING COMPANIES

The immediate holding company of the Company is Asian Trails Holding Ltd, incorporated in Mauritius and the ultimate holding company of the Company is Fairfax Financial Holdings Limited, incorporated in Ontario, Canada.

INDEMNITIES TO DIRECTORS OR OFFICERS

There has been no indemnity given to or insurance effected for any director or officer of the Company during the financial year.

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DIRECTORS' REPORT (Cont'd)

AUDITORS

The auditors, Peter Chong & Co PLT (LLP0037938-LCA & AF 0165), Chartered Accountants, have expressed their willingness to accept re-appointment.

Peter Chong & Co PLT (LLP0037938-LCA & AF 0165) officially commenced business operations on 1st January 2025. On this date, Peter Chong & Co (AF 0165), previously a conventional partnership, was converted into a limited liability partnership.

Auditors' remuneration of the Company for the financial year ended 31st December 2024 was RM22,000.

No payment has been made to indemnify auditors during or since the financial year.

Signed on behalf of the Board
in accordance with a resolution of the Directors

.....
LAURENT KUNZLE
Director

.....
EMIR CHERIF
Director

Dated: 21 MAR 2025

Kuala Lumpur

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

The Directors of **ASIAN TRAILS (M) SDN. BHD.** state that, in the opinion of the Directors, the financial statements set out on pages 13 to 47 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Company as at 31st December 2024 and of its financial performance and cash flow of the Company for the financial year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the Directors

.....

LAURENT KUNZLE
Director

.....

EMIR CHERIF
Director

Dated: 21 MAR 2025

Kuala Lumpur

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **EMIR CHERIF**, being the Director primarily responsible for the financial management of **ASIAN TRAILS (M) SDN. BHD.**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 13 to 47 are correct.

And I make this solemn declaration, conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed **EMIR CHERIF** at **KUALA LUMPUR** in the **FEDERAL TERRITORY** this day of

21 MAR 2025

) .....
) **EMIR CHERIF**

Before me

PESURUHJAYA SUMPAH
W 907
RAJINDER KAUR A/P SHER SINGH
1/1/2025-29/6/2027
MALAYSIA

.....
Commissioner for Oaths

No. 38, Tingkat 8,
Kompleks Mutiara,
Jalan Sultan Azlan Shah,
[illegible] Kuala Lumpur

Peter Chong & Co PLT
LLP0037938-LCA & AF 0165
Chartered Accountants

SOHO Suites @ KLCC
Block A2, Level 31-3
No. 20 Jalan Perak
50450 Kuala Lumpur, Malaysia
Tel : 603-21817447
Fax : 603-21818522
Email : info@peterchongco.com
Website : www.peterchongco.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ASIAN TRAILS (M) SDN. BHD.

Registration No. 200001012196 (514802-A)
Incorporated in Malaysia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ASIAN TRAILS (M) SDN. BHD.**, which comprise the statement of financial position as at 31st December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information, as set out on pages 13 to 47.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which disclosed the premise upon which the Company has prepared its financial statements by applying the going concern assumption, as at that date, the Company's current liabilities exceeded its current assets by RM3,093,839 and capital deficiency of RM7,909,875, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The preparation of the financial statements of the Company on a going concern basis is dependent upon the continuous financial support from its immediate holding company.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ASIAN TRAILS (M) SDN. BHD.

Registration No. 200001012196 (514802-A)
Incorporated in Malaysia
(Cont'd)

Independence and Other Ethical Responsibilities
We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon
The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements
The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ASIAN TRAILS (M) SDN. BHD.

Registration No. 200001012196 (514802-A)
Incorporated in Malaysia
(Cont'd)

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters
This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Peter Chong & Co PLT
No. LLP0037938-LCA & AF 0165
Chartered Accountants

Datuk Chong Ton Nen @ Peter Chong
No. 00394/03/2026 J
Chartered Accountant

Dated: 21 MAR 2025

Kuala Lumpur

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2024

	Note	2024 RM	2023 RM
ASSETS			
Non-current assets			
Property, plant and equipment	5	351,870	317,547
Right-of-use assets	6	508,614	239,125
Total non-current assets		860,484	556,672
Current assets			
Receivables	7	5,979,847	5,150,058
Cash and bank balances		2,321,621	1,921,041
Total current assets		8,301,468	7,071,099
TOTAL ASSETS		9,161,952	7,627,771
EQUITY AND LIABILITIES			
Equity attributable to owner of the Company			
Share capital	8	5,500,000	5,500,000
Accumulated losses		(13,409,875)	(13,374,120)
Total equity		(7,909,875)	(7,874,120)
Non-current liabilities			
Payables	9	5,410,515	7,397,950
Lease liabilities	10	266,005	81,713
Total non-current liabilities		5,676,520	7,479,663
Current liabilities			
Payables	9	11,066,939	7,766,907
Lease liabilities	10	250,397	165,674
Contract liabilities	11	77,971	89,647
Total current liabilities		11,395,307	8,022,228
Total liabilities		17,071,827	15,501,891
TOTAL EQUITY AND LIABILITIES		9,161,952	7,627,771

The attached notes form an integral part of these financial statements.

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

	Note	2024 RM	2023 RM
REVENUE	12	47,255,816	39,488,848
COST OF SALES	13	(37,137,288)	(31,829,816)
GROSS PROFIT		10,118,528	7,659,032
OTHER OPERATING INCOME		2,256,244	1,540,609
MARKETING COSTS		(586,884)	(481,597)
ADMINISTRATIVE EXPENSES		(11,132,538)	(7,988,607)
PROFIT FROM OPERATIONS	14	655,350	729,437
FINANCE COSTS	15	(691,105)	(670,894)
(LOSS) /PROFIT BEFORE TAXATION		(35,755)	58,543
TAXATION	16	-	-
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		(35,755)	58,543
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		-	-
TOTAL COMPREHENSIVE (LOSS)/ INCOME ATTRIBUTABLE TO OWNER OF COMPANY		(35,755)	58,543

The attached notes form an integral part of these financial statements.

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

	Attributable to owner of the Company		
	Share capital RM	Accumulated losses RM	Total RM
As at 1st January 2023	5,500,000	(13,432,663)	(7,932,663)
Total comprehensive income	-	58,543	58,543
As at 31st December 2023/ 1st January 2024	5,500,000	(13,374,120)	(7,874,120)
Total comprehensive loss	-	(35,755)	(35,755)
As at 31st December 2024	5,500,000	(13,409,875)	(7,909,875)

The attached notes form an integral part of these financial statements.

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ profit before taxation	(35,755)	58,543
Adjustments for:-		
Bad debts written off	98,049	4,531
Depreciation of property, plant and equipment	179,003	170,242
Depreciation of right-of-use asset	247,048	250,345
Expenses relating to short-term lease	15,200	-
Interest expenses	691,105	670,894
Unrealised (gain)/ loss on foreign exchange	(267,403)	319,348
Operating profit before working capital changes	927,247	1,473,903
Receivables	(889,382)	(2,829,219)
Payables	1,495,985	3,170,712
Cash generated from operations	1,533,850	1,815,396
Repayment of interest on lease liability	(14,775)	(13,693)
Short-term lease payment	(15,200)	-
Net cash generated from operating activities	1,503,875	1,801,703
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	(213,326)	(223,714)
Net cash used in investing activity	(213,326)	(223,714)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(676,330)	(657,201)
Payments for the principal portion of lease liability	(247,522)	(249,805)
Net cash used in financing activities	(923,852)	(907,006)

The above statement of cash flows is to be read in conjunction with the notes to the financial statements.

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024 (Cont'd)

	Note	2024 RM	2023 RM
NET INCREASE IN CASH AND CASH EQUIVALENTS		366,697	670,983
Effect of exchange rate changes on cash and cash equivalents		33,883	(2,452)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		1,921,041	1,252,510
CASH AND CASH EQUIVALENTS CARRIED FORWARD	17	2,321,621	1,921,041

The reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities is as follows:

Lease liabilities (Note 10)	2024 RM	2023 RM
As at 1st January	247,387	251,642
Non-cash changes	516,537	245,550
Cash flows	(247,522)	(249,805)
As at 31st December	516,402	247,387

Cash outflows for leases as a lessee

	Note	2024 RM	2023 RM
Included in net cash from operating activities:			
- Interest paid in relation to lease liabilities		14,775	13,693
- Payment relating to short-term lease		15,200	-
Included in net cash from financing activities:			
- Payment of lease liabilities	10	247,522	249,805
Total cash outflows for leases		277,497	263,498

The above statement of cash flows is to be read in conjunction with the notes to the financial statements.

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

1. GENERAL INFORMATION

The Company is principally engaged in the business of providing holidays, tours and travel services to overseas and local clientele. There have been no significant changes in the nature of these principal activities during the financial year.

The Company is a private limited company, incorporated and domiciled in Malaysia.

The immediate holding company of the Company is Asian Trails Holding Ltd, incorporated in Mauritius and the ultimate holding company of the Company is Fairfax Financial Holdings Limited, incorporated in Ontario, Canada.

The address of the registered office of the Company is SOHO Suites @ KLCC, Block A2, Level 28-3 & 3A, No. 20, Jalan Perak, 50450 Kuala Lumpur.

The principal place of business of the Company is at Suite 7.01, 7th Floor, Wisma Mirama, Jalan Wisma Putra, 50460 Kuala Lumpur.

The Board has authorised the issuance of financial statements on 21 MAR 2025

2. BASIS OF PREPARATION AND MEASUREMENT

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis.

During the financial year, the Company has prepared its financial statements by applying the going concern assumption, as at that date, the Company's current liabilities exceeded its current assets by RM3,093,839 and capital deficiency of RM7,909,875, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The preparation of the financial statements of the Company on a going concern basis is dependent upon the continuous financial support from immediate holding company.

2. BASIS OF PREPARATION AND MEASUREMENT (cont'd)

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency unless otherwise indicated.

The new accounting standards, amendments and improvements to published standards and interpretations that are effective and applicable for the Company's financial year beginning on or after 1st January 2024 are as follows:

(a) Amendments to MFRS 7 and MFRS 107 "Supplier Finance Arrangements"
(b) Amendments to MFRS 16 "Lease Liability in a Sale and Leaseback"
(c) Amendments to MFRS 101 "Classification of Liabilities as Current or Non-current"
(d) Amendments to MFRS 101 "Non-current Liabilities with Covenants"

The adoption of amendments to MFRS listed above did not have any impact on the current financial year or any prior financial year and is not likely to affect future financial years.

[The remainder of this page is intentionally left blank]

3. MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRSs") AND AMENDMENTS TO MFRSs

MFRSs and Amendment to MFRSs which have been issued but not yet effective and relevant to the Company:

MFRSs and Amendments to MFRSs		Effective date
- MFRS 18	Presentation and Disclosure in Financial Statements	1st January 2027
Amendments to:		
- MFRS 7	Financial Instruments: Disclosures	1st January 2026
- MFRS 7 and MFRS 9	Classification and Measurement of Financial Instruments	1st January 2026
- MFRS 9	Financial Instruments	1st January 2026
- MFRS 107	Statement of Cash Flows	1st January 2026
- MFRS 121	Lack of Exchangeability	1st January 2025
Annual Improvements to MFRS Accounting Standards Volume 11		1st January 2026

It is anticipated that the adoption of the abovementioned amendments will not have significant impact on the financial statements of the Company.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Malaysian Financial Reporting Standards requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimates are revised and in any future reporting periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles RM	Computers RM	Furniture and fittings RM	Office equipment RM	Renovation RM	Capital work-in-progress RM	Total RM
Cost							
As at 1st January 2023	458,777	804,863	69,130	174,360	148,189	-	1,655,319
Additions	-	138,566	1,070	8,082	9,470	66,526	223,714
As at 31st December 2023/ 1st January 2024	458,777	943,429	70,200	182,442	157,659	66,526	1,879,033
Additions	-	186,134	908	11,495	-	14,789	213,326
Transfer from/ (to)	-	-	-	-	81,315	(81,315)	-
As at 31st December 2024	458,777	1,129,563	71,108	193,937	238,974	-	2,092,359

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Motor vehicles RM	Computers RM	Furniture and fittings RM	Office equipment RM	Renovation RM	Capital work-in-progress RM	Total RM
Accumulated depreciation							
As at 1st January 2023	332,204	743,074	59,648	143,521	112,797	-	1,391,244
Depreciation	76,137	52,505	4,299	15,501	21,800	-	170,242
As at 31st December 2023/ 1st January 2024	408,341	795,579	63,947	159,022	134,597	-	1,561,486
Depreciation	50,432	98,959	3,362	9,191	17,059	-	179,003
As at 31st December 2024	458,773	894,538	67,309	168,213	151,656	-	1,740,489
Net carrying amounts							
As at 31st December 2024	4	235,025	3,799	25,724	87,318	-	351,870
As at 31st December 2023	50,436	147,850	6,253	23,420	23,062	66,526	317,547

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Material accounting policy information

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

	Number of years
Motor vehicles	5
Computers	3
Furniture and fittings	5
Office equipment	5
Renovation	5

[The remainder of this page is intentionally left blank.]

6. RIGHT-OF-USE ASSETS

	2024	2023
Office	**RM**	**RM**
Carrying amounts		
As at 1st January	239,125	243,920
Addition	516,537	245,550
Depreciation	(247,048)	(250,345)
As at 31st December	508,614	239,125

(a) The additional information about its leasing activities are as follows:

		2024	2023
		RM	**RM**
Office			
(i)	Lease term	2 - 3 years	2 - 3 years
(ii)	Renewal option	1 - 2 years	1 - 2 years
(iii)	Termination option	No	No
(iv)	Restriction imposed	No	No
(v)	Lease term determined by the management	2 - 3 years	2 - 3 years

The maturity analysis of lease liabilities is presented in Note 10.

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7. RECEIVABLES

	2024 RM	2023 RM
Trade receivables	2,188,071	2,159,325
Other receivables	1,274	29,340
Deposits	177,228	177,127
Prepayment	672,139	1,088,109
Amount owing from related companies - trade	2,941,135	1,696,157
	5,979,847	5,150,058

(a) The currency exposure profile of the receivables (exclude prepayment) is as follows (foreign currency balances are unhedged):

	2024 RM	2023 RM
Ringgit Malaysia	1,074,118	1,566,767
Euro	80,621	3,545
Singapore Dollar	1,901,924	527,704
US Dollar	2,251,045	1,963,933
	5,307,708	4,061,949

(b) The Company's normal trade receivables credit periods granted is 30 days (2023: 30 days).

7. RECEIVABLES (cont'd)

(c) The ageing analysis of the Company's trade receivables is as follows:

	2024 RM	2023 RM
Neither past due nor impaired	246,935	399,644
Past due but not impaired		
- 1 to 30 days	1,296,143	989,914
- 31 to 60 days	75,899	308,057
- 61 to 90 days	275,228	160,760
- 91 days and above	293,866	300,950
	1,941,136	1,759,681
	2,188,071	2,159,325

(d) **Measurement of Expected Credit Loss ("ECL") – simplified approach**
The Company applies the MFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The expected loss rates are based on historical credit losses experienced by the Company. The historical loss rates are adjusted to reflect current and forward–looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Amount owing from related companies
The amount owing from related companies is unsecured, interest-free and repayable upon demand. The Company has assessed the allowance for impairment loss for amount owing from related companies on a group basis. As at reporting date, the management is of the view that no allowance is to be recognised.

The related party transactions are disclosed in Note 18.

7. RECEIVABLES (cont'd)

(e) **Measurement of ECL – general 3-stage approach for financial assets other than trade receivables**
Other financial assets include other receivables and deposits.

The Company considers the probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, where available.

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL.

Other receivables
Allowance for impairment loss is assessed for other receivables individually. The estimated impairment loss was immaterial.

Deposits
Deposits mainly represents deposit paid for rental of office premises. The deposit is refundable at the end of the leasing terms or upon termination of agreement. No allowance for impairment loss is recognised.

(f) Other information of receivables is disclosed in the following notes:

(i) Financial instruments – Note 19; and
(ii) Fair value measurement – Note 20.

8. SHARE CAPITAL

	2024 No. of shares	2023 No. of shares	2024 RM	2023 RM
Issued and fully paid:				
Ordinary shares	500,000	500,000	500,000	500,000
Redeemable and convertible preference shares ("RCPS")	5,000,000	5,000,000	5,000,000	5,000,000
	5,500,000	5,500,000	5,500,000	5,500,000

The salient features of the RCPS are as follows:

(a) Holders of the RCPS shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited accounts and attending general meetings of the Company provided always that holders of the RCPS shall not have the right to vote or to move or second any resolutions at any general meeting of the Company except on each of the following circumstances:

- on a proposal to reduce or increase the Company's share capital;
- on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- on a proposal that directly or indirectly varies or affects rights, privileges or conditions attached to the RCPS, or the exercise of any of those rights, privileges or conditions;
- on a proposal to wind up the Company; and
- during the winding up of the Company.

(b) In any such case a holder shall have one vote for each RCPS held. Any holder may demand a poll at a general meeting of the Company on any resolution on which that holder may vote.

(c) Each RCPS shall on a winding-up or upon a reduction of capital or other return capital (other than on the redemption or conversion of the RCPS) rank pari passu with each other and confer on the holder thereof the right to receive a pro rata share of the Company's net assets after the payment and discharge of all debts and liabilities of the Company and the costs of winding up or such capital reduction exercise.

8. SHARE CAPITAL (cont'd)

The salient features of the RCPS are as follows: (cont'd)

(d) The RCPS shall be entitled to receive any dividends out of the profits of the Company and to participate in the profits of the Company at the discretion of the Company.

(e) In the event of winding up or upon reduction of capital beyond such rights as are expressly set out in this Article, an RCPS holder shall be entitled to a pro rata share thereof to participate in the profits or surplus assets of the Company.

(f) The RCPS shall rank pari passu among themselves.

(g) The RCPS in the present capital shall be liable to be redeemed in accordance with the following provisions:

- Subject to the Act, each RCPS shall at the option of the Company be redeemed by payment by the Company in cash to the holder thereof on any date within a period of thirty days from the date of the audited accounts of the Company is accepted by the ordinary shareholders of the Company (the "Redemption Date").

- In the event of the Company determining to redeem a part only of the RCPS those to be redeemed shall be selected by drawings in such manner as the directors shall approve or a rate able proportion (as nearly as practicable without involving fractions of share) of each holding of such shares on the Redemption Date.

- No RCPS shall be redeemed otherwise than out of distributable profits or the proceeds of fresh issue of shares made for the purpose of the redemption, but the premium payable on redemption shall be paid either out of distributable profits or, to the extent permitted by law, out of the share premium account of the Company. All the provisions of the Act relating to the redemption of shares and the creation or increase where requisite of a capital redemption reserve shall be duly observed.

- Upon the Company giving notice of its intention to redeem, the Company will be obliged to redeem the RCPS the subject of the notice, on the Redemption Date as specified in the notice.

8. SHARE CAPITAL (cont'd)

The salient features of the RCPS are as follows: (cont'd)

(g) The RCPS in the present capital shall be liable to be redeemed in accordance with the following provisions: (cont'd)

- Until all the RCPS have been redeemed no further shares may be created and/or issued by the Company ranking in priority to the RCPS unless all the holders consent thereto in writing.

- Until all the RCPS have been redeemed no further shares may be issued ranking in any respect pari passu with the RCPS unless the holders of not less than three-quarters of the redeemable preference shares in each class consent thereto in writing.

- At the option of the RCPS holders and by notification in writing, convertible shares may be converted into ordinary shares.

- Notwithstanding anything to the contrary expressed or implied in these Articles there shall be no restriction on the transfer of RCPS and the directors shall be obliged to register any transfer of any RCPS.

Capital management

The primary objective of the Company's capital management is to ensure that the Company would be able to continue as a going concern while maximising the return to shareholders.

No changes were made in the objectives, policies or processes during the financial years ended 31st December 2024 and 31st December 2023.

9. PAYABLES

	2024 RM	2023 RM
Trade payables	3,022,671	3,417,995
Accruals	1,418,080	783,716
Amount owing to immediate holding company		
- Trade	605,252	495,805
- Non-trade (interest bearing of 8.86% to 9.82% per annum; 2023: 6.98% to 8.48% per annum)	5,857,665	7,397,950
Amount owing to related companies - trade	175,702	638,456
Deposits received	5,398,084	2,430,935
	16,477,454	15,164,857
Disclosed as:		
- Non-current	5,410,515	7,397,950
- Current	11,066,939	7,766,907
	16,477,454	15,164,857

(a) The currency exposure profile of the payables are as follows:

	2024 RM	2023 RM
Ringgit Malaysia	4,465,338	5,516,279
Euro	1,055,920	444,622
Singapore Dollar	1,797,098	511,906
US Dollar	9,158,074	8,692,050
Indian Rupee	1,024	-
	16,477,454	15,164,857

(b) The normal trade credit periods granted to the Company range from 30 to 90 days (2023: 30 to 90 days) or such other period as negotiated with the suppliers.

(c) The trade amount owing to immediate holding company and related companies are unsecured, interest-free and repayable within the normal credit period.

9. PAYABLES (cont'd)

(d) The non-current portion of amount owing to immediate holding company represents loan financing with interest bearing. The outstanding consideration is repayable after 3 years from year 2022.

During the financial year, the management has verbally agreed with the immediate holding company to establish a repayment term of five years, commencing in year 2025.

(e) The related party transactions are disclosed in Note 18.

(f) Other information of payables is disclosed in the following notes:

(i) Financial instruments – Note 19; and
(ii) Fair value measurement – Note 20.

10. LEASE LIABILITIES

	2024 RM	2023 RM
Non-current	266,005	81,713
Current	250,397	165,674
	516,402	247,387

(a) The incremental borrowing rate applied to the lease liabilities is 4.002% (2023: 4.002%) per annum.

(b) The movements of lease liabilities during the financial year are as follows:

	2024 RM	2023 RM
As at 1st January	247,387	251,642
Addition	516,537	245,550
Interest charged	14,775	13,693
Payments:		
- Principal	(247,522)	(249,805)
- Interest	(14,775)	(13,693)
As at 31st December	516,402	247,387

10. LEASE LIABILITIES (cont'd)

(c) Lease liabilities obligations:

	2024 RM	2023 RM
Minimum lease payments:		
- Not later than 1 year	265,498	171,098
- Later than 1 year and not later than 5 years	273,600	83,097
	539,098	254,195
Less: Unexpired finance charges	(22,696)	(6,808)
	516,402	247,387
Present value of lease liabilities:		
- Not later than 1 year	250,397	165,674
- Later than 1 year and not later than 5 years	266,005	81,713
	516,402	247,387

(d) There is no expense relating to variable lease payments not included in the measurement of lease liabilities.

(e) The corresponding right-of-use assets of the lease liabilities are as disclosed in Note 6.

11. CONTRACT LIABILITIES

The movement in the contract liabilities during the financial year are as follows:

	2024 RM	2023 RM
Contract liabilities		
As at 1st January	89,647	35,723
Cash received and billing during the financial year	77,971	89,647
Revenue recognised	(89,647)	(35,723)
As at 31st December	77,971	89,647

11. CONTRACT LIABILITIES (cont'd)

(a) Material accounting policy information

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised upon satisfaction of performance obligation by rendering services.

12. REVENUE

	2024 RM	2023 RM
Revenue from contracts with customers, recognised at point in time		
- Tourism service fee	47,255,816	39,488,848

The following information reflects the typical transactions of the Company:

Nature of services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable elements in consideration
Tourism service fee	Revenue is recognised upon service rendered.	Credit period is 90 days from invoice date.	N/A

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12. REVENUE (cont'd)

The following table provides information about receivables and contract liabilities from contracts with customers:

	2024 RM	2023 RM
Trade receivables (Note 7)	2,188,071	2,159,325
Contract liabilities (Note 11)	(77,971)	(89,647)

No information provided about the remaining performance obligations at 31st December 2024 and 31st December 2023 that have an original expected duration of one year or less, as allowed by MFRS 15.

13. COST OF SALES

Cost of sales consists of expenses incurred related to purchase or procurement of hotel, transport, flight and other tourism related services.

14. PROFIT FROM OPERATIONS

The following items have been (credited)/ charged in arriving at profit from operations:

	2024 RM	2023 RM
Auditors' remuneration	22,000	22,000
Bad debts written off	98,049	4,531
Depreciation of property, plant and equipment	179,003	170,242
Depreciation of right-of-use asset	247,048	250,345
Directors' remuneration (Note 18(c))	630,965	451,950
Loss/ (Gain) on foreign exchange		
- realised	628,588	66,714
- unrealised	(267,403)	319,348
Management fee	706,421	578,470
Short-term lease:		
- Rental of premises	15,200	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024 (Cont'd)

14. PROFIT FROM OPERATIONS (cont'd)

The following items have been (credited)/ charged in arriving at profit from operations: (cont'd)

	2024 RM	2023 RM
Staff costs		
- Salaries, allowances, wages and bonuses	5,894,599	4,318,409
- Employees' Provident Fund	530,641	391,110
- Other employee benefits	326,945	232,647
Support service fee	(1,954,361)	(1,477,944)

15. FINANCE COSTS

	2024 RM	2023 RM
Interest charged by immediate holding company	676,330	657,201
Interest in lease liability	14,775	13,693
	691,105	670,894

16. TAXATION

Reconciliation of tax income with accounting (loss)/ profit:

	2024 RM	2023 RM
(Loss)/ profit before taxation	(35,755)	58,543
Tax at current income tax rate at 24%	(8,581)	14,050
Tax effects in respect of:		
- Depreciation of non-qualifying property, plant and equipment	6,715	8,581
- Non-allowable expenses	251,228	207,673
- Utilisation of deferred tax asset previously not recognised	(249,362)	(230,304)
	-	-

16. TAXATION (cont'd)

The Company has the following potential deferred tax asset which has not been recognised:

	2024 RM	2023 RM
Unused business losses	6,670,000	7,147,000
Right-of-use assets	(509,000)	(239,000)
Lease liabilities	516,000	247,000
Timing difference between accounting depreciation and capital allowance	(56,000)	(81,000)
Unrealised (gain)/ loss on foreign exchange	(267,000)	319,000
	6,354,000	7,393,000
Potential deferred tax asset not recognised at 24%	1,525,000	1,774,000

Deferred tax assets have not been recognised as it is not probable that sufficient future taxable profits will be available to offset against the deferred tax assets.

Pursuant to new law gazetted under the Budget 2022, the ability to carry forward unused business losses can be carried forward for a maximum period of ten (10) consecutive Year of Assessment ("YA"), effective YA 2019.

The unused tax losses and unused capital allowances of the Company are available for offsetting against future taxable profits as follows:

	2024 RM	2023 RM
Utilisation period		
Indefinite	-	-
Expires by 2030	1,705,000	2,182,000
Expires by 2031	3,092,000	3,092,000
Expires by 2032	1,873,000	1,873,000
	6,670,000	7,147,000

17. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
Represented by:		
Cash in hand	527	1,752
Bank balances	2,321,094	1,919,289
	2,321,621	1,921,041

The currency exposure profile of the cash and bank balances are as follows:

	2024 RM	2023 RM
Ringgit Malaysia	767,560	828,217
Singapore Dollar	271,073	412,167
US Dollar	1,065,498	368,967
Euro	217,490	311,690
	2,321,621	1,921,041

18. SIGNIFICANT RELATED PARTIES DISCLOSURES

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are the other significant related party disclosures:

(a) Related parties

Related parties are parties in which one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company has related party relationships with the following:

(i) Immediate and ultimate holding companies as disclosed in Note 1.

18. SIGNIFICANT RELATED PARTIES DISCLOSURES (cont'd)

(a) Related parties (cont'd)

(ii) Subsidiary companies held by Fairfax Financial Holdings Limited:

Fairbridge Capital Mauritius Limited
Thomas Cook (India) Ltd.
SOTC Travel Limited
Travel Circle International (Mauritius) Limited
Asian Trails Holding Ltd.
Desert Adventures Tourism LLC.

(iii) Subsidiary companies held by Asian Trails Holding Ltd.:

Asian Trails Ltd.
Asian Trails (Cambodia) Ltd.
Asian Trails (Laos) Ltd.
Asian Trails (Vietnam) Co. Ltd.
Asian Trails Tour Ltd.
P.T. Asian Trails Indonesia
Chang Som Ltd.
Asian Trails International Travel Services (Beijing) Ltd.

(b) Related party transactions

In the normal course of business, the Company undertakes on agreed terms and prices, transactions with its related parties as follows:

	2024 RM	2023 RM
Professional fee charged by:		
- Asian Trails Ltd.	574,579	399,401
- Asian Trails Holding Ltd.	588,343	291,185
- Asian Trails (Vietnam) Co. Ltd.	18,512	26,820
- Asian Trails Tours Ltd.	-	22,039
- P.T. Asian Trails Indonesia	-	1,136
Interest expenses charged by:		
- Asian Trails Holding Ltd.	676,330	657,201
Management fee charged by:		
- Asian Trails Holding Ltd.	706,421	578,470

18. SIGNIFICANT RELATED PARTIES DISCLOSURES (cont'd)

(b) Related party transactions (cont'd)

	2024 RM	2023 RM
Sales to related companies:		
- Asian Trails Ltd.	312,627	447,025
- Asian Trails Singapore Pte. Ltd	110,112	474,212
- Asian Trails Tours Ltd.	11,597	-
- P.T. Asian Trails Indonesia	-	847
- SOTC Travel Limited	4,199,294	9,968,563
- Thomas Cook India Ltd.	6,722,140	2,387,731
Support service fee charged to:		
- Asian Trails International Travel Services (Beijing) Ltd.	6,904	6,773
- Asian Trails Tour Ltd.	6,904	6,773
- Asian Trails (Cambodia) Ltd.	6,904	6,773
- Asian Trails (Laos) Ltd.	6,904	6,773
- P.T. Asian Trails Indonesia	20,793	20,373
- Asian Trails (Vietnam) Co. Ltd.	20,793	20,373
- Asian Trails Ltd.	27,705	27,145
- Asian Trails Singapore Pte. Ltd	1,857,454	1,382,961

Information regarding outstanding balances arising from related party transactions as at 31st December 2024 and 31st December 2023 are disclosed in Note 7 and Note 9.

(c) Compensation of key management personnel

The members of key management are also the Directors of the Company. The key management's remuneration includes fees, salaries, bonuses, allowances and other benefits computed based on the cost incurred by the Company. The Directors did not receive other benefits-in-kind. The key managements' remuneration is as follows:

	2024 RM	2023 RM
Directors' remuneration		
- Salaries, bonuses and allowances	630,965	451,950

19. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis is of financial instruments categorised as follows:

(i) Financial assets measured at amortised cost ("AC")
(ii) Financial liabilities measured at amortised cost ("FL")

	Carrying amount RM	AC/ (FL) RM
2024		
Financial assets		
Receivables *	5,307,708	5,307,708
Cash and bank balances	2,321,621	2,321,621
	7,629,329	7,629,329
Financial liabilities		
Payables	(16,477,454)	(16,477,454)
Lease liabilities	(516,402)	(516,402)
	(16,993,856)	(16,993,856)
2023		
Financial assets		
Receivables *	4,061,949	4,061,949
Cash and bank balances	1,921,041	1,921,041
	5,982,990	5,982,990
Financial liabilities		
Payables	(15,164,857)	(15,164,857)
Lease liabilities	(247,387)	(247,387)
	(15,412,244)	(15,412,244)

* Receivables exclude prepayment as it does not meet the definition of financial instrument.

19. FINANCIAL INSTRUMENTS (cont'd)

(b) Net loss arising from financial instruments

	2024 RM	2023 RM
Net loss on:		
Financial assets at amortised cost	98,049	4,531
Financial liabilities at amortised cost	691,105	670,894
	789,154	675,425

(c) Financial risk management

The Company's financial risk management objective is to ensure that there are adequate financial resources available to meet its operating requirements and managing the associated risks effectively. The Company does not use derivative financial instruments to hedge its risks and trade in financial instruments during the financial year.

The main risks arising from the Company's financial instruments are credit risk, market risk and liquidity risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk mainly from trade receivables, amount owing from related companies, cash and bank balances.

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

Analysis of the Company's trade receivables is reflected in Note 7.

Amount owing from related companies

The credit risk arising from amount owing from related companies is managed on a group basis by the management of the Company to ensure that risk of losses incurred by the Company due to non-repayment by related companies is minimal.

At the end of the reporting period, there was no indication that the balance owing from related companies is not recoverable.

19. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management (cont'd)

(i) Credit risk (cont'd)

Cash and bank balances
Cash and bank balances are placed with banks and financial institutions which are regulated.

(ii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Company's financial position or cash flows.

Foreign currency risk
The Company incurs foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. Foreign currency risk is monitored closely and managed to an acceptable level.

The net carrying amounts of financial assets and financial liabilities stated at currencies other than the functional currencies are as follows:

	2024 RM	2023 RM
Financial assets		
- Receivables	4,233,590	2,495,182
- Cash and bank balances	1,554,061	1,092,824
	5,787,651	3,588,006
Financial liabilities		
- Payables	12,012,116	9,648,578

5% and 10% (2023: 5% and 10%) weakening of the Malaysian Ringgit ("RM") against the other currencies at the end of the reporting period would have decreased profit net of tax by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

19. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management (cont'd)

(ii) Market risk (cont'd)

Foreign currency risk (cont'd)

	Decrease in profit after tax RM	Decrease in equity RM
Effect of changes in RM against foreign currency		
2024		
- Weakened by 5%	(217,881)	(217,881)
- Weakened by 10%	(435,762)	(435,762)
2023		
- Weakened by 5%	(217,188)	(217,188)
- Weakened by 10%	(434,376)	(434,376)

Conversely, a strengthening of RM against the other currencies at the end of the reporting period would have the equal but opposite effect on the above currency to the amounts shown above assuming that all other variables remained constant.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its payables.

The Company has no policy to ensure the continuity of funding from external source as the immediate holding company will give continuous financial support to the Company.

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

19. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management (cont'd)

(iii) Liquidity risk (cont'd)

	Carrying amount RM	Contractual interest rate/ Discount rate %	Contractual cash flows RM	Under 1 year RM	Between 1 to 2 years RM	Between 3 to 5 years RM
2024						
Payables classified as financial liabilities (Note 19(a))	16,477,454	8.86 - 9.82	17,024,554	11,108,739	1,784,498	4,131,317
Lease liability	516,402	4.002	539,098	265,498	273,600	-
	16,993,856		17,563,652	11,374,237	2,058,098	4,131,317
2023						
Payables classified as financial liabilities (Note 19(a))	15,164,857	6.98 - 8.48	16,317,057	8,343,007	7,974,050	-
Lease liability	247,387	4.002	254,195	171,098	83,097	-
	15,412,244		16,571,252	8,514,105	8,057,147	-

20. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair values information

The following methods and assumptions are used to determine the fair value of each of the financial assets or liabilities for which it is practicable to estimate their values:

(i) Cash and cash equivalents, other receivables, other payables and amounts owing from/ (to) immediate holding company and related companies

The carrying values of these amounts approximate their fair values due to their short term nature.

(ii) Trade receivables and trade payables

The carrying values of these amounts approximate their fair values because these are subject to normal trade credit terms and their short term nature.

(iii) Amount due to immediate holding company – non-current

The fair value of amount due to immediate holding company which is long term financial liability is estimated based on future contractual cash flows discounted at current market assessments of the time value of money and the risks specific to the liabilities.

(b) Fair value measurement hierarchy

At 31st December 2024 and 31st December 2023, no financial assets and liabilities were carried at fair value.

21. CAPITAL COMMITMENT

Capital commitment at the end of the financial year is as follows:

	2024 RM	2023 RM
Approved and contracted for:		
- Property, plant and equipment	-	14,359

22. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to conform with current year's presentation.

23. CURRENCY

All amounts are stated in Ringgit Malaysia, unless otherwise indicated.

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Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

DETAILED PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

	2024 RM	2023 RM
REVENUE		
Tourism service fee	47,255,816	39,488,848
COST OF SALES		
Hotel, ticketing and tour package	(37,137,288)	(31,829,816)
GROSS PROFIT	10,118,528	7,659,032
OTHER OPERATING INCOME		
Brochures and collaterals	25,110	58,240
Other income	9,370	4,425
Support service fee	1,954,361	1,477,944
Unrealised gain on foreign exchange	267,403	-
	2,256,244	1,540,609
	12,374,772	9,199,641
MARKETING COSTS	(586,884)	(481,597)
ADMINISTRATIVE EXPENSES	(11,132,538)	(7,988,607)
PROFIT FROM OPERATIONS	655,350	729,437
FINANCE COSTS	(691,105)	(670,894)
(LOSS)/ PROFIT BEFORE TAXATION	(35,755)	58,543

The above detailed profit or loss was prepared for management purposes only and does not form part of the audited financial statements.

Registration No.
200001012196 (514802-A)

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

SCHEDULE OF EXPENSES
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024

	2024 RM	2023 RM
MARKETING COSTS		
Marketing survey expenses	278,644	234,805
Travelling and accommodation	308,240	246,792
	586,884	481,597
ADMINISTRATIVE EXPENSES		
Auditors' remuneration	22,000	22,000
Bad debts written off	98,049	4,531
Bank charges	67,471	34,084
Depreciation of property, plant and equipment	179,003	170,242
Depreciation of right-of-use asset	247,048	250,345
Directors' remuneration	630,965	451,950
Electricity and water	38,226	28,841
Electronic data processing maintenance fee	6,983	22,692
Gift and donation	4,064	-
Insurance and road tax	179,545	96,093
Legal fee	2,089	-
Licence fee	5,079	57,723
Loss on foreign exchange:		
- realised	628,588	66,714
- unrealised	-	319,348
Management fee	706,421	578,470
Office expenses	50,189	35,188
Other miscellaneous expenses	17,172	469
Postage and courier	2,377	1,913
Printing and stationery	10,256	15,902
Professional fees	1,235,805	742,353
Balance carried forward	4,131,330	2,898,858

The above detailed profit or loss was prepared for management purposes only and does not form part of the audited financial statements.

ASIAN TRAILS (M) SDN. BHD.

Incorporated in Malaysia

SCHEDULE OF EXPENSES
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2024 (Cont'd)

	2024 RM	2023 RM
ADMINISTRATIVE EXPENSES (cont'd)		
Balance brought forward	4,131,330	2,898,858
Rental of premises	15,200	-
Repair and maintenance	21,673	20,328
Recruitment cost	41,264	31,346
Staff costs		
- Salaries, allowances, wages and bonuses	5,894,599	4,318,409
- Employees' Provident Fund	530,641	391,110
- SOCSO	111,836	84,044
- Others	165,826	103,980
- Staff training	2,215	3,188
- Staff uniform	6,850	-
- Staff welfare and refreshment	40,218	41,435
Subscription fee	2,875	2,051
Tax consulting fee	10,180	9,650
Telephone and fax	70,374	63,272
Upkeep of computers	78,053	13,453
Workers' permit	9,404	7,483
	11,132,538	7,988,607
FINANCE COSTS		
Interest charged by immediate holding company	676,330	657,201
Interest in lease liability	14,775	13,693
	691,105	670,894

The above detailed profit or loss was prepared for management purposes only and does not form part of the audited financial statements.

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024

ASIAN TRAILS CO., LTD

ASIAN TRAILS CO., LTD

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3. Balance sheet	4
4. Profit and loss statement	5
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REPORT OF THE DIRECTORS

The Directors of Asian Trails Co., Ltd ('the company') present this report together with the audited financial statements for the fiscal year ended 31 December 2024.

Business highlights

- Asian Trails Co. Ltd is established under the business license No. 4102003844 granted by Planning and Investment Department on 22 February 2001 and the 10th changing of certificate business registration on 16 July 2020.
- Charter capital: VND 3,000,000,000 (three billion Vietnam Dong).
- Structure of charter capital as follows:

Members	As certificate of business registration	Rate
– Bui Viet Thuy Tien	VND 2,400,000,000	80%
– Bui Viet Hong Duc	VND 600,000,000	20%
Total	**VND 3,000,000,000**	**100%**

- Head office
  - Address: 10th Floor, 194 Golden Building, No. 473 Dien Bien Phu, Ward 25, Binh Thanh District, Ho Chi Minh City.
- Principal activities and significant changes to the business
  - Domestic and international tourist service, trading souvenir, handicraft products, commercial services, goods consignment agent.

Financial position and business results

The financial position as of Asian Trails Co., Ltd, the business results and the cash flows for the year then ended of the company have been expressed in the financial statements attached to this report (from page 04 to page 14).

Current assets

At the date of this report, the Directors are not aware of any circumstances, which would render the values attributed to current assets in the financial statements as misleading.

Contingent liabilities

At the date of this report, no contingent liabilities have arisen since the end of the fiscal year against the assets of the Company.

Subsequent events

The Directors of the company hereby confirm that there have been no events after 31 December 2024 to the date of this report, which need any adjustments on the figures or the disclosures in the financial statements.

The Board of Directors

The Board of Directors of the company during the year and as of the date of this report include:

Full name	Position
– Ms Bui Viet Thuy Tien	Director

Auditors

Thuy Chung Auditing - Branch of the Great South Auditing & Information Technology Solution Co., Ltd have performed the audit on the company's financial statements for the fiscal year ended 31 December 2024 and have expressed their willingness to be appointed the company's external auditors in the coming years.

Confirmations of the Directors

The Directors of the company are responsible for the preparation of the financial statements to give a true and fair view of the financial position as of the balance sheet date, the business results, and the cash flows of the company for each of the company's fiscal year. In order to prepare these financial statements, the Directors must:

- Select the appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently.
- Announce the accounting standards to be followed for the material issues to be disclosed and explained in the financial statements; and
- Prepare the financial statements of the company on the basis of the going-concern assumption, except for the cases that the going-concern assumption is considered inappropriate.

The Directors hereby ensure that all the requirements mentioned above have been followed when the financial statements are prepared, that all the accounting books of the company have been fully recorded and can fairly reflect the financial position of the company at any time, and that all the financial statements have been prepared in compliance with the Vietnamese accounting system and standards.

The Directors are also responsible to protect the assets of the company, and consequently have proceeded appropriate measures to prevent and to detect frauds and other irregularities.

We, the Directors of the company, confirm that all the accompanying financial statements and the notes to the financial statements have been properly prepared and have given a true and fair view of the financial position as of 31 December 2024, the business results and the cash flows for the year then ended of the company in compliance with the Vietnamese accounting system and standards as well as other related regulations.

For and on behalf of the Directors

BUI VIET THUY TIEN
Director
08 January 2025

KIỂM TOÁN THỦY CHUNG - CHI NHÁNH CÔNG TY KIỂM TOÁN VÀ GIẢI PHÁP CNTT ĐẠI NAM
THUY CHUNG AUDITING - BRANCH OF GREAT SOUTH AUDITING AND I.T. SOLUTION CO., LTD.
5th floor, 97 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, HCMC
Tel: (84 - 28) 39 141 152 / 39 141 153 Email: ktthuychung@thuychung.com.vn

No. CN/KTTC/156

INDEPENDENT AUDITOR'S REPORT

To: THE DIRECTOR OF ASIAN TRAILS CO., LTD

We have audited the accompanying financial statements of Asian Trails Co., Ltd for the fiscal year ended 31 December 2024 prepared on 08 January 2025 on pages from 04 to 14 including Balance Sheet, Income statement, Cash flow and Notes to the Financial Statements of your Company attached with hereafter.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese accounting standards and systems and statutory regulations relevant to preparation and presentation of financial statements; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material mis-statement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, in the all material respects, these financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations and its cash flow for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory regulations relevant to preparation and presentation of financial statements.

Thuy Chung Auditing - Branch of the Great South Auditing & Information Technology Solution Co., Ltd

KIỂM TOÁN THỦY CHUNG

Hoang Thi Thu Trieu – Deputy Director
Audit Practicing Registration
Certificate No. 2651-2023-169-1
Ho Chi Minh City, 24 March 2025

Tran Thien Tri – Auditor
Audit Practicing Registration
Certificate No. 6415-2025-169-1

BALANCE SHEET
As at 31 December 2024

UNIT : USD

Description	Note	As at 31 December 2024		As at 31 December 2023	
ASSETS					
Fixed assets					
– Historical cost	V.8	81.184,16		32.751,81	
– Accumulated depreciation	V.8	(36.699,34)		(32.751,81)	
			44.484,82		-
Current assets					
– Short-term deposits	V.3	45.822,98		25.959,64	
– Receivables from customers	V.4	1.400.254,88		1.433.008,09	
– Advance to suppliers	V.5	74.385,98		165.177,37	
– Other receivable	V.6	48.715,97		5.407,43	
– Prepaid expenses	V.7	39.822,34		36.606,02	
– Investments in other entities	V.10	41.203,20		41.203,20	
– Loan receivable	V.9	1.257.549,51		1.257.549,51	
			2.907.754,86		***2.964.911,26***
– Cash on hand	V.1	35.824,03		41.040,96	
– Cash at bank	V.2	3.009.171,58		2.124.275,93	
			3.044.995,61		***2.165.316,89***
TOTAL ASSETS			**5.997.235,29**		**5.130.228,15**
EQUITY					
– Paid-in capital	V.12	143.540,00		143.540,00	
– Undistributed earnings	V.12	893.542,46		549.337,94	
+ Retained earning of the previous years		*(50.982,44)*		*(24.734,52)*	
+ Profit/ losses of the current year		*944.524,90*		*574.072,46*	
			1.037.082,46		***692.877,94***
– Bonus and welfare funds		110.614,03		135.614,03	
– Payable to suppliers	V.13	730.187,07		771.874,72	
– Advance from customers	V.14	940.803,12		930.687,03	
– Lease liability		-		-	
– Personal income tax	V.15	(1.037,43)		354,48	
– Corporate income tax	V.15	289.233,01		206.233,01	
– Value added tax payable	V.15	896.972,13		770.084,41	
			2.966.771,93		***2.814.847,68***
– Others payable	V.16	69.414,06		55.361,04	
– Provision for unemployment	V.17	367.722,49		318.134,44	
– Accrual expenses	V.11	1.556.244,35		1.249.007,05	
			1.993.380,90		***1.622.502,53***
TOTAL EQUITY			**5.997.235,29**		**5.130.228,15**

Ho Chi Minh City, 08 January 2025

Chief accountant

PHAM THI KIM KHANH

Director

BUI VIET THUY TIEN

PROFIT AND LOSS STATEMENT
For the year 2024

UNIT : USD

Description	Note	Year 2024	Year 2023
INCOME		**19.170.515,24**	**13.995.090,13**
– Sales from rendering services	VI.1	18.710.168,40	13.718.984,87
– Financial income	VI.2	94.722,90	78.113,50
– Sales returns	VI.1	-	-
– Others income	VI.3	365.623,94	197.991,76
EXPENSES		**18.225.990,34**	**13.421.017,67**
– Cost of tours	VI.4	15.367.760,86	11.459.517,04
– Sales and marketing expenses	VI.5	174.466,80	118.823,96
– Depreciation expenses		3.947,53	70,28
– Personnel expenses	VI.6	1.029.663,07	861.063,78
– Management expenses	VI.7	793.751,60	483.853,23
– Bad debt		197.255,26	0,80
– Financial expenses	VI.8	-	-
– Bank charges	VI.8	18.969,41	12.318,48
– Taxes		363.941,08	252.550,96
– Management fees paid	VI.9	275.396,32	201.538,59
– Other expenses		838,41	31.280,55
PROFITS		**944.524,90**	**574.072,46**

Ho Chi Minh City, 08 January 2025

Chief Accountant	***Director***
PHAM THI KIM KHANH	**BUI VIET THUY TIEN**

NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended 31 December 2024

These notes are integral part of and should be read in conjunction with the financial statements for the fiscal year ended 31 December 2024 of Asian Trails Co., Ltd ("the Company").

I. OPERATION FEATURES

1. Form of owner: Asian Trails Co. Ltd is established under the business license No. 4102003844 granted by Planning and Investment Department on 22 February 2001 and the 10th changing of certificate business registration on 16 July 2021 has allowed the company to move the head quarter to10th Floor, 194 Golden Building, No. 473 Dien Bien Phu, Ward 25, Binh Thanh District, Ho Chi Minh City .

2. Business lines: Domestic and international tour service, trading souvenir, handicraft products, commercial services, goods consignment agent.

3. Material effects on the Company's operation:

- There have not any fluctuations which can cause material effects on the Company's operations during the year.

II. ACCOUNTING PERIOD AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. Fiscal year
The fiscal year is from 01 January to 31 December annual.

2. Standard currency unit used in accounting and method of foreign currency transaction
The standard currency unit used is USD, other currencies are converted into USD at the time the business transactions happen with the exchange rate issued by State Bank or real exchange ruling at the date of the transaction.

III.ACCOUNTING SYSTEM AND STANDARDS

1. Accounting system
The company adopt the International Accounting Standards.

2. Accounting form:
General Journal.

3. Fixed assets and depreciation of fixed assets

Evaluation method

Historical costs of fixed assets include the buying prices and other directly related costs to put the fixed assets into use.

When the assets are disposed or liquidated, their historical costs and accumulated depreciation are written off then any profit or loss generated from the liquidation is included in the Income Statement.

Depreciation method

Fixed assets are depreciated in accordance with the straight-line method to write off their historical costs during their estimated useful lives as stipulated in the Decision No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance.

The annual depreciation periods applied are as follows:

Fixed assets	Years
Office equipment	03
Means of transportation	10
Intangible fixed assets	03

4. Method of sales and expenditure recognition

Revenue of sales is recognized in the income statement when service is performed.
Expenses are recorded corresponding to the sales at the transaction dates.

5. Principles of recognized accruals and unemployment funds.

Accrued tours cost made by invoices received up to the date signed financial report and estimated by the managers.
Unemployment fund made by 50% of one month salaries.

6. Principles for recognized provision for bad debts.

Provision for bad debts made for all trade receivables over due 3 months.

IV. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

Unit: USD

1. Cash on hand

	Ending balance	Beginning balance
– Cash on hand at Ho Chi Minh Office	**16.267,18**	**19.531,71**
+ Cash in hand (USD)	9.177,36	1.431,78
+ Cash in hand (VND)	7.089,82	18.099,93
(equipvalent in VND)	*180.678.324*	*439.105.554*
– Cash on hand – Da Nang Branch	**15.194,27**	**5.687,79**
+ Cash in hand (USD)	3.428,00	1.578,00
+ Cash in hand (VND)	11.766,27	4.109,79
(equipvalent in VND)	*299.853.851*	*98.920.448*
– Cash on hand – Ha Noi Branch	**4.362,58**	**15.821,46**
+ Cash in hand (USD)	3.519,89	5.897,89
+ Cash in hand (VND)	842,69	9.923,57
(equipvalent in VND)	*21.475.298*	*240.746.467*
TOTAL	**35.824,03**	**41.040,96**

2. Cash in bank

	Ending balance	Beginning balance
– Cash at bank - Ho Chi Minh Office	**2.733.308,71**	**1.328.777,36**
At Viecombank	***2.475.458,90***	***1.112.738,15***
+ Cash at bank (VND)	141.815,88	56.628,74
(equipvalent in VND)	*3.614.063.602*	*1.326.883.451*
+ Cash at bank (USD)	2.327.878,55	1.012.777,58
+ Cash at bank (EUR)	5.764,47	43.331,83
At ACB	***257.849,81***	***216.039,21***
+ Cash at bank (VND)	91.582,73	121.327,21
(equipvalent in VND)	*2.333.912.644*	*2.943.527.421*
+ Cash at bank (VND)	3.309,45	-
(equipvalent in VND)	*84.338.583*	-
+ Cash at bank (USD)	162.957,63	94.712,00
– Cash at bank - Da Nang Branch	**121,43**	**216,76**
(equipvalent in VND)	*3.094.475*	*5.258.660*
– Cash at bank - Ha Noi Branch	**77,03**	**10,18**
(equipvalent in VND)	*1.962.937*	*246.945*
– Cash at DBS BANK (Singapore)	**275.664,41**	**795.271,63**
TOTAL	**3.009.171,58**	**2.124.275,93**

3. Short-term deposits

	Ending balance	Beginning balance
– Office rental in Saigon	2.222,93	14.390,13
– Lu hanh quoc te	11.210,76	11.210,76
– Vina SUN	133,42	134,53
– Roaming	222,37	224,22
– Office rental at 194 Golden	29.600,62	-
– Office rental in Da Nang	549,36	-
– Office rental in Ha Noi	1.883,52	-
TOTAL	**45.822,98**	**25.959,64**

4. Receivables from customers

	Ending balance	Beginning balance
– Other receivables	1.400.254,88	1.433.008,09
TOTAL	**1.400.254,88**	**1.433.008,09**

5. Advance to supliers

	Ending balance	Beginning balance
– Other receivables	74.385,98	165.177,37
TOTAL	**74.385,98**	**165.177,37**

6. Other receivables

	Ending balance	Beginning balance
– Other receivables	48.715,97	5.407,43
TOTAL	**48.715,97**	**5.407,43**

7. Prepaid expenses

	Ending balance	Beginning balance
– Prepaid Expenses - Insurance	0,18	0,18
– Prepaid Expenses - Others	35.089,69	35.229,38
– Prepaid Expenses - Rent	967,80	81,84
– Prepaid Expenses - Other Stock	635,81	1.270,61
– Prepaid Expenses - Internet & Software Licence	3.128,86	24,01
TOTAL	**39.822,34**	**36.606,02**

8. Fixed assets

Items	Office equipment	Transportation	Total
Historical costs			
Beginning balance	**31.248,25**	**1.503,56**	**32.751,81**
– Increases	**2.777,11**	**45.655,24**	**48.432,35**
In Which:			-
New purchases	*2.777,11*	*45.655,24*	*48.432,35*
– Decreases			**-**
Ending balance	**34.025,36**	**47.158,80**	**81.184,16**
Depreciation			
Beginning balance	**31.248,25**	**1.503,56**	**32.751,81**
– Increases	123,38	3.824,15	3.947,53
– Decreases		-	-
Ending balance	**31.371,63**	**5.327,71**	**36.699,34**
Net book values			-
– Beginning balance	-	-	**-**
– Ending balance	**2.653,73**	**41.831,09**	**44.484,82**

9. Loan receivable

	Ending balance	Beginning balance
– Loan receivable	1.257.549,51	1.257.549,51
Total	**1.257.549,51**	**1.257.549,51**

Loan receivable in details as at 31 December 2024:

	USD
– Asian Trails Holding	1.139.145,65
– Asian Trails Thai Lan	54.407,68
– Ms Bui Viet Thuy Tien	63.996,18
	1.257.549,51

10. Investments in other entities

	Ending balance	Beginning balance
– Investments in other entities	41.203,20	41.203,20
TOTAL	**41.203,20**	**41.203,20**

11. Accrued expenses

	Ending balance	Beginning balance
– Accrued liabilities - Cost of sales (NetSuite)	1.201.685,35	1.050.587,63
– Accrued liabilities - Others	109.451,87	34.539,13
– Accrued liabilities - Cost of sales (Passion)	-	-
– Accrued liabilities - Sales Commission	171.918,48	92.519,16
– Accrued intercompany expenses	63.698,83	62.798,83
– Accrued liabilities - Audit Fee	4.906,51	3.978,99
– Accrued liabilities - Non current ROU Lease Liability	4.583,31	4.583,31
TOTAL	**1.556.244,35**	**1.249.007,05**

12. Paid-in capital

Statement of fluctuations in owner's equity

	Capital	Retained earnings	Total
Beginning balance of the previous year	**143.540,00**	**(24.734,52)**	**1.240.174,66**
– Capital increased in the previous year	-	-	**-**
– Profit of the previous year	-	574.072,46	**574.072,46**
– Profit sharing of the previous year	-	-	**-**
Ending balance of the current year	**143.540,00**	**549.337,94**	**692.877,94**
Beginning balance of the current year	**143.540,00**	**549.337,94**	**692.877,94**
– Capital increased in the year	-	-	**-**
– Profit of the current year	-	944.524,90	**944.524,90**
– Profit sharing of the current year	-	(600.000,00)	**(600.000,00)**
– Other adjustment of the current year		(320,38)	**(320,38)**
Ending balance of the current year	**143.540,00**	**893.542,46**	**1.037.082,46**

13. Payable to suppliers

	Ending balance	Beginning balance
– Payable to suppliers	730.187,07	771.874,72
TOTAL	**730.187,07**	**771.874,72**

14. Advance to customers

	Ending balance	Beginning balance
– Advance to customers	940.803,12	930.687,03
TOTAL	**940.803,12**	**930.687,03**

15. Tax payable

	Ending balance	Beginning balance
– Personal income tax	(1.037,43)	354,48
– Corporate income tax	289.233,01	206.233,01
– Value added tax payable	896.972,13	770.084,41
TOTAL	**1.185.167,71**	**976.671,90**

16. Other payable

	Ending balance	Beginning balance
– Other payable	69.414,06	55.361,04
TOTAL	**69.414,06**	**55.361,04**

17. Provision for unemployment

	Ending balance	Beginning balance
– Provision for unemployment	367.722,49	318.134,44
TOTAL	**367.722,49**	**318.134,44**

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

1. Sales from rendering services

	Current year	Previous year
– Sales from tours	18.710.168,40	13.718.984,87
TOTAL	**18.710.168,40**	**13.718.984,87**

2. Financial income

	Current year	Previous year
– Interest income	80.775,43	78.113,50
– Difference exchange rate	13.947,47	-
TOTAL	**94.722,90**	**78.113,50**

3. Other income

	Current year	Previous year
– Other income	365.623,94	197.991,76
TOTAL	**365.623,94**	**197.991,76**

4. Cost of sales

	Current year	Previous year
– Cost of tours	15.367.760,86	11.459.517,04
TOTAL	**15.367.760,86**	**11.459.517,04**

5. Sales & marketing expenses

	Current year	Previous year
– Gift to customer	-	93,83
– Trade shows expenses	-	1.007,57
– Advertising local	88,07	108,94
– Brochures & printing costs	613,16	-
– Agent Inspection Trip Expenses	8.410,51	10.745,12
– Commission of sales	94.813,06	69.080,17
– Other marketing & advertising expenses	70.542,00	37.788,33
TOTAL	**174.466,80**	**118.823,96**

6. Personnel expenses

	Current year	Previous year
– Salaries & wages	906.478,96	769.109,53
– Social security fund	71.795,65	54.898,03
– Medical, health insurance	4.956,32	3.523,71
– Training & recruitment	9.348,49	4.081,99
– Others personnel expenses	37.083,65	29.450,52
TOTAL	**1.029.663,07**	**861.063,78**

7. Management expenses

	Current year	Previous year
Communication expenses		
– Telephone charges	3.237,27	2.856,34
– Postage and courier expenses	886,41	716,82
Total Communication expenses	**4.123,68**	**3.573,16**
Office expenses		
– Office rental	111.902,26	74.096,40
– Electricity and water expenses	9.420,47	6.341,24
– Software maintenance expenses	257,38	526,66
– IT expenses	8.513,46	4.350,45
– Other office expenses	29.317,37	19.639,35
Total Office expenses	**159.410,94**	**104.954,10**
Administration expenses		
– Printing and stationeries expenses	2.345,51	3.319,24
– Audit fees	3.000,00	3.000,00
– Transportation expenses	15.128,38	5.991,04
– Accomodation expenses	1.410,49	-
– Travelling expenses	78.793,32	30.226,30
– Entertainment expenses	1.308,13	2.424,38
– Insurance expenses	9.887,13	8.918,60
– Membership fees	143,93	-
– Others administration expenses	763,59	3.749,19
– Other miscellaneous expense	515.917,03	317.697,22
– Donation	1.178,70	-
– Donation	340,77	-
Total Administration expenses	***630.216,98***	***375.325,97***
TOTAL	**793.751,60**	**483.853,23**

8. Financial expense & bank charge

	Current year	Previous year
– Bank charge	18.969,41	12.318,48
TOTAL	**18.969,41**	**12.318,48**

9. Others expenses

	Current year	Previous year
– Corporate income tax expenses	83.164,32	48.170,14
– Value added tax expenses	280.776,76	204.380,82
TOTAL	**363.941,08**	**252.550,96**

VI. SUBSEQUENT EVENT

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

PHAM THI KIM KHANH
Chief Accountant
08 January 2025

BUI VIET THUY TIEN
Director

Asian Trails Ltd.

Financial statements for the year ended
31 March 2025
and
Independent Auditor's Report

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Independent Auditor's Report

To the Shareholders of Asian Trails Ltd.

Opinion

I have audited the financial statements of Asian Trails Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2025, the statements of income and changes in capital deficiency for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025 and its financial performance for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS for NPAEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
30 May 2025

Asian Trails Ltd.

Statement of financial position

Assets	Note	31 March 2025	2024
		(in Baht)	
Current assets			
Cash and cash equivalents		19,077,947	11,998,473
Trade and other current receivables	*4*	256,611,955	234,564,854
Other current assets		148,693,762	44,169,770
Total current assets		**424,383,664**	**290,733,097**
Non-current assets			
Investment in subsidiaries	*5*	5,999,840	5,999,840
Leasehold improvements and equipment	*6*	11,824,051	11,696,669
Intangible assets		-	62,582
Deferred tax assets	*7*	18,082,273	15,922,966
Restricted deposits at financial institution		10,000	10,000
Other non-current assets		2,534,099	2,134,917
Total non-current assets		**38,450,263**	**35,826,974**
Total assets		**462,833,927**	**326,560,071**

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

Asian Trails Ltd.

Statement of financial position

Liabilities and capital deficiency	Note	31 March 2025	2024
		(in Baht)	
Current liabilities			
Bank overdrafts	*8*	25,076,280	29,108,231
Trade and other current payables		359,064,412	324,440,139
Short-term borrowing from immediate parent company	*8*	37,996,000	52,906,875
Short-term borrowing from related parties	*8*	3,345,780	4,390,533
Advance received from customers		233,479,007	73,788,336
Other current liabilities		1,859,806	3,132,938
Total current liabilities		**660,821,285**	**487,767,052**
Non-current liability			
Long-term borrowing from immediate parent company	*8*	253,759,000	254,682,750
Non-current provisions for employee benefits	*9*	31,181,589	27,042,339
Total non-current liability		**284,940,589**	**281,725,089**
Total liabilities		**945,761,874**	**769,492,141**
Capital deficiency			
Share capital			
Authorised share capital		24,000,000	24,000,000
(240,000 ordinary shares, par value at Baht 100 per share)			
Issued and paid-up share capital		24,000,000	24,000,000
(240,000 ordinary shares, par value at Baht 100 per share)			
Deficit			
Appropriated			
Legal reserve		2,400,000	2,400,000
Deficit		(509,327,947)	(469,332,070)
Capital deficiency		**(482,927,947)**	**(442,932,070)**
Total liabilities and capital deficiency		**462,833,927**	**326,560,071**

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

Asian Trails Ltd.

Statement of income

	Note	Year ended 31 March 2025	2024
		(in Baht)	
Income			
Revenue from rendering of services		1,818,620,171	1,304,216,605
Interest income		9,983	10,477
Other income		57,271,437	42,330,797
Net foreign exchange gain		23,348,242	-
Total income		**1,899,249,833**	**1,346,557,879**
Expenses			
Cost of rendering of services		1,588,074,337	1,110,996,568
Selling expenses		25,996,734	17,783,279
Administrative expenses		295,646,837	231,178,869
Net foreign exchange loss		-	22,559,717
Total expenses		**1,909,717,908**	**1,382,518,433**
Loss before finance costs and income tax expense		**(10,468,075)**	**(35,960,554)**
Finance costs		31,687,109	29,564,124
Loss before income tax expense		**(42,155,184)**	**(65,524,678)**
Income tax expense (income)	*7*	(2,159,307)	490,696
Net loss		**(39,995,877)**	**(66,015,374)**

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

Asian Trails Ltd.

Statement of changes in capital deficiency

	Retained earnings (Deficit)			
	Issued and paid-up share capital	Legal reserve	Unappropriated (Deficit)	Total equity (capital deficiency)
		(in Baht)		
Year ended 31 March 2024				
Balance at 1 April 2023	**24,000,000**	**2,400,000**	**(403,316,696)**	**(376,916,696)**
Net loss	-	-	(66,015,374)	(66,015,374)
Balance at 31 March 2024	**24,000,000**	**2,400,000**	**(469,332,070)**	**(442,932,070)**
Year ended 31 March 2025				
Balance at 1 April 2024	**24,000,000**	**2,400,000**	**(469,332,070)**	**(442,932,070)**
Net loss	-	-	(39,995,877)	(39,995,877)
Balance at 31 March 2025	**24,000,000**	**2,400,000**	**(509,327,947)**	**(482,927,947)**

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

Asian Trails Ltd.
Notes to the financial statements
For the year ended 31 March 2025

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Trade and other current receivables
5	Investment in subsidiaries
6	Leasehold improvements and equipment
7	Deferred tax
8	Interest-bearing liabilities
9	Non-current provision for employee benefits
10	Commitments
11	Other information

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the directors on 30 May 2025.

1 General information

Asian Trails Ltd., the "Company", is incorporated in Thailand and has its registered office at no. 183 Regent House Building, 12th Floor, Rajdamri Road, Lumpini Sub-district, Pathumwan Distrrict, Bangkok. The principal activity of the Company is tour operating services, both inbound and outbound services.

The immediate and ultimate parent companies during the financial year were Asian Trails Holding Ltd. and Thomas Cook (India) Limited, which are incorporated in Republic of Mauritius and India, respectively.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised B.E. 2565) ('TFRS for NPAEs'), which promulgated by the Federation of Accounting Professions (TFAC)

In addition, the Company has applied the following Thai Financial Reporting Standard for Publicly Accountable Entities (TFRS for PAEs).

TFRS	Topic
TAS 12	Income Taxes

The financial statements are prepared and presented in Thai Baht. Accounting policies disclosed in Note 3 are applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Use of going concern basis of accounting

For the year ended 31 March 2025, the Company incurred a net loss of Baht 40.00 million *(for the year ended 31 March 2024: net loss of Baht 66.00 million)* and, as of that date, the Company's current liabilities exceeded its current assets by Baht 236.44 million *(2024: Baht 197.03 million)* and the Company had deficit of Baht 509.33 million *(2024: Baht 469.33 million)* and capital deficiency as of that date of Baht 482.93 million *(2024: Baht 442.93 million)*. Such circumstances indicate the existence of an uncertainty which may cast doubt about the Company's ability to continue as a going concern.

However, the financial statements have been prepared assuming the Company will continue on a going concern basis because the immediate parent company has provided a formal undertaking to provide financial support to enable the Company to continue its operations and to meet its liabilities as they fall due for at least 12 months from the reporting date. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or the classification of the recorded liabilities amounts that might be necessary should the Company be unable to continue its operations as a going concern.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to Thai Baht at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated at the exchange rate at the reporting date.

Foreign currency differences are recognised in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and demand deposits.

(c) Trade and other receivables

Trade and other receivables measured at invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred. Bad debts recovered are recognised in other income in the statement of income.

(d) Investment

Investment in subsidiaries

Investment in subsidiaries are measured at cost less loss on decline in value.

(e) Leasehold improvements and equipment

Leasehold improvements and equipment are measured at cost less accumulated depreciation and losses on decline in value.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of leasehold improvements and equipment are recognised in the statement of income.

Leased assets

Assets which the Company leases and substantially assumes all the risk and rewards of ownership are classified as finance leases and recognised as leasehold improvements and equipment at the lower of its fair value and the present value of the minimum lease payments, plus initial direct costs, less accumulated depreciation and losses on decline in value. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of income.

Subsequent costs

The cost of replacing a part of an item of leasehold improvements and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of leasehold improvements and equipment are recognised in the statement of income as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of each component of an asset and recognised in the statement of income. The estimated useful lives are as follows:

Leasehold improvements	10 years
Furniture, fixtures and office equipment	3 and 5 years
Vehicles	5 years

(f) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and loss on decline in value.

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in the statements of income. The estimated useful lives are as follow:

Computer software	3 years

(g) Losses on decline in value

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of a permanent decline in value. If any such indication exists, the assets' recoverable amounts are estimated. A loss on decline in value is recognised if the carrying amount of an asset exceeds its recoverable amount. The loss on decline in value is recognised in the statement of income.

(h) Interest-bearing liabilities

Interest-bearing liabilities are measured initially at fair value less attributable transaction charges and subsequently at amortised cost. Differences between cost and redemption value is amortised using the effective interest rate method over the term of the borrowings.

(i) Trade and other payables

Trade and other payables are stated at cost.

(j) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

Provision for employee benefits

Provision for employee benefits are recognised using the best estimate method at the reporting date. The Company derecognises the provision when actual payment is made.

(k) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and rendering of services

Revenue from sale of ticket is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from tour operating is recognised as services are provided.

Interest income

Interest income is recognised using the effective interest method.

(l) Operating leases

Payments made under operating leases are recognised on a straight-line basis over the term of the lease.

(m) Finance costs

Interest expenses and similar costs are recognised using the effective interest rate method.

(n) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in the statement of income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination or at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4 Trade and other current receivables

	2025	2024
	(in thousand Baht)	
Trade and other current receivables	258,277	235,063
Less allowance for doubtful accounts	(1,665)	(498)
Net	**256,612**	**234,565**
Doubtful debts written-off	1,168	-
Bad debts (bad debts recovered)	496	(59)

5 Investment in subsidiaries

	2025	2024
	(in thousand Baht)	
Investment in subsidiaries, at cost-net	**6,000**	**6,000**

Investment in subsidiaries as at 31 March 2025 and 2024, was as follow:

Subsidiaries	Type of Business	Ownership interest		Paid-up capital		Cost		Allowance for losses on decline in value		At cost - net	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
		(%)				*(in thousand Baht)*					
Chang Som Co., Ltd.	Rendering of transportation services	99.99	99.99	6,000	6,000	6,000	6,000	-	-	6,000	6,000
Thomas Cook In Destination Management (Thailand) Co., Ltd. (note)	Tour operating services	49.00	49.00	-	-	-	-	-	-	-	-
Total						**6,000**	**6,000**	**-**	**-**	**6,000**	**6,000**

Note: On 3 January 2020, Asian Trails Co., Ltd. invested in Thomas Cook In Destination Management (Thailand) Co., Ltd. for 117,600 shares at total cost of 40 Baht. The Company holds 49% shares in Thomas Cook In Destination Management (Thailand) Co., Ltd. but has power to control and made decisions on operations of such company. Therefore, the Company classified investment in such company as investment in subsidiary. During the year ended 31 March 2024, Thomas Cook In Destination Management (Thailand) Co., Ltd. has entered into liquidation process.

6 Leasehold improvements and equipment

	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Total
		(in thousand Baht)		
Cost				
At 1 April 2023	7,607	28,926	16,090	52,623
Additions	7,206	3,609	-	10,815
Disposal	(7,607)	-	-	(7,607)
At 31 March 2024 and 1 April 2024	**7,206**	**32,535**	**16,090**	**55,831**
Additions	528	3,023	-	3,551
Disposal	-	-	(11,528)	(11,528)
At 31 March 2025	**7,734**	**35,558**	**4,562**	**47,854**
Depreciation				
At 1 April 2023	7,420	25,958	15,944	49,322
Depreciation charge for the year	695	1,404	110	2,209
Disposal	(7,397)	-	-	(7,397)
At 31 March 2024 and 1 April 2024	**718**	**27,362**	**16,054**	**44,134**
Depreciation charge for the year	764	2,624	36	3,424
Disposal	-	-	(11,528)	(11,528)
At 31 March 2025	**1,482**	**29,986**	**4,562**	**36,030**
Net book value				
At 31 March 2024				
Owned assets	6,488	5,173	1	11,662
Assets under finance leases	-	-	35	35
	6,488	**5,173**	**36**	**11,697**
At 31 March 2025				
Owned assets	6,252	5,572	-	11,824
Assets under finance leases	-	-	-	-
	6,252	**5,572**	**-**	**11,824**

7 Deferred tax

Deferred tax assets as at 31 March 2025 and 2024 were as follow:

	2025	2024
	(in thousand Baht)	
Deferred tax assets	**18,082**	**15,923**

Movements in deferred tax assets during the year ended 31 March 2025 and 2024 were as follows:

	At 1 April 2024	(Charged) / Credited to: Statement of income	At 31 March 2025
		(in thousand Baht)	
Deferred tax assets			
Trade accounts receivable	100	233	333
Provision for employee benefits	4,310	1,926	6,236
Loss carry forward	11,513	-	11,513
Total	**15,923**	**2,159**	**18,082**

	At 1 April 2023	(Charged) / Credited to: Statement of income	At 31 March 2024
		(in thousand Baht)	
Deferred tax assets			
Trade accounts receivable	100	-	100
Provision for employee benefits	4,801	(491)	4,310
Loss carry forward	11,513	-	11,513
Total	**16,414**	**(491)**	**15,923**

Deferred tax asset has not been recognised in respect of the following item:

	2025	2024
	(in thousand Baht)	
Tax losses	276,311	307,571
Total	**276,311**	**307,571**

8 Interest-bearing liabilities

	2025	2024
	(in thousand Baht)	
Current		
Bank overdrafts-secured	25,076	29,108
Short-term borrowing from immediate parent company	37,996	52,907
Short-term borrowing from related parties	3,346	4,390
Total	**66,418**	**86,405**
Non-current		
Long-term borrowing from immediate parent company	253,759	254,683
Total	**253,759**	**254,683**
Total interest-bearing liabilities	**320,177**	**341,088**

As at 31 March 2025, the Company had overdrafts facilities with a financial institution in the amount of Baht 50 million *(2024: Baht 50 million)*, at the interest rate of MOR per annum. The overdraft facilities are secured by Thomas Cook (India) Limited, the ultimate parent company.

As at 31 March 2025, the Company had loan with immediate parent company in the amount USD 1.12 million and USD 7.48 million, respectively (equivalent to Baht 38.00 million and Baht 253.76 million, respectively) which bear interest at the rate of 9.32% - 9.82% per annum *(2024: USD 1.45 million and USD 6.98 million, respectively (equivalent to Baht 52.91 million and Baht 254.68 million, respectively) which bear interest at the rate of 8.48% - 8.86% per annum)*. Short-term borrowing amounting to Baht 38.00 million is repayable on demand. Long-term borrowing amounting to Baht 253.76 million will be due for full repayment in September 2027.

As at 31 March 2025, the Company had loans with related parties in the total amount of USD 0.05 million (equivalent to Baht 1.85 million) and Baht 1.50 million which bear interest at the rate of 0.45% - 6.13% per annum *(2024: USD 0.05 million (equivalent to Baht 1.99 million) and Baht 2.41 million which bear interest at the rate of 0.45% - 6.16% per annum)*.

9 Non-current provisions for employee benefits

	Retirement benefits *(in thousand Baht)*
At 1 April 2023	24,006
Addition	3,525
Paid	(489)
At 31 March 2024 and 1 April 2024	**27,042**
Addition	4,140
At 31 March 2025	**31,182**

10 Commitments

(a) Office rental agreements

The Company entered into office rental agreements (including related services) for periods of 1 to 3 years. The Company committed to pay rental and service fees as follows:

	2025	2024
	(in thousand Baht)	
Non-cancellable operating lease commitments		
Within 1 year	11,262	7,835
After 1 year but within 5 years	1,822	7,941
Total	**13,084**	**15,776**

(b) Other commitment

	2025	2024
	(in thousand Baht)	
Other commitment		
Bank guarantees	**2,700**	**700**

Bank guarantees were issued by a local bank under the requirement of International Air Transport Association.

11 Other information

The Company opened bank accounts on behalf of a related party in Myanmar for 2 current accounts and 4 saving accounts. As at 31 March 2025, the balance of 2 current accounts were in the amount of Baht 114,811.56 *(2024: Baht 114,811.56)* and balances of 4 saving accounts were in the amount of USD 3,336.19, Baht 992.78 and EUR 5,822.47, respectively *(2024: USD 30,177.51 and Baht 1,285.62, respectively)*. These 6 accounts were not included in the Company's accounting records for the year ended 31 March 2025 and 2024.

CHANG SOM COMPANY LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

VC ADVISE
BANCHEE
AUDIT & ACCOUNTING

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Directors of **Chang Som Company Limited**

Opinion

I have audited the financial statements of Chang Som Company Limited (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Varinpatt Leerasuntornrangsri

Certified Public Accountant Registration No. 11692

VC Advise Banchee Co., Ltd

51/51 Ivy River Condo, Ratchaburana Road,

Bangpakok, Ratchaburana District, Bangkok, Thailand, 10140

31 March 2025

CHANG SOM COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Notes	2024 Baht	2023 Baht
Assets			
Current assets			
Cash and cash equivalents	4	609,846.87	861,095.09
Trade and other current receivables	5,6	13,399,078.00	10,291,096.38
Long-term loan - due within 1 year	5	-	2,267,833.27
Other current assets		-	40,526.66
Total current assets		14,008,924.87	13,460,551.40
Non-current assets			
Equipments-net	7	3.00	3.00
Other non-current assets		6,727.64	1,853.56
Total non-current assets		6,730.64	1,856.56
Total assets		14,015,655.51	13,462,407.96

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD.

The accompanying notes are an integral part of the financial statements.

CHANG SOM COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Notes	2024 Baht	2023 Baht
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current Liabilities			
Trade and other current payables	5,8	4,238,070.98	4,598,398.05
Total current liabilities		4,238,070.98	4,598,398.05
Non-current Liabilities			
Provisions for employee benefits	9	238,041.70	211,319.99
Total non-current liabilities		238,041.70	211,319.99
Total Liabilities		4,476,112.68	4,809,718.04
Shareholders' Equity			
Share capital			
Authorized share capital			
Ordinary shares 60,000 shares, Baht 100 par value		6,000,000.00	6,000,000.00
Paid-up share capital			
Ordinary shares 60,000 shares, paid-up of Baht 100 each		6,000,000.00	6,000,000.00
Retained earnings			
Appropriated			
Legal reserve	10	506,098.28	506,098.28
Unappropriated		3,033,444.55	2,146,591.64
Total Shareholders' Equity		9,539,542.83	8,652,689.92
Total Liabilities and Shareholders' Equity		14,015,655.51	13,462,407.96

These Financial statement are authorized by the Company's Shareholder meeting no. 1/2025 on _____

Signed ..... Director
(Mr.Lersan Misitsakul)

The accompanying notes are an integral part of the financial statements.

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

CHANG SOM COMPANY LIMITED
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Notes	2024 Baht	2023 Baht
Revenue			
Revenue from rendering of services	5	24,414,421.00	21,550,996.00
Other income	5	76,429.10	23,075.94
Total revenues		**24,490,850.10**	**21,574,071.94**
Cost of services		(21,988,794.20)	(19,425,763.00)
Administrative expenses		(1,393,487.33)	(1,244,523.08)
Total expenses		**(23,382,281.53)**	**(20,670,286.08)**
Profit before income tax		1,108,568.57	903,785.86
Income tax		(221,715.66)	(211,879.31)
Net profit (loss) for the year		886,852.91	691,906.55

Signed ..... Director
(Mr.Lersan Misitsakul)

The accompanying notes are an integral part of the financial statements.

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

CHANG SOM COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Paid-up	Retained earnings		
	share capital	Appropriated	Unappropriated	Total
Balance as at January 1, 2023	6,000,000.00	506,098.28	1,454,685.09	7,960,783.37
Net gain (loss) for the year	-	-	691,906.55	691,906.55
Balance as at December 1, 2024	6,000,000.00	506,098.28	2,146,591.64	8,652,689.92
Net gain (loss) for the year	-	-	886,852.91	886,852.91
Balance as at December 31, 2024	6,000,000.00	506,098.28	3,033,444.55	9,539,542.83

Signed ..... Director
(Mr.Lersan Misitsakul)

The accompanying notes are an integral part of the financial statements.

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

1. GENERAL INFORMATION

Chang Som Company Limited ("the Company") is incorporated under the law of Thailand on August 23, 2002. Registered Number 0105545087655. The principal business operation of the Company is to provide transportation services which exemption from the value added tax law 81(1). The address of its registered office is located on 12th floor, the Regent House Building, 183 Ratchadamri Road, Lumphini. Patumwan, Bangkok 10330

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) (Revised B.E. 2565), as issued by the Federation of Accounting Professions, and in compliance with the Notification of the Department of Business Development regarding the summary reports required to be included in financial statements, B.E. 2566.

The financial statements have been prepared under the historical cost convention.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash comprise cash on hand, deposit held at call with banks but exclude deposits with banks which are held to maturity, certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalent comprise short-term highly liquid investments with maturities of three months or less from the date of acquisition.

3.2 Trade and other receivable

Trade and other receivable are initially recognised at the fair value of the consideration received or receivable and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in the income statement.

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

3.3 Loans

Loans are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date or it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. If the borrowings do not meet the criteria as aforementioned, the borrowings are classified as non-current liabilities.

3.4 Equipments

An item of building improvements and equipment is stated at cost less any accumulated depreciation and any accumulated allowance for impairment (if any).

Depreciation is calculated on the straight line basis to their costs over the estimated useful life of equipment is 5 years. Depreciation expenses record as administrative expenses.

The assets' residual value, useful lives, and depreciation method are regularly reviewed.

3.5 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3.6 Provisions for employee benefits

An entity has an obligation under labour law in benefit payable under the plan for employees until retirement date. The maximum amount of obligation shall not exceed the amount of final salary payable for 13.33 months (400 days). The employees will receive the payment amount at retirement date. An entity estimated a provision at the end of reporting period, which calculation is based on current salary reflected by the employee turnover and the proportion of working period of employees and working period until retirement.

3.7 Income tax

Income tax paid to the authorities will be recognised as expenses in statement of income. The Company recognises income taxes payable netting off withholding taxes in liabilities.

3.8 Revenue

Service income is recognized as services provided.

Other revenues earned by the Company are recognised on the following basis:

- interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

3.9 Expense

Payments made under operating leases are recognized in the statement of income on a straight- line basis over the term of the lease.

Expense is recognized in the statement of income as it accrues.

3.10 Foreign currency transactions

Items included in the financial statements of the Company are measured using Thai Baht. The financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, foreign currency monetary balances are translated by using the exchange rate at the closing rate. Monetary assets denominated in foreign currency are translated to Thai Baht by using a bank' s buying rate and monetary liabilities denominated in foreign currency are translated to Thai Baht by using a bank' s selling rate. Non-monetary balances denominated in a foreign currency are carried at cost using the exchange rate at the date of transaction.

Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

4. CASH AND CASH EQUIVALENTS

	2024 Baht	2023 Baht
Cash	15,578.75	2,368.25
Cash at banks	594,268.12	858,726.84
Total Cash and cash equivalents	609,846.87	861,095.09

5. RELATED PARTY TRANSACTIONS

The Company had business transactions with its related company which are related by shareholding or directorship. These transactions were concluded on the terms and basis stated in the relevant agreement, or as agreed by the Company.

The Company had significant business transactions with its related company for the year ended December 31, 2024 and 2023, and outstanding balance with its related company as summarized below:

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD.

5. RELATED PARTY TRANSACTIONS (Continue)

	2024 Baht	2023 Baht
Statements of financial position		
Asian Trails Ltd.		
Trade receivables	11,714,223.00	8,096,551.94
Accrued incomes	1,582,855.00	2,020,544.44
Long-term loans - Due within 1 year	-	2,267,833.27
Other payables	(2,575,198.49)	(2,575,198.49)
Advance incomes	-	(75,433.04)
Statements of income		
Asian Trails Ltd.		
Revenue from rendering of services (Cost of service plus certain	24,414,421.00	21,550,996.00
Interest income	75,433.04	22,666.96
Rental expense	100,800.00	92,700.00

The movements of loan to related party were as follows;

Asian Trails Ltd.	2024 Baht	2023 Baht
Balance as at January 1,	2,267,833.27	7,720,833.31
Addition	-	-
Repayment	(2,267,833.27)	(5,453,000.04)
Balance as at December 31,	-	2,267,833.27

As at January 1, 2022, the Company entered into a loan agreement with a related party, the Company adjusts trade accounts receivable - related party to loan to related party. Such loan agreement determine payment within 3 years, interest rate of 0.45% per annum.

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD

6. TRADE AND OTHER CURRENT RECEIVABLES

	2024 Baht	2023 Baht
Trade receivables		
Trade receivables-related party	11,714,223.00	8,096,551.94
Accrued incomes-related party	1,582,855.00	2,020,544.44
Other receivables	102,000.00	174,000.00
Total trade and other receivables	13,399,078.00	10,291,096.38

7. EQUIPMENTS - NET

	Equipment Baht
Cost	
As at January 1, 2023	27,772.06
Additions	-
Disposal/Write off - net	(9,880.00)
As at December 31, 2023	17,892.06
Additions	-
Disposal/Write off - net	-
As at December 31, 2024	17,892.06
Accumulated Depreciation	
As at January 1, 2023	(27,766.06)
Additions	-
Disposal/Write off - net	9,877.00
As at December 31, 2023	(17,889.06)
Additions	-
Disposal/Write off - net	-
As at December 31, 2024	(17,889.06)
Net book Amount	
As at December 31, 2023	3.00
As at December 31, 2024	3.00

As at December 31, 2024 and 2023, equipment items have been fully depreciated but are still in use.

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD.

8. TRADE AND OTHER PAYABLES

	2024	2023
	Baht	Baht
Trade payables	1,403,568.05	1,830,578.05
Other current payables-related party	2,575,198.49	2,575,198.49
Advance incomes	-	75,433.04
Accrued expenses	222,283.33	86,680.45
Withholding tax payable	37,021.11	30,508.02
Total trade and other payables	4,238,070.98	4,598,398.05

9. PROVISIONS FOR EMPLOYEE BENEFITES

	2024	2023
	Baht	Baht
Employee benefits obligation as at January 1	211,319.99	288,271.32
Increase(Decrease) during the year	26,721.71	(76,951.33)
Total	238,041.70	211,319.99

10. LEGAL RESERVE

Under the provision of the Civil Commercial Code, the Company is required to set aside as legal reserve at least 5% of net income at each dividend distribution until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution.

11. COMMITMENT

As at December 31, 2024 and 2023, the Company has office rental agreement for its office space with a related company. The Company is committed to pay rental amount of Baht 8,400 per month and Baht 8,400 per month respectively.

Signed ..... Director
(Mr.Lersan Misitsakul)

บริษัท ช้างส้ม จำกัด
CHANG SOM LTD.

ASIAN TRAILS SINGAPORE PTE. LTD.

Company Registration Number : 201940406M
(Incorporated in the Republic of Singapore)

Directors' Statement & Audited Financial Statements

31 DECEMBER 2024

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
31 DECEMBER 2024

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Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Directors' Statement

The Directors are pleased to present this statement to the member together with the audited financial statements of Asian Trails Singapore Pte. Ltd. (the "Company") for the financial year ended 31 December 2024.

Opinion of the Directors
In the opinion of the Directors,

(i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors
The Directors of the Company in office at the date of this statement are:

Misitsakul Lersan
Laurent Kunzle
Lim Geok Thye
Emir Cherif
Sebastian Alex Mendonca

Arrangements to enable Directors to acquire shares or debentures
Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interest in shares or debentures
According to the register of Directors' shareholdings kept by the Company under section 164 of the Act, the Directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Directors' Statement (Cont'd)

Directors' interest in shares or debentures (cont'd)

	Direct interest		Deemed interest	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
Immediate Holding Company: - Asian Trails Holding Ltd.				
Ordinary shares				
Misitsakul Lersan	12,500	12,500	0	0
Laurent Kunzle	12,500	12,500	0	0

Share options

No options were granted during the financial year to take up unissued shares of the Company.

No shares were issued by virtue of the exercise of options during the financial year.

There were no unissued shares under option at the end of the financial year.

Independent auditors

The independent auditors, TY Teoh International LLP, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Emir Cherif
Director

Laurent Kunzle
Director

Dated: 13 FEB 2025

SINGAPORE
MALAYSIA
LABUAN

TY TEOH International LLP (T23LL1111L)
Public Accountants and Chartered Accountants
151 Chin Swee Road,
#01-40 Manhattan House,
Singapore 169876.

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W tyteoh.com

Company Registration No. : 201940406M

Independent Auditor's Report to the Member of Asian Trails Singapore Pte. Ltd.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Asian Trails Singapore Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

SINGAPORE
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LABUAN

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Company Registration No. : 201940406M

Independent Auditor's Report to the Member of Asian Trails Singapore Pte. Ltd. (Cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

SINGAPORE
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TY TEOH International LLP (T23LL1111L)
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Company Registration No. : 201940406M

Independent Auditor's Report to the Member of Asian Trails Singapore Pte. Ltd. (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements
In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

TY Teoh International LLP
Public Accountants and
Chartered Accountants

Singapore, 13 FEB 2025

Audit Partner in charge: Lim Su Ting

Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Statement of Financial Position as at 31 December 2024

	Note	2024 S$	2023 S$
Assets			
Non-Current Assets			
Property, plant and equipment	3	**1,459**	3,146
Current Assets			
Trade and other receivables	4	**1,118,214**	812,970
Cash and bank balances	5	**155,620**	149,983
		1,273,834	962,953
Total Assets		**1,275,293**	966,099
Equity and Liability			
Capital and Reserves			
Share capital	6	**190,000**	190,000
Accumulated losses		**(27,380)**	(36,705)
Total Equity		**162,620**	153,295
Current Liabilities			
Trade and other payables	7	**924,563**	647,241
Provision for leave entitlement	8	**2,192**	934
Contract liabilities	9	**185,444**	163,914
Income tax liabilities		**474**	715
		1,112,673	812,804
Total Liability		**1,112,673**	812,804
Total Equity and Liability		**1,275,293**	966,099

The accompanying notes form an integral part of these financial statements.

Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Statement of Comprehensive Income for the financial year ended 31 December 2024

	Note	2024 S$	2023 S$
Revenue	10	**6,016,968**	7,303,004
Cost of sales		**(4,782,511)**	(6,395,361)
Gross profit		**1,234,457**	907,643
Other income	11	**56,955**	73,687
Administrative expenses		**(1,187,935)**	(828,007)
Selling and distribution expenses		**(73,860)**	(50,463)
Other operating expenses		**(20,354)**	(6,572)
Finance costs	12	**0**	(25,784)
Profit before taxation	13	**9,263**	70,504
Taxation	14	**62**	(715)
Profit for the year		**9,325**	69,789
Other comprehensive income for the year, net of tax		**0**	0
Total comprehensive income for the year		**9,325**	69,789

The accompanying notes form an integral part of these financial statements.

Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Statement of Changes in Equity for the financial year ended 31 December 2024

	Share capital	Accumulated losses	Total
	S$	S$	S$
At 1 January 2023	190,000	(106,494)	83,506
Total comprehensive income for the year	0	69,789	69,789
At 31 December 2023	190,000	(36,705)	153,295
At 1 January 2024	**190,000**	**(36,705)**	**153,295**
Total comprehensive income for the year	**0**	**9,325**	**9,325**
At 31 December 2024	**190,000**	**(27,380)**	**162,620**

The accompanying notes form an integral part of these financial statements.

Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Statement of Cash Flows
for the financial year ended 31 December 2024

	Note	2024	2023
		S$	S$
Cash flows from operating activities			
Profit before taxation		**9,263**	70,504
Adjustments for:			
Depreciation of property, plant and equipment	3	**1,687**	1,393
Interest expense	12	**0**	25,784
Unrealised foreign exchange gain		**(10,360)**	(3,455)
Provisions for leave entitlement	8	**1,258**	934
Operating profit before working capital changes		**1,848**	95,160
Changes in working capital:			
Trade and other receivables		**(297,808)**	417,818
Contract assets		**0**	163,630
Trade and other payables		**273,528**	168,448
Contract liabilities		**21,530**	(550,368)
Cash generated from operations		**(902)**	294,688
Interest paid		**0**	(25,784)
Income tax paid		**(179)**	0
Net cash (used in)/ generated from operating activities		**(1,081)**	268,904
Cash flow from investing activity			
Purchase of property, plant and equipment	3	**0**	(1,525)
Net cash used in investing activity		**0**	(1,525)
Cash flows from financing activity			
Repayments of loan to immediate holding company		**0**	(365,000)
Net cash used in financing activity		**0**	(365,000)
Net decrease in cash and cash equivalents		**(1,081)**	(97,621)
Cash and cash equivalents at beginning of the year		**149,983**	247,803
Effects of currency translation on cash and cash equivalents		**6,718**	(199)
Cash and cash equivalents at end of the year		**155,620**	149,983
Cash and cash equivalents comprise:			
Cash and bank balances	5	**155,620**	149,983

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows (Cont'd)
for the financial year ended 31 December 2024

A reconciliation of liabilities arising from financing activities excluding bank overdrafts is as follows:

	At 1 January 2023 S$	Cash flows S$	Non-cash changes: Accretion of interests S$	Non-cash changes: Acquisition S$	Non-cash changes: Others S$	At 31 December 2023 S$
Liabilities						
Loan from immediate holding company	365,000	(365,000)	0	0	0	0
	365,000	(365,000)	0	0	0	0

The accompanying notes form an integral part of these financial statements.

Company Registration No. : 201940406M

ASIAN TRAILS SINGAPORE PTE. LTD.
(Incorporated in the Republic of Singapore)

Notes to the Financial Statements – 31 December 2024

1. Corporation information

The financial statements of the Company for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and domiciled in the Republic of Singapore.

The registered office and principal place of business of the Company is located at 105 Cecil Street, #22-00 The Octagon, Singapore 069534.

The principal activities of the Company are those of travel agencies and tour operator.

The immediate holding company of the Company is Asian Trails Holding Ltd., and the ultimate holding company is Fairfax Financial Holdings Ltd. The immediate holding company is incorporated in Mauritius, and the ultimate holding is a listed company incorporated in Canada respectively. Fellow subsidiaries refer to members of the holding company's group of companies.

2. Material accounting policy information

(a) Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") including related Interpretations ("INT FRSs") promulgated by the Accounting Standards Committee under ACRA. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

(b) Interpretation and amendments to published standards effective in 2024

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

Notes to the Financial Statements – 31 December 2024

2. Material accounting policy information (Cont'd)

(c) FRSs and INT FRSs not effective

The Company has not applied the following FRSs and INT FRSs that have been issued but not yet effective:

		Effective date (Annual periods beginning on or after)
FRS 21 and FRS 101	Amendments to FRS 21: Lack of Exchangeability	1 January 2025
FRS 28 and FRS 110	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
FRS 107 and FRS 109	Amendments to FRS 107 and FRS 109: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
	Amendments to FRS 107 and FRS 109: Contracts Referencing Nature-dependent Electricity	1 January 2026
FRS 118	Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Various	Annual Improvements to FRSs – Volume 11	1 January 2026

The management does not anticipate that the adoption of these FRSs and INT FRSs in the period of initial application will have a material impact on the financial statements.

(d) Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRSs requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of each reporting period and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

2. Material accounting policy information (Cont'd)

(d) Significant accounting estimates and judgements (Cont'd)

Judgements made in applying accounting policies

Income tax

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the income tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary courses of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Determination of functional currency

In determining the functional currency of the Company, judgement is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of the goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be 3 years. The net carrying amount of the Company's property, plant and equipment as at end of the financial year is disclosed in Note on Property, plant and equipment. Changes in the expected level of usage and technological developments could impact the economic useful live and the residual values of these assets, therefore future depreciation charges could be revised.

2. Material accounting policy information (Cont'd)

(d) Significant accounting estimates and judgements (Cont'd)

Provision for expected credit losses ("ECLs") of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note on Financial risk management policies – credit risk.

Impairment of property, plant and equipment

The Company reviews the carrying amounts of the property, plant and equipment as at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount or value in use is estimated. Determining the value in use of property, plant and equipment, require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets.

The preparations of the estimated future cash flows involve significant judgment and estimations. While the Company believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable amounts and may lead to future impairment charges.

2. Material accounting policy information (Cont'd)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Computer equipment	3 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the profit or loss.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2. Material accounting policy information (Cont'd)

Financial instruments

(i) Financial assets

Initial recognition and measurement
Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement
Debt instrument
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition
A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. Material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

Subsequent measurement
After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Impairment of financial assets

The Company recognises an ECLs for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

2. Material accounting policy information (Cont'd)

Impairment of financial assets (Cont'd)

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Material accounting policy information (Cont'd)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances, net of outstanding bank overdrafts, if any. Cash and cash equivalents also include highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Preference share capital

Preference share capital is classified as equity if they are non-redeemable, or are redeemable only at the option of the Company and dividend payments are discretionary. Dividends thereon are recognised as distributions within equity.

Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

Taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Material accounting policy information (Cont'd)

Taxes (Cont'd)

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Goods and service tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Material accounting policy information (Cont'd)

Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Travel and related services
Travel and related services comprise of leisure tours/ holiday's packages which are recognised at a point in time on the completion of the performance obligation. The completion of the performance obligation is based on the date of departure of the tour.

Employee benefits

Pension obligation
The Company contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The Company's contributions to CPF are charged to the profit or loss in the period to which the contributions relate.

Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The financial statements of the Company are presented in Singapore Dollar, which is also the functional currency of the Company.

2. Material accounting policy information (Cont'd)

Conversion of foreign currencies

(i) Monetary items

Monetary assets and liabilities in foreign currencies are translated into functional currency at rates of exchange closely approximating those ruling at end of the reporting period. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the profit or loss in the period in which they arise.

(ii) Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rates as the date when the fair value was determined.

Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

Contract liabilities

Where the amounts received or receivable from customers exceed the revenues recognised for contracts, contract liabilities are recognised in the statement of financial position. Contract liabilities are recognised as revenues when services are provided to customers.

Notes to the Financial Statements – 31 December 2024

3. Property, plant and equipment

	Computer equipment S$
Cost	
At 1 January 2023	3,587
Additions	1,525
At 31 December 2023/ 31 December 2024	**5,112**
Accumulated depreciation	
At 1 January 2023	573
Depreciation for the year	1,393
At 31 December 2023	1,966
Depreciation for the year	**1,687**
At 31 December 2024	**3,653**
Net carrying amount	
At 31 December 2024	**1,459**
At 31 December 2023	3,146

4. Trade and other receivables

	2024 S$	2023 S$
Trade receivables		
- Penultimate holding company	**1,278**	0
- Fellow subsidiaries	**17,246**	126,108
- Third parties	**477,721**	377,414
Total trade receivables	**496,245**	503,522
Advances to suppliers	**588,995**	283,055
Other receivables	**4,102**	189
Staff advances	**2,000**	4,333
Prepayments	**16,250**	16,280
Deposits	**10,622**	5,591
	1,118,214	812,970

Notes to the Financial Statements – 31 December 2024

4. Trade and other receivables (Cont'd)

Trade receivables are non-interest bearing and are generally on 30 to 60 (2023: 30 to 60) days term.

Other receivables are non-interest bearing and are repayable within the next 12 months.

Trade and other receivables, excluding non-financial instruments, are denominated in the following currencies:

	2024	2023
	S$	S$
Singapore Dollar	**198,504**	367,324
United States Dollar	**300,517**	145,281
Euro	**13,948**	1,030
	512,969	513,635

The aging analysis of trade receivables past due but not impaired is as follows:

	2024	2023
	S$	S$
Past due under 1 month	**230,621**	351,990
Past due 1 to 3 months	**133,647**	82,832
Past due over 3 months	**10,879**	32,605
	375,147	467,427

Based on assessment performed by the Company, loss allowance has been assessed as insignificant.

5. Cash and bank balances

	2024	2023
	S$	S$
Cash on hand	**881**	653
Cash at bank	**149,931**	149,330
Other cash and cash equivalents	**4,808**	0
	155,620	149,983

Notes to the Financial Statements – 31 December 2024

5. Cash and bank balances (Cont'd)

Cash and bank balances are denominated in the following currencies:

	2024	2023
	S$	S$
Singapore Dollar	**140,372**	96,778
United States Dollar	**8,407**	48,517
Euro	**6,823**	4,459
Malaysian Ringgit	**18**	229
	155,620	149,983

6. Share capital

	Number of ordinary shares			
	2024	2023	2024	2023
			S$	S$
Issued and fully paid:				
Ordinary Shares				
At beginning / end of the year	**100,000**	100,000	**100,000**	100,000
Preference Shares				
At beginning / end of the year	**90,000**	90,000	**90,000**	90,000
Total	**190,000**	190,000	**190,000**	190,000

The holders of ordinary share are entitled to receive dividends as declared from time to time and are entitled to one vote per share to shareholders' meeting. All share rank equally with regard to the Company's residual assets.

Holders of redeemable preference shares receive a non-cumulative preferential dividend at a rate to be fixed by the Directors of the Company. They have the right to participate in the surplus assets and profits of the Company in repaying them in first priority to the holders of all other shares.

Notes to the Financial Statements – 31 December 2024

7. Trade and other payables

	2024	2023
	S$	S$
Trade payables		
- Immediate holding company	**57,848**	0
- Fellow subsidiaries	**292,824**	49,218
- Third parties	**111,804**	79,748
Total trade payables	**462,476**	128,966
GST payables	**22,608**	2,247
Other payables	**13,434**	1,089
Accruals	**426,045**	514,939
	924,563	647,241

Trade and other payables are non-interest bearing and are normally settled within 30 to 120 (2023: 30 to 120) days terms.

Trade and other payables, excluding non-financial instruments, are denominated in the following currencies:

	2024	2023
	S$	S$
Singapore Dollar	**713,293**	595,776
United States Dollar	**187,143**	49,218
Malaysian Ringgit	**1,519**	0
	901,955	644,994

8. Provision for leave entitlement

	2024	2023
	S$	S$
Provision for leave entitlement	**2,192**	934

Provision for leave entitlement is accrual make for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

Notes to the Financial Statements – 31 December 2024

8. Provision for leave entitlement (Cont'd)

Movements in this provision are as follows:

	2024	2023
	S$	S$
Balance at beginning of the year	**934**	0
Provision during the year	**1,258**	934
Balance at end of the year	**2,192**	934

9. Contract liabilities

	2024	2023
	S$	S$
Contract liabilities	**185,444**	163,914

A contract liability is recognised when the Company bills in advance to customers for supply of services and subsequently released to revenue recognised when the corresponding stage of completion is achieved.

Set out below is the amount of revenue recognised from:

	2024	2023
	S$	S$
Amounts included in contract liabilities at the beginning of the year	**163,914**	714,282

9. Contract liabilities (Cont'd)

Transaction price allocated to the remaining performance obligation
The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	Less than 1 year S$	Between 2 and 5 years S$	More than 5 years S$	Total S$
Unsatisfied and partially unsatisfied performance obligation as at				
31 December 2024	**185,444**	**0**	**0**	**185,444**
31 December 2023	163,914	0	0	163,914

10. Revenue

Disaggregation of revenue

	2024 S$	2023 S$
Type of revenue		
Travel and related services	**6,016,968**	7,303,004
Timing of transfer goods or service		
At a point in time	**6,016,968**	7,303,004

11. Other income

	2024 S$	2023 S$
Commission income	**40,309**	47,459
Government grant	**10,556**	0
Other income	**6,090**	26,228
	56,955	73,687

Notes to the Financial Statements – 31 December 2024

12. Finance costs

	2024 S$	2023 S$
Interest expense	**0**	25,784

13. Profit before taxation

	2024 S$	2023 S$
Profit before taxation has been arrived at after charging:		
Bad debts written off - trade	**0**	101
Depreciation of property, plant and equipment	**1,687**	1,393
Exchange loss, net	**18,667**	5,177
Interest expenses	**0**	25,784
Provision for leave entitlement	**1,258**	934
Staff costs:		
Directors		
- Salaries and related costs	**120,000**	120,000
Other than Directors		
- Salaries and related costs	**167,193**	97,597
- CPF contributions	**19,601**	12,338

14. Taxation

	2024 S$	2023 S$
Income tax		
- Current year	**474**	715
- Overprovision in prior years	**(536)**	0
	(62)	715

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on Company's profit as a result of the following:

Notes to the Financial Statements – 31 December 2024

14. Taxation (Cont'd)

	2024 S$	2023 S$
Profit before taxation	**9,263**	70,504
Tax at statutory rate of 17% (2023: 17%)	**1,575**	11,986
Statutory income tax exemption	**(1,325)**	0
Tax effect on non-deductible expenses	**(63)**	237
Overprovision of current tax liability in respect of prior years	**(536)**	0
Utilisation of deferred tax assets on temporary differences not recognised in prior year	**287**	(11,508)
	(62)	715

The unrecognised deferred tax assets on the temporary differences are as follows:

	2024 S$	2023 S$
Temporary difference on property, plant and equipment	**248**	535

No deferred tax assets have been recognised in respect of the above balance, as the future profit streams are not probable against which the temporary differences can be utilised.

15. Significant related parties transactions

For the purposes of these financial statements, a party is related to the Company if directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Company, or has an interest in the Company that gives it significant influence over the Company, or has joint control over the Company.

A party is also related to the Company if the party is an associate; a member of the key management personnel of the Company, a close member of the family of any individual referred to in the previous paragraph or of a member of the key management personnel of the Company; an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to above; or a post-employment benefit plan for the benefit of employees of the entity or of any entity that is a related party of the Company.

Notes to the Financial Statements – 31 December 2024

15. Significant related parties transactions (Cont'd)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors (whether executive or otherwise) of that Company.

Key management personnel compensation is as follows:

	2024 S$	2023 S$
Salaries and other related costs	**120,000**	120,000

Included in the above is total compensation to Directors of the Company amounting to S$120,000 (2023: S$120,000).

Other related party transactions

Other than the related party information disclosed elsewhere in the financial statements, the followings are significant related party transactions entered into by the Company with related parties at the agreed rate:

	2024 S$	2023 S$
Sales to penultimate holding company	**5,552**	1,279,776
Sales to intermediate holding company	**0**	693,607
Sales to fellow subsidiaries	**656,453**	591,905
Sales return to subsidiary of an intermediate holding company	**0**	7,238
Purchase from immediate holding company	**0**	138,539
Purchase from fellow subsidiaries	**47,686**	599,627
Loan interest charged by immediate holding company	**0**	25,784
Management fee charged by fellow subsidiaries	**654,117**	326,423
Management fees charged by immediate holding company	**43,613**	0
Royalty fees charged by immediate holding company	**89,329**	0

Notes to the Financial Statements – 31 December 2024

16. Financial risk management policies

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and currency risk.

The Directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

16.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

16. Financial risk management policies (Cont'd)

16.1 Credit risk (Cont'd)

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

Trade receivables
For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the Company measured the impairment loss allowance using lifetime ECL and determined that the ECL is insignificant.

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk
The Company has no significant concentration of credit risk.

Other receivables
The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

16.2 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company maintains sufficient level of cash and cash equivalents to meet its working capital requirements.

Notes to the Financial Statements – 31 December 2024

16. Financial risk management policies (Cont'd)

16.2 Liquidity risk (Cont'd)

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year S$	Between 2 to 5 years S$	Over 5 years S$	Total S$
As at 31 December 2024				
Trade and other payables	**901,955**	**0**	**0**	**901,955**
	901,955	**0**	**0**	**901,955**
As at 31 December 2023				
Trade and other payables	644,994	0	0	644,994
	644,994	0	0	644,994

16.3 Currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company's operational activities are mainly carried out in Singapore Dollar. The risk arising from movements in foreign exchange rates is minimised as the Company has minimal transactions in foreign currency.

Sensitivity analysis is not presented as the impacts to the profit/(loss) before taxation and equity are not material.

Notes to the Financial Statements – 31 December 2024

17. Financial instruments by category

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the financial year:

	2024 S$	2023 S$
Financial assets measured at amortised cost		
Trade receivables	**496,245**	503,522
Other receivables	**4,102**	189
Staff advances	**2,000**	4,333
Deposits	**10,622**	5,591
Cash and bank balances	**155,620**	149,983
	668,589	663,618
Financial liabilities measured at amortised cost		
Trade payables	**462,476**	128,966
Other payables	**13,434**	1,089
Accruals	**426,045**	514,939
	901,955	644,994

18. Capital management

The Company is able to obtain funds from the holding company for its operation. In addition, capital of the Company is managed by the holding company on a group basis.

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

	As reclassified 2023 S$	As previously reported 2023 S$
Statement of Financial Position		
Trade and other payables	647,241	648,175
Provision for leave entitlement	934	0
Statement of Comprehensive Income		
Administrative expenses	828,007	834,579
Other operating expenses	6,572	0

Reem Tours & Travels LLC

Financial Statements (Management)

31 December 2024

Reem Tours & Travels LLC

Statement of financial position

As at 31 December 2024

	31 December 2024 AED	31 December 2023 AED
Current assets		
Cash and cash equivalents	**608,868**	-
Non-Interest Bearing Financial Assets	**-**	-
Due from Related Party – Desert Adventures	**-**	608,868
Total current assets	**608,868**	608,868
Total assets	**608,868**	608,868
Equity and liabilities		
Equity		
Share capital	**300,000**	300,000
Statutory reserve	**150,000**	150,000
Retained earnings	**158,868**	158,868
Total equity	**608,868**	608,868
Total equity and liabilities	**608,868**	608,868

Salim Sikander
Head of Finance

Peter Payet
CEO

Note: There is no Profit and Loss account from Jan 1, 2012 as the business of Reem Tours and Travels LLC has been integrated into Desert Adventures Tourism LLC.

The notes on page 2-4 are an integral part of these financial statements.

Reem Tours & Travels LLC

Notes

(forming part of the financial statements)

1 Reporting entity

Reem Tours & Travels LLC is a limited liability company registered with the Department of Economic Development, Government of Dubai.

The registered office of the Reem Tours & Travels LLC is P.O. Box No. 6655, Dubai, United Arab Emirates.

The authorised and fully paid up share capital of the Company is U.A.E. Dirham 300,000 divided into 100 shares of U.A.E. Dirham AED 3,000.

SHARE HOLDINGS

During the year, UAE Government amended the federal Commercial Companies Law, granting foreign investors full ownership of limited liability company. As a result, on 21st July 2022, the shareholding structure of the company was changed. Ahmad Abdulaziz Abdulla Almannei sold his 51% shares, transferring ownership to Travel Circle International (Mauritius) Limited. Consequently, the company transformed into a single owner entity, with Travel Circle International (Mauritius) Limited now holding 100% of the shares.

Below is the shareholding pattern of the Company before 21 July 2022:

Name	**% holding**
Ahmad Abdulaziz Abdulla Almannei	51
Travel Circle International (Mauritius) Limited ("the holding company")*****	49

2) Basis of accounting

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by International Accounting Standards Board (IASB) and the preparation requirements of the UAE Federal Law No. (2) of 2015.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

The financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Company's functional currency.

d) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to

make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

3(a) Changes in significant accounting policies

The Company has initially applied IFRS 15 and IFRS 9 from 1 January 2018. A number of other new standards are also effective from 1 January 2018 but they do not have any material effect on the Company's financial statements.

Application of IFRS-9 and IFRS-15 did not have any material financial impact on the Company's financial statements.

3(a).2 *IFRS 9 Financial Instruments*

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the adoption of IFRS 9, the Company has adopted the consequential amendments to IAS 1 Presentation of Financial Statements, which require the charge for impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI. Previously, the Company's approach was to include the impairment of trade receivables in administrative and general expenses.

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit and loss account (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The application of IFRS 9 has not had any material financial impact effect on the Company's financial statements.

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Company has determined that the application of IFRS 9's impairment requirements at 1 January 2018 did not have any material financial impact on the allowance for impairment.

Transition

Changes if any, in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.

3(b) Significant accounting policies

The Company has consistently applied the accounting policies set out below to all periods presented in these financial statements.

Financial instruments
Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets – Policy applicable from 1 January 2018

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

3(b) Significant accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial assets – Policy applicable from 1 January 2018 (continued)

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses: Policy applicable from 1 January 2018

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets – Policy applicable prior to 1 January 2018

The Company has classified its financial assets into one of the following categories:

- loans and receivables;
- held to maturity;
- available for sale; and
- at FVTPL, and within this category as:
    - held for trading;
    - derivative hedging instruments; or
    - designated as at FVTPL.

3(b) Significant accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses: Policy applicable prior to 1 January 2018 (continued)

Financial assets at FVTPL	Measured at fair value and changes therein, including any interest or dividend income, were recognized in profit or loss.
Held-to-maturity financial assets	Measured at amortized cost using the effective interest method.
Loans and receivables	Measured at amortized cost using the effective interest method.
Available-for-sale financial assets	Measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, were recognized in OCI and accumulated in the fair value reserve. When these assets were derecognized, the gain or loss accumulated in equity was reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

3(b) Significant accounting policies (continued)

Financial instruments (continued)

Derecognition (continued)

Financial liabilities(continued)

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

Non-derivative financial assets - Policy applicable from 1 January 2018

Financial instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and due from related parties are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e. 120 days from the invoice date.

The Company considers trade receivables to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due

3(b) Significant accounting policies (continued)

Impairment (continued)

Non-derivative financial assets - Policy applicable from 1 January 2018 (continued)

Financial instruments (continued)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3(b) Significant accounting policies (continued)

Impairment (continued)

Non-derivative financial assets - Policy applicable from 1 January 2018 (continued)

Financial instruments (continued)

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:
- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there was a measurable decrease in the expected cash flows from a Company of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by Companying together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through profit or loss.

3(b) Significant accounting policies (continued)

Impairment (continued)

Non-derivative financial assets - Policy applicable from 1 January 2018 (continued)

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

Gulf Dunes LLC

Financial statements
31 December 2024

Gulf Dunes LLC

Financial statements
31 December 2024

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Directors' Report

The directors submit their report together with the audited financial statements of **Gulf Dunes LLC** for the year ended 31st December 2024.

LEGAL STATUS

Gulf Dunes LLC is a limited liability company (the "Company") registered with the Department of Tourism and Commerce Marketing, Government of Dubai and Department of Economic Development.

The principal activity of the Company organizing and managing Meetings, Incentives, Conferences, and Events (MICE). The Company started its operations in May 1995.

The registered office of the Gulf Dunes LLC, Dubai is P.O. Box no. 124174, Dubai, United Arab Emirates.

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited, a company registered in Toronto, Ontario, Canada.

SHARE HOLDINGS

The shareholding pattern of the Company as at 31st December 2024 and 31st December 2023 is as follows:

Name of the shareholder	**Shareholding %**
Travel Circle International (Mauritius) Limited	100%

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited, a company registered in Toronto, Ontario, Canada.

FINANCIAL PERFORMANCE

The results of the Company for the year ended 31st December 2024 and 31st December 2023 are stated below:

Financial highlights	**2024**	2023
	AED	AED
Net profit/(loss)	**1,366,040**	(828,664)
Total equity	**(4,546,589)**	(5,912,629)

SUBSEQUENT EVENT:

There has been no significant event subsequent to the reporting date and up to the date of authorization, which would have a material effect on the financial statements.

AUDITORS

KPMG was appointed as the independent auditor for the year ended 31 December 2024. The firm is eligible for reappointment for the financial year 2025 and has expressed its willingness to continue in office. The Director recommends the reappointment of KPMG as the Company's auditor for the year ending 31 December 2025.

On behalf of the Board

Peter Payet
Chief Executive Officer

Salim Sikander
Chief Financial Officer

Date: 11 July 2025

KPMG Lower Gulf Limited
The Offices 5 at One Central
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Independent auditors' report

To the Shareholder of Gulf Dunes LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gulf Dunes LLC ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Report which is set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, we report that for the year ended 31 December 2024:

i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021;

iii) the Company has maintained proper books of account;

iv) the financial information included in the Directors' report is consistent with the books of account of the Company;

v) as disclosed in note 1 to the financial statements, the Company has not purchased any shares during the year ended 31 December 2024;

vi) note 12 to the financial statements discloses material related party transactions, and the terms under which they were conducted; and

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Report on Other Legal and Regulatory Requirements (continued)

vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 or its Articles of Association, which would materially affect its activities or its financial position as at 31 December 2024.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Dubai, United Arab Emirates

Date: 22 JUL 2025

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Gulf Dunes LLC

Statement of profit or loss and other comprehensive income

For the year ended 31 December

	Notes	**2024**	2023
		AED	AED
Revenue	*6*	**26,514,765**	13,266,227
Direct costs	*7*	**(20,422,880)**	(10,110,196)
Gross profit		**6,091,885**	3,156,031
Administrative and general expenses	*8.1*	**(4,870,612)**	(4,073,544)
Other income	*8.2*	**-**	22,468
Finance income	*9*	**244,332**	66,381
Profit/(Loss) Before Tax		**1,465,605**	(828,664)
Income tax expense	*19*	**(99,565)**	-
Profit/(Loss) After Tax		**1,366,040**	(828,664)
Other comprehensive income		**-**	-
Total comprehensive income for the year		**1,366,040**	(828,664)

The notes on pages 10 to 34 are an integral part of these financial statements.

The independent auditors' report is set out on pages 2 - 5.

Gulf Dunes LLC

Statement of financial position

As at 31 December 2024

	Notes	**2024**	2023
		AED	AED
Assets			
Property and equipment	*10*	**42,168**	11,765
Right-of-use asset	*18*	**74,501**	149,002
Non-current assets		**116,669**	160,767
Trade and other receivables	*11*	**30,638,333**	2,655,949
Due from related parties	*12*	**6,303,024**	-
Cash and cash equivalents	*17*	**1,587,002**	684,686
Current assets		**38,528,359**	3,340,635
Total assets		**38,645,028**	3,501,402
Equity and Liabilities			
Equity			
Share capital	*15*	**300,000**	300,000
Statutory reserve	*16*	**150,000**	150,000
Accumulated losses		**(4,996,589)**	(6,362,629)
Total equity		**(4,546,589)**	(5,912,629)
Liabilities			
Lease Liability - Non current	*18*	**-**	83,102
Employees' end of service benefits	*14*	**333,743**	229,180
Non-current liabilities		**333,743**	312,282
Trade and other payables	*13*	**1,938,074**	1,740,867
Contract liability	*13*	**40,064,999**	5,601,191
Due to related parties	*12*	**771,700**	1,685,388
Lease liability – current	*18*	**83,102**	74,303
Current liabilities		**42,857,874**	9,101,749
Total liabilities		**43,191,617**	9,414,031
Total equity and liabilities		**38,645,028**	3,501,402

To the best of our knowledge, the financial statements fairly present, in all material respects, the financial position, results of operation and cash flows of the Company as of, and for, the year ended 31 December 2024. These financial statements were authorized for issue on behalf of the Company's shareholders on 11 July 2025.

Peter Payet
Chief Executive Officer

Salim Sikander
Chief Financial Officer

The notes on pages 10 to 34 are an integral part of these financial statements.
The independent auditors' report is set out on pages 2 - 5.

Gulf Dunes LLC

Statement of cash flows

For the year ended 31 December

	Notes	**2024**	2023
		AED	AED
Cash flows from operating activities			
Profit/(Loss) for the year		**1,366,040**	(828,664)
Adjustments for:			
Depreciation and amortization	*8.1,10*	**6,572**	5,982
Depreciation on right-of-use assets	*8.1,18*	**74,501**	74,501
Allowance for expected credit loss	*8.1*	**0**	67,798
Provision for employees' end of service benefits	*14*	**107,163**	93,200
Interest expense on lease liability	*9,18*	**6,997**	11,950
Tax expense	*19*	**99,565**	-
		1,660,838	(575,233)
Changes in:			
- trade and other receivables		**(27,982,384)**	(1,471,462)
- due from related party		**(6,303,024)**	-
- due to related parties		**(913,688)**	(3,175,498)
- trade and other payables		**97,641**	270,992
- Contract liability		**34,463,808**	5,217,406
Payment of employees' end of service benefits	*14*	**(2,600)**	(11,747)
Net cash from operating activities		**1,020,591**	254,458
Cash flows from investing activity			
Acquisition of property and equipment	*10*	**(36,975)**	(7,973)
Net cash (used in) investing activity		**(36,975)**	(7,973)
Cash flows from financing activity			
Interest paid during the year	*18*	**(6,997)**	(11,950)
Payment of lease liabilities	*18*	**(74,303)**	(66,098)
Cash used in financing activity		**(81,300)**	(78,048)
Net decrease in cash and cash equivalents		**902,316**	168,437
Cash and cash equivalents at the beginning of the year		**684,686**	516,249
Cash and cash equivalents at end of the year	*17*	**1,587,002**	684,686

The notes on pages 10 to 34 are an integral part of these financial statements.

The independent auditors' report is set out on pages 2 - 5.

Gulf Dunes LLC

Statement of changes in equity

For the year ended 31 December

	Share capital AED	Statutory reserve AED	Accumulated Losses AED	Total AED
Balance at 1 January 2023	300,000	150,000	(5,533,965)	(5,083,965)
Total comprehensive income for the year				
(Loss) for the year	-	-	(828,664)	(828,664)
Balance at 31 December 2023	300,000	150,000	(6,362,629)	(5,912,629)
Balance at 1 January 2024	300,000	150,000	(6,362,629)	(5,912,629)
Total comprehensive income for the year				
(Loss) for the year	-	-	1,366,040	1,366,040
Balance at 31 December 2024	300,000	150,000	(4,996,589)	(4,546,589)

The notes on pages 10 to 34 are an integral part of these financial statements.

1 Reporting entity

Gulf Dunes LLC, Dubai is a limited liability Company (''the Company'') registered with the Department of Economy and Tourism, Government of Dubai under commercial license number 237864. The principle business activity of the Company is organizing and managing incentive trips, conferences and meetings for groups.

The shareholding pattern of the Company as at 31st December 2024 and 31st December 2023 is as follows:

Name of the shareholder	Shareholding %
Travel Circle International (Mauritius) Limited ("the Holding Company")	100%

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited, a company registered in Toronto, Ontario, Canada.

The registered office of the Gulf Dunes LLC, Dubai is P.O. Box no. 124174, Dubai, United Arab Emirates.

The Company did not purchase any shares during the year.

2 Basis of preparation

a) Going concern

During the year ended 31 December 2024, the Company has net current liabilities of AED 4,329,515 (2023: AED 5,761,114) and net liabilities of AED 4,546,589 (2023: AED 5,912,629). As at 31 December 2024, the accumulated losses of the Company, amounted to AED 4,996,589 (2023: AED 6,362,629), exceed more than 50% of the share capital. Article 308 of the UAE Federal Decree Law no. 32 of 2021 for commercial states that if the losses of a limited liability company reach half the share capital, the Management of the Company shall refer to the shareholders the issue of dissolution. These factors indicate that the Company ability to continue as a going concern is dependent upon the continued financial support of the Holding company. The Holding company have provided an undertaking that it will provide the necessary financial support to the Company to enable it to meet its obligation for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

b) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by International Accounting Standard Board (IASB) and the applicable provision of UAE Federal Decree Law no. 32 of 2021.

c) Basis of measurement

These financial statements have been prepared under the historical cost basis.

d) Functional and presentation currency

These financial statements are presented in UAE Dirham ("AED"), which is the Company's functional currency.

2 Basis of preparation (continued)

e) Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation uncertainty and critical judgments in applying policies that have the most significant effect on the amounts recognised in these financial statements are described in note 23.

f) Changes in material accounting policies

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Company has adopted Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. This resulted in a change in accounting policy for the classification of liabilities that can be settled in a Company's entity's own shares. Previously, the Company ignored all counterparty conversion options when classifying the related liabilities as current or non-current. Under the new policy, when a liability includes a counterparty conversion option whereby the liability may be settled by a transfer of a Company entity's own shares, the Company takes into account the conversion option in classifying the host liability as current or non-current unless the option is classified as equity under IAS 32. The Company's other liabilities were not impacted by the amendments.

Despite the change in policy, there is no retrospective impact on the comparative statement of financial position, as the Company had no convertiable notes as at 31 December 2023.

3 Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Revenue from contract with customers

The Company renders a wide range of tourism and related services (hotel bookings, transport and visa services, excursion and travel related services) to groups. Revenue from rendering these services is recognised in the profit or loss when it transfers control over a service to a customer. This is generally the case on the date of arrival.

Any expected discounts to the customers are estimated and are netted off against transaction price as per the requirements of the accounting standard.

3 Material accounting policies (continued)

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

3 Material accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Material accounting policies (continued)

Foreign currency transactions

Transactions in foreign currencies are translated to AED and recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to AED at the foreign exchange rate ruling at that date. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated into AED using the exchange rates at the date of the transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (if any).
If significant part of an item of property and equipment have different useful lives, then they are accounted for as items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual value and is recognised in profit or loss. Depreciation on additions is calculated on a pro-rata basis from the day of addition and on disposal up to and including the month of disposal of the asset. The estimated useful lives of property and equipment for current and comparative period are as follows:

	Years
Motor vehicles	4
Furniture, fixtures and office equipment	2 to 5
Leasehold improvements	10

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment

Non-derivative financial assets

Financial instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and due from related parties are always measured at an amount equal to lifetime ECLs.

3 Material accounting policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e. 120 days from the invoice date.

The Company considers trade receivables to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

3 Material accounting policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

Presentation of allowance for ECL in the statement of financial position (continued)

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:
- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss.

3 Material accounting policies (continued)

Impairment (continued)

Non-financial assets (continued)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for employees' end of service benefits

The provision is made for the amount of end of service benefits due to employees in accordance with the UAE Labour Law and is based on the current remuneration and the period of service of the employees at the end of the reporting period. The provision has been classified as a non-current liability.

Share capital
Ordinary shares are classified as equity. Balances which represent a residual interest in the net assets of the Company are presented within equity.

3 Material accounting policies (continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; and
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.

The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3 Material accounting policies (continued)

Leases (continued)

As a lessee (continued)

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Contract liability

A contract liability is an entity's obligation to transfer goods or services to a customer for which the Company has received consideration (or the amount is due) from the customer.

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no

3 Material accounting policies (continued)

Income tax (continued)

Deferred tax (continued)

longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

4 New standards or amendments and forthcoming requirements

A number of new standards are effective for annual periods beginning after 01 January 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

a) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

• Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
• Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
• Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

b) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's financial statements.
— Lack of Exchangeability (Amendments to IAS 21).
— Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

4 New standards or amendments and forthcoming requirements (continued)

The following are the new currently effective requirements for annual periods beginning on 01 January 2024, which did not have a significant impact of the Company's financial statements:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (noncurrent liability with covenants)
- Amendments to IFRS 16 Leases– Lease liability in a sale and leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 January 2024 and early adoption is permitted; however, the Company has not early adopted the new or amended standards in these financial statements. The following amended standards and interpretations are not expected to have a significant impact on the financial statements in the period of initial application:

New and amended standards not effective and not yet adopted by the Company	**Effective date**
Lack of Exchangeability – Amendments to IAS 21	*1 January 2025*
Classification and Measurement of Financial Instruments – Amendment to IFRS 9 and IFRS 7	*1 January 2026*
IFRS 18 – Presentation and Disclosure in Financial Statements	*1 January 2027*
IFRS 19 – Subsidiaries without Public Accountability Disclosures	*1 January 2027*
Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 23	*Optional*

5 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk.

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital. Further quantitative disclosures are included in note 21 of these financial statements.

Risk management framework

Management of the Company has overall responsibility for the establishment and oversight of the Company’s risk management framework and is responsible for developing and monitoring the Company’s risk management policies. The Company’s risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities.

5 Financial risk management *(Continued)*

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash at bank and trade and other receivables (excluding prepayments and advances to suppliers). The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures in respect of losses that have been incurred but not yet identified. The Company's cash is placed with bank of good repute.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk mainly relates to trade and other payables (excluding advances from customers), and due to related parties. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company maintains adequate reserves, by continuous monitoring, forecast and actual cash flows.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and fluctuations in fair value will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than its functional currency, primarily the US Dollar (USD). Since USD is currently pegged to AED, the Company does not hedge the currency risk in respect of its foreign currency exposure.

Market risk (continued)

Interest rate risk

Interest rate risk is the risk of loss from fluctuations of future cash flows because of a change in market interest rates.

5 Financial risk management *(Continued)*

Other market price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Capital management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital structure to reduce the cost of capital. The Company is not subject to externally imposed capital requirements.

6 Revenue

The Company's revenue is generated by providing a wide range of tourism and related services (hotel bookings, transport and visa services, excursion and travel related services).

	2024 **AED**	2023 AED
Tourism and related services	**26,514,765**	13,266,227
	26,514,765	13,266,227
Geographical markets		
United Arab Emirates	**26,514,765**	13,266,227
Timing of revenue recognition		
Revenue recognized at a point in time	**26,514,765**	13,266,227

7 Direct Costs

Direct costs comprise hotel bookings, transport and visa services, excursion and travel related services.

	2024 **AED**	2023 AED
Tourism and related services	**20,422,880**	10,110,196
	20,422,880	10,110,196

8.1 Administrative and general expenses

	2024	2023
	AED	AED
Staff salaries and benefits	**3,660,963**	2,939,684
Business promotion expenses	**462,658**	302,406
Overseas representative office charges	**359,384**	400,760
Depreciation on right-of-use assets	**74,501**	74,501
Communication expense	**36,023**	28,809
Bank charges	**30,712**	28,338
Legal and professional charges	**141,538**	114,369
Rent expense	**10,840**	10,840
Depreciation	**6,572**	5,982
Allowance for expected credit loss	**-**	67,798
Other expenses	**87,421**	100,057
	4,870,612	4,073,544

8.2 Other income

	2024	2023
	AED	AED
Other Income	**-**	22,468
	-	22,468

9 Finance income

	2024	2023
	AED	AED
Foreign exchange gain	**200,871**	78,331
Interest Income	**50,458**	-
Interest expense on lease liability	**(6,997)**	(11,950)
	244,332	66,381

10 Property and equipment

	Motor vehicles AED	Furniture, fixtures and office equipment AED	Leasehold improvements AED	Total AED
Cost				
Balance as at 1 January 2023	-	259,730	25,000	284,730
Addition during the year	-	7,973	-	7,973
Balance as at 31 December 2023	-	267,703	25,000	292,703
Balance as at 1 January 2024	-	267,703	25,000	292,703
Addition during the year	-	11,928	25,047	36,975
Balance as at 31 December 2024	**-**	**279,631**	**50,047**	**329,678**
Depreciation				
Balance as at 1 January 2023	-	249,956	25,000	274,956
Charge for the year		5,982	-	5,982
Balance as at 31 December 2023	-	255,938	25,000	280,938
Balance as at 1 January 2024	-	255,938	25,000	280,938
Charge for the year	-	6,363	209	6,572
Balance as at 31 December 2024	**-**	**262,301**	**25,209**	**287,510**
Net book value				
At 31 December 2024	**-**	**17,330**	**24,839**	**42,168**
At 31 December 2023	-	11,765	-	11,765

11 Trade and other receivables

	2024 AED	2023 AED
Trade receivables	**1,543,603**	1,497,560
Provision for impairment loss on trade receivables	**(91,372)**	(91,372)
	1,452,231	1,406,188
Prepayments	**145,368**	88,323
Deposits and other receivables	**240,986**	240,986
Advances to suppliers & others	**28,799,748**	920,452
	30,638,333	2,655,949

12 Related parties

The Company in normal course of business, enter into transactions with other business entities which fall within the definition of related party contained in International Accounting Standard 24. Such transactions are on terms and conditions mutually agreed between them. Significant related party transactions during the year ended 31 December 2024 and 31 December 2023 were as follows:

	Relationship	**2024**	2023
		AED	AED
Interest income	Affiliate Company	**50,458**	-
Direct Costs	Affiliate Company	**8,500,000**	4,000,000

Due from related parties

	Relationship	**2024**	2023
		AED	AED
Desert Adventures Tourism LLC*	Affiliate Company	**6,303,024**	-
		6,303,024	-

*Outstanding balances at the year-end are unsecured and settlement occurs in cash and arise in normal course of business. The amount due from the Desert Adventure Tourism LLC is subject to interest rate of 9.82%. There have been no guarantees provided or received for any related party receivables. For the period ended 31 December 2024, the Company has not recorded any allowance for expect credit losses of amounts owed by related parties.

Due to related parties

	Relationship	**2024**	2023
		AED	AED
Gulf Dunes Tourism LLC – Oman	Affiliate Company	**771,700**	861,482
Desert Adventures Tourism LLC	Affiliate Company	**-**	823,906
		771,700	1,685,388

Below is the detail of Key management personnel compensation:

Key management personnel compensation

	2024	2023
	AED	AED
Short term employee benefits	**566,428**	591,215
Post-employment benefits	**24,675**	34,824

13 Trade and other payables

	2024	2023
	AED	AED
Trade payables	**506,839**	775,484
Accruals and other payables	**1,431,235**	965,383
Contract liability	**40,064,999**	5,601,191
	42,003,073	7,342,058
Less: Contract liability*	**(40,064,999)**	(5,601,191)
	1,938,074	1,740,867

*The contract liabilities primarily relate to the advance consideration received from customers for the services, for which revenue is recognized over time.

14 Employees' end of service benefits

	2024	2023
	AED	AED
Balance at 01 January	**229,180**	147,727
Provision during the year	**107,163**	93,200
Payments made during the year	**(2,600)**	(11,747)
Balance at 31 December	**333,743**	229,180

15 Share capital

	2024	2023
	AED	AED
Authorised, issued and fully paid-up capital		
100 shares of AED 3,000 each	**300,000**	300,000

16 Statutory reserves

In accordance with UAE Federal Law No. 32 of 2021, a minimum of 5% of the net profits of the Company is required to be allocated to a statutory reserve, which is not distributable. Such allocations may be ceased when the statutory reserve equals half of the paid-up share capital of the Company. During the year no transfers were made to this reserve as the amount of the reserve has reached to the threshold (2023: AED Nil).

17 Cash and cash equivalents

	2024	2023
	AED	AED
Cash in hand	**4,366**	3,900
Cash at bank	**1,582,636**	680,786
	1,587,002	684,686

18 Leases

(a) The statement of financial position shows the following amounts relating to leases:

	2024 AED	2023 AED
Right of use asset		
Office premises	**-**	149,002
Lease liability		
Current	**83,102**	74,303
Non-current	**-**	83,102
	83,102	157,405

(b) The movement of right-of-use asset and lease liability during the period is given below:

	2024 AED	2023 AED
Right of use asset		
At 01 January	**149,002**	-
Addition during the period	**-**	223,503
Depreciation for the period	**(74,501)**	(74,501)
At 31 December	**74,501**	149,002
Lease liability		
At 01 January	**157,405**	-
Addition during the period	**-**	223,503
Interest expense charged to finance costs	**6,997**	11,950
Repayment of lease liability	**(81,300)**	(78,048)
At 31 December	**83,102**	157,405

(c) Amounts recognised in the statement of profit or loss:

	2024 AED	2023 AED
Depreciation on Right-of-use asset	**74,501**	74,501
Finance cost	**6,997**	11,950
	81,498	86,451

(d) Amounts recognised in the statement of cash flows:

	2024 AED	2023 AED
Principal payment	**74,303**	66,098
Add: Finance cost paid	**6,997**	11,950
Total lease payments	**81,300**	78,048

18 Leases

(e) Maturity analysis of lease liabilities, showing un-discounted lease payments to be paid after the reporting date and related unwinding of finance cost is given below:

	As at 31 December 2024		
	Future minimum lease payments AED	**Unwinding of finance cost AED**	**Present value of minimum lease payments AED**
Less than one year	84,314	1,212	83,102
	84,314	1,212	83,102

19 Income tax expense

	2024 AED	**Effective tax rate**
Current tax expense	**99,565**	**-**
Reconciliation of effective tax rate		
Profit before tax	**1,465,605**	
Tax using the Company base tax rate	**131,904**	**9.00%**
Tax effect of:		
Add: Non-deductible Expenditure	**1,411**	**0.10%**
Less: Threshold exemption	**(33,750)**	**(2.30%)**
Tax expense for the year	**99,565**	**6.80%**

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("the CT Law") to enact a Federal corporate tax ("CT") regime in the UAE. The CT Law is effective for financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income as AED 375,000, over which a corporate tax of 9% would apply. The CT Law is now enacted, and based on this the Company has accounted for current taxes on its financial statements and has elected to apply the 'realization basis' for recognizing gains and losses on all assets and liabilities.

20 Contingencies and commitments

There are no capital commitments and contingent liabilities of the Company as at 31 December 2024 (31 December 2023: AED Nil).

21 Financial instruments

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade and other receivables and amounts due from related parties.

21 Financial instruments (continued)

Credit risk (continued)

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

The Company's cash and cash equivalents are held with bank and financial institution counterparties, which have good market credibility and stability.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	AED	AED
Trade and other receivables (excluding prepayments and advances to suppliers)	**1,693,217**	1,647,174
Due from related party	**6,303,024**	-
Cash at bank	**1,582,636**	680,786
	9,578,877	2,327,960

The aging of trade receivables at the reporting date was:

	31 December 2024		31 December 2023	
	Gross	**Provision**	Gross	Provision
	AED	**AED**	AED	AED
Not due	1,452,231	-	1,406,188	-
Over 90 days past due	91,372	91,372	91,372	91,372
	1,543,603	91,372	1,497,560	91,372

The movement in the impairment loss for trade receivables is as follows:

	2024	2023
	AED	AED
At 1 January	**91,372**	23,574
Charge during the year	-	67,798
At 31 December	**91,372**	91,372

21 Financial instruments *(continued)*

Credit risk (continued)

At 31 December 2023, the Company's exposure of credit risk to trade receivables by geographical region was as follows:

	2024	2023
	AED	AED
Geographical regions		
Europe	**803,675**	18,759
Commonwealth of Independent States	**119,217**	110,264
Middle east and others	**620,711**	1,368,537
Grand total	**1,543,603**	1,497,560

Cash at Banks

The Company held cash at banks of AED 1,582,636 at 31 December 2024 (2023: AED 680,786). The cash at banks are held with banks, which are rated A1 to A3, based on Mood's ratings. Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Other receivables

The company's exposure to credit risk on other receivable from third parties influence mainly by the individual characteristics of each party. Other receivable as at 31 December 2024 include deposits and other receivable of AED 240,986 (2023: AED 240,986) for which management believes that there is no significant credit risk associated at reporting date.

Due from related parties

For receivables from related parties, the Company as determined Probability of Debt (PD) that is applicable for outstanding related party receivables PD has been determined in accordance with Moody's PD rating scale by considering external credit ratings and adjusting the PDs so determined for macroeconomic factors. The Company has also considered a standard Loss Given Default (LGD) percentage of 45% for all unsecured outstanding exposures in accordance with foundation approach of Basel guidelines in the absence of the Group's historical experience. The Company does not require collateral in respect of its amount due from a related party. The Company does not have amounts for which no loss allowance is recognized because of collateral. At the reporting date there was no significant concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed

conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company aims to maintain the level of cash and cash equivalents at an amount in excess of

21 Financial instruments *(continued)*

Liquidity risk (continued)

expected cash outflows on financial liabilities by continuous monitoring of forecast and actual cash outflows. The following are the contractual maturities of financial liability based on contractual undiscounted payments including interest payment and excluding impact of netting:

31 December 2024

	Carrying Amount AED	Contractual cash outflows AED	1 year or less AED	More than 1 year AED
Non derivative financial liabilities				
Trade and other payables (excluding advances from customers)	1,938,074	1,938,074	1,938,074	-
Lease liability	83,102	84,314	84,314	-
Due to related parties	771,700	771,700	771,700	-
	2,792,876	**2,794,088**	**2,794,088**	**-**

31 December 2023

	Carrying Amount AED	Contractual cash outflows AED	1 year or less AED	More than 1 year AED
Non derivative financial liabilities				
Trade and other payables (excluding advances from customers)	1,740,867	1,740,867	1,740,867	-
Lease liability	157,405	165,852	81,300	84,552
Due to related parties	1,685,388	1,685,388	1,685,388	-
	3,583,660	3,592,107	3,507,555	84,552

Market risk

Foreign exchange risk

The Company has no significant exposure to foreign currency risk as the transactions in foreign currencies (if any) are mainly made in USD which is informally pegged to AED.

Interest rate risk

The Company has no borrowings and is not exposed to interest rate risk.

Fair values

The fair values of the Company's financial assets and financial liabilities approximate their carrying amounts due to the short-term nature of these instruments.

22 Fair value hierarchy

The Company does not have financial instruments which are measured at fair value as at the reporting date. Accordingly, the fair value hierarchy disclosures are not applicable to the Company.

23 Significant accounting estimates and judgments

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following are the critical accounting estimates and judgments used by management in the preparation of these financial statements:

Impairment losses on trade receivables

The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 21.

Elements of the ECL models that are considered accounting judgments and estimates include:

- Development of ECL models, including various formulas and choice of inputs
- The segmentation of financial assets when their ECL is assessed on a collective basis; and
- Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGDs).

Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. The Company's policy is to regularly review its models in the context of actual loss experience and adjust when necessary.

24 Comparatives

Certain comparative figures have been reclassified to conform to the presentation adopted in these financial statements. These reclassifications do not impact on profit, assets and equity.

25 Subsequent events

There has been no significant event subsequent to the reporting date and up to the date of authorization of the financial statement, which would have a material effect on the financial statements.

Gulf Dunes LLC

Financial statements
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Gulf Dunes LLC

Financial statements

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Directors' Report

The directors submit their report together with the audited financial statements of Gulf Dunes LLC for the year ended 31 December 2024.

LEGAL STATUS

Gulf Dunes LLC ("the Company") is a limited liability company registered with the Ministry of Commerce and Industry in the Sultanate of Oman on May 01, 2001, under the commercial registration no. 1684345.

The Company's 70% shares are held by Gulf Dunes LLC, Dubai, UAE for the beneficial interest of Travel Circle International Ltd. ("the Parent Company") and 30% by Hani Juma'an Ashoor Al Rajab. The Ultimate Parent of the Company is Fairfax Financial Holdings Limited ("the Ultimate Parent Company and Ultimate Controlling Party"), a company registered in Toronto, Ontario, Canada.

The main business activity of the Company is organizing of conventions, conferences and meeting for groups, management of lounges and carry out tour operator activities in Sultanate of Oman.

The registered office of Gulf Dunes LLC is P.O. Box no. 6655, Muscat, Sultanate of Oman.

FINANCIAL PERFORMANCE

The results of the Company for the year ended 31st December 2024 and 31st December 2023 are stated below:

Financial highlights	**2024** **OMR**	2023 OMR
Net (loss)	(9,955)	(9,319)
Total equity	84,938	94,893

SUBSEQUENT EVENT:

There has been no significant event subsequent to the reporting date and up to the date of authorization, which would have a material effect on the financial statements.

AUDITORS

KPMG LLC was appointed as the independent auditor for the year ended 31 December 2024. The firm is eligible for reappointment for the financial year 2025 and has expressed its willingness to continue in office. The Director recommends the reappointment of KPMG LLC as the Company's auditor for the year ending 31 December 2025.

On behalf of the Board

Salim Sikander
Chief Financial Officer

Peter Payet
Chief Executive Officer

Date: 29 April 2025

KPMG LLC
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Independent auditors' report

To the Shareholders of Gulf Dunes LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gulf Dunes LLC ("the Company"), which comprise the statement of financial position as at December 31, 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which is set out on Page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and their preparation in compliance with the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We report that these financial statements comply, in all material respects, with the applicable provisions of the Commercial Companies Law of 2019.

30 April 2025

KPMG LLC

KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

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Gulf Dunes LLC

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Notes	**2024 OMR**	2023 OMR
Revenue	*5*	**1,935**	28,072
Direct costs	*6*	**(1,910)**	(22,339)
Gross profit		**25**	5,733
Administrative and general expenses	*7*	**(11,304)**	(13,238)
(Loss) before tax		**(11,279)**	(7,505)
Tax reversal/(expense)	*14*	**1,324**	(1,814)
(Loss) for the year		**(9,955)**	(9,319)
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(9,955)**	(9,319)

The notes on pages 9 to 25 are an integral part of these financial statements.

The independent auditors' report is set out on pages 2 - 4.

Gulf Dunes LLC

Statement of financial position

As at 31 December 2024

	Notes	2024 OMR	2023 OM
Assets			
Trade and other receivables	*8*	**2,107**	3,379
Due from a related party	*9*	**80,898**	90,245
Cash at bank	*13*	**7,382**	7,391
Current assets		**90,387**	101,015
Total assets		**90,387**	101,015
Equity and liabilities			
Equity			
Share capital	*11*	**150,000**	150,000
Statutory reserve	*12*	**5,201**	5,201
Accumulated losses		**(70,263)**	(60,308)
Total equity		**84,938**	94,893
Liabilities			
Trade and other payables	*10*	**141**	6,122
Due to a related party	*9*	**5,308**	-
Current liabilities		**5,449**	6,122
Total liabilities		**5,449**	6,122
Total equity and liabilities		**90,387**	101,015

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operation and cash flows of the Company as of, and for, the year ended 31 December 2024.

These financial statements were authorized for issue on behalf of the Company's Directors on 29 April 2025:

Salim Sikander
Chief Financial Officer

Peter Payet
Chief Executive Officer

The notes on pages 9 to 25 are an integral part of these financial statements.

The independent auditors' report is set out on pages 2 - 4.

Gulf Dunes LLC

Statement of cash flows

For the year ended 31 December 2024

	Notes	**2024** **OMR**	2023 OMR
Cash flows from operating activities			
(Loss) for the year		**(9,955)**	(9,319)
Adjustments for:			
Tax (reversal)/expense	*14*	**(1,324)**	1,814
		(11,279)	(7,505)
Changes in:			
- trade and other receivables		**1,272**	4,894
- due from related parties		**9,347**	49,787
- trade and other payables		**(4,167)**	(17,481)
- due to related parties		**5,308**	(27,667)
Cash from operating activities		**481**	2,028
Tax paid		**(490)**	-
Net cash from operating activities		**(9)**	-
Net increase in cash and cash equivalents		**(9)**	2,028
Cash and cash equivalents at beginning of the year		**7,391**	5,363
Cash and cash equivalents at end of the year	*13*	**7,382**	7,391

The notes on pages 9 to 25 are an integral part of these financial statements.

The independent auditors' report is set out on pages 2 - 4.

Gulf Dunes LLC

Statement of changes in equity

For the year ended 31 December 2024

	Share Capital	Statutory reserve	Accumulated losses	Total
	OMR	OMR	OMR	OMR
At 1 January 2023	150,000	5,201	(50,989)	104,212
(Loss) for the year	-	-	(9,319)	(9,319)
At 31 December 2023	150,000	5,201	(60,308)	94,893
At 1 January 2024	**150,000**	**5,201**	**(60,308)**	**94,893**
(Loss) for the year	-	-	(9,955)	(9,955)
At 31 December 2024	**150,000**	**5,201**	**(70,263)**	**84,938**

The notes on pages 9 to 25 form an integral part of these financial statements.

1 Reporting entity

Gulf Dunes LLC ("the Company") is a limited liability company registered with the Ministry of Commerce and Industry in the Sultanate of Oman on May 01, 2001, under the commercial registration no. 1684345.

The Company's 70% shares are held by Gulf Dunes LLC, Dubai, UAE for the beneficial interest of Travel Circle International Ltd. ("the Parent Company") and 30% by Hani Juma'an Ashoor Al Rajab. The Ultimate Parent of the Company is Fairfax Financial Holdings Limited ("the Ultimate Parent Company and Ultimate Controlling Party"), a company registered in Toronto, Ontario, Canada.

Hani Juma'an Ashoor Al Rajab is acting as the local sponsor under an agreement dated May 16, 2011 and receives a sponsorship fee. Hani Juma'an Ashoor Al Rajab has agreed not to take part in the operational and financial management of the Company.

The main business activity of the Company is organizing of conventions, conferences and meeting for groups, management of lounges and carry out tour operator activities in Sultanate of Oman. The registered office of Gulf Dunes LLC is P.O. Box no. 6655, Muscat, Sultanate of Oman.

2 Basis of accounting

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board (IASB) and the requirements of the Commercial Companies Law of 2019.

b) Basis of measurement

The financial statements have been prepared under the historical cost basis.

c) Functional and presentation currency

These financial statements are presented in Omani Rial ("OMR"), which is the Company's functional currency as well.

d) Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements made by management in the application of IFRS does not have any significant effect on the financial statements and there is no management estimates which could have a significant risk of material adjustment in the future years.

e) Going concern

During the year ended 31 December 2024, the Company incurred a loss after tax of OMR 9,955 *(31 December 2023: OMR 9,319)* and as at 31 December 2024 its accumulated losses amounted to OMR 70,263 (2023: accumulated losses OMR 60,308). The Company's ability to continue as a going concern is dependent on the continued financial support from its Parent Company and the expectation of future profitable operations. The Parent Company has issued a letter of support, confirming its commitment to provide the necessary financial assistance to enable the Company to meet its working capital requirements in the foreseeable future.

2 Basis of accounting (continued)

e) Going concern (continued)

Accordingly, the accompanying financial statements have been prepared on a going concern basis and do not include any adjustments that might be required if the Company were unable to continue as a going concern.

3 Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Revenue from contract with customers

The Company renders a wide range of tourism and related services (hotel bookings, transport and visa services, excursion and travel related services) to groups. Revenue from rendering these services is recognized in the profit or loss when it transfers control over a service to a customer. This is generally the case on the date of arrival. Any expected discounts to the customers are estimated and are netted off against transaction price as per the requirements of the accounting standard.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

3 Material accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement (continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

3 Material accounting policies (continued)

Financial instruments (continued)

Derecognition (continued)

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized is recognized as finance cost.

Employees' end of service benefits

The Company provides employee' end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Contributions to a defined contribution retirement plan and occupational hazard insurance for Omani employees in accordance with the Omani Social Insurances Law of 1991 are recognised as an expense in the profit or loss as incurred.

Share capital

Ordinary shares are classified as equity. Balances which represent a residual interest in the net assets of the Company are presented within equity.

Foreign currency transactions

Transactions in foreign currencies are translated to OMR and recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to OMR at the foreign exchange rate ruling at that date. Non-monetary items in a foreign currency that are measured in terms of historical cost are

3 Material accounting policies (continued)

Foreign currency transactions (continued)

translated into RO using the exchange rates at the date of the transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

Tax

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in the profit or loss except to the extent that is relates to a business combination, or items recognised directly in the equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Impairment

Non-derivative financial assets

Financial instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e.the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and due from related parties are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e.120 days from the invoice date.

The Company considers trade receivables to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due

3 Material accounting policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting policies (continued)

Impairment (continued)

Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Leases

At inception of a contract the Company assess whether a contract is or contain a lease. A contract is or contains, a lease if contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a) The contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct asset or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
b) The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
c) The Company has the right to direct the use of the asset. The Company has this right when it has the decision -making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

3 Material accounting policies (continued)

Leases (continued)

- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purpose it will be used

At inception or on assessment of a contract that contains a lease component, the Company applies, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Right of use asset

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

a) fixed payments, including in-substance fixed payments.
b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
c) amounts expected to be payable under a residual value guarantee; and
d) the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

3 Material accounting policies (continued)

Leases (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of equipment's that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. All the lease contracts of the Company are short term contracts hence there is no impact of adoption of IFRS 16 on the Company's financial statements.

New standards or amendments and forthcoming requirements

A number of new standards are effective for annual periods beginning after 01 January 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

a) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

• Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
• Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
• Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

b) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's financial statements.

— Lack of Exchangeability (Amendments to IAS 21).

— Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

3 Material accounting policies (continued)

New standards or amendments and forthcoming requirements (continued)

The following are the new currently effective requirements for annual periods beginning on 01 January 2024, which did not have a significant impact of the Company's financial statements:

• Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (noncurrent liability with covenants)

• Amendments to IFRS 16 Leases– Lease liability in a sale and leaseback

• Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 January 2024 and early adoption is permitted; however, the Company has not early adopted the new or amended standards in these financial statements. The following amended standards and interpretations are not expected to have a significant impact on the financial statements in the period of initial application:

New and amended standards not effective and not yet adopted by the Company	Effective date
Lack of Exchangeability – Amendments to IAS 21	*1 January 2025*
Classification and Measurement of Financial Instruments – Amendment to IFRS 9 and IFRS 7	*1 January 2026*
IFRS 18 – Presentation and Disclosure in Financial Statements	*1 January 2027*
IFRS 19 – Subsidiaries without Public Accountability Disclosures	*1 January 2027*
Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 23	*Optional*

4 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

• credit risk;
• liquidity risk; and
• market risk.

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital. Further quantitative disclosures are included on note 17 of these financial statements.

4 Financial risk management (continued)

Risk management framework

The management of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework and is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade and other receivables (excluding prepayments and advances to suppliers) and amounts due from a related party.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures in respect of losses that have been incurred but not yet identified. The Company's cash is placed with bank of good repute.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk mainly relates to trade and other payables (excluding advances from customers), and due to related parties. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company maintains adequate reserves, by continuous monitoring, forecast and actual cash flows.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and fluctuations in fair value will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than its functional currency, primarily the US Dollar (USD). Since USD is currently pegged to OMR, the Company does not hedge the currency risk in respect of its foreign currency exposure.

Interest rate risk
Interest rate risk is the risk of loss from fluctuations of future cash flows because of a change in market interest rates.

4 Financial risk management *(continued)*

Market risk *(continued)*

Other market price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Capital management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital structure to reduce the cost of capital. Capital requirements are prescribed by the Commercial Companies Law of 2019.

5 Revenue

The Company's revenue is generated by providing a wide range of tourism and related services (hotel bookings, transport and visa services, excursion and travel related services) to groups.

	2024 **OMR**	2023 OMR
Tourism and related services	**1,935**	28,072
	1,935	28,072
Geographical markets		
Oman	**1,935**	28,072
Timing of revenue recognition		
Revenue recognized at a point in time	**1,935**	28,072

6 Direct costs

Direct costs comprise hotel bookings, transport, visa, excursions and travel related services.

	2024 **OMR**	2023 OMR
Tourism and related services	**1,910**	22,339
	1,910	22,339

7 Administrative and general expenses

	2024 OMR	2023 OMR
Staff salaries and benefits	**1,124**	-
Sponsorship fees	**6,286**	6,285
Legal and professional charges	**703**	4,405
Business promotion	**2,719**	2,323
Miscellaneous expenses	**472**	225
	11,304	13,238

8 Trade and other receivables

	2024 OMR	2023 OMR
Prepayments	**1,869**	3,144
Advance to supplier	**235**	235
VAT receivable, net	**3**	-
	2,107	3,379

9 Related party transactions

The Company in normal course of business, enter into transactions with other business entities which fall within the definition of related party contained in International Accounting Standard 24. Such transactions are on terms and conditions mutually agreed between them. Related party Gulf Dunes LLC, Dubai and Muscat Desert Adventures Tourism LLC are the sister concern of the Company.

Significant transactions entered with related parties during the year were:

	Relationship	2024 OMR	2023 OMR
Cost of sales	Sister Concern	**437**	-

Due from a related party

	2024 OMR	2023 OMR
Gulf Dunes LLC, Dubai	**80,898**	90,245
	80,898	90,245

Due to a related party

Muscat Desert Adventures Tourism LLC	**5,308**	-

9.1 Related party balance is interest-free and repayable on demand.

Compensation of key management personnel

During the year, there is no compensation paid to the key management personnel.

10 Trade and other payables

	2024 OMR	2023 OMR
Trade Payables	**141**	141
Tax payable (note 14)	**-**	1,814
Accruals and other payables	**-**	4,167
	141	6,122

11 Share capital

	2024 OMR	2023 OMR
Authorized, issued and fully paid-up capital		
150,000 ordinary shares of OMR 1 each	**150,000**	150,000

11.1 The authorized and fully paid-up share capital of the Company is 150,000 divided into 150,000 shares of Omani Rial 1.

12 Statutory reserves

In accordance with Article 132 of the Commercial Companies Law of 2019, a minimum of 10% of the net profit of the Company is to be allocated every year to a statutory reserve. No such transfer is required once the statutory reserve has reached one-third of the paid-up share capital of the Company. During the year, as Company has incurred loss, no amount was transfer to reserves (2023: OMR Nil).

13 Cash at bank

	2024 OMR	2023 OMR
Cash at bank	**7,382**	7,391

14 Taxes

a) The Company is liable to income tax at the rate of 15% of taxable profits as amended by Royal Decree No.9/2017.

	2024 OMR	2023 OMR
Current year	**-**	323
Prior years – (Reversal)/Expense	**(1,324)**	1,492
Total tax	**(1,324)**	1,814

14 Taxes (continued)

Movement of provision for taxation

	2024	2023
	OMR	OMR
At 1 January	**1,814**	-
Provision during the year	**-**	1,814
Provision to be (reversed)*	**(1,324)**	-
Tax Paid	**(490)**	-
At 31 December	**-**	1,814

Deferred tax asset on losses has not been recognized as the Company believes that sufficient taxable profits will not be generated to utilize deferred tax asset.

*In the previous year, a provision of OMR 1,814 was recognized in relation to an ongoing arbitration filed by the Company concerning the disallowance of salaries and related costs in the tax assessment order for the year 2019. Subsequent to the year-end, the Tax Authority accepted the Company's claim. As a result, OMR 1,324 of the total provision was reversed, and the remaining OMR 490 was paid.

b) ***Reconciliation***

The following is tax reconciliation of income taxes calculated at applicable tax rate with income tax expense:

	2024	2023
	OMR	OMR
Loss for the year	**(11,279)**	(7,505)
Income tax as per rates mentioned above	**(1,692)**	(1,126)
Non-deductible expenses	**1,007**	1,448
Unrecognized deferred tax on losses	**685**	-
Current tax – prior year	**(1,324)**	1,492
Tax (income)/expense for the year	**(1,324)**	1,814

c) Status of the tax assessments

The assessment of the Company has been completed upto Tax Year 2020. The assessment for Tax years 2021 to 2023 has not yet been initiated by the T.A. Management is of the opinion that any additional taxes, if any, related to the open years would not be significant to the Company's financial position as at 31 December 2024.

15 Contingent liabilities and capital commitment

The Company had Nil contingent liabilities and capital commitment as at 31 December 2024 (*2023: OMR Nil*).

16 Financial instruments

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade and other receivables and amounts due from related parties.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company's cash and cash equivalents are held with bank and financial institution counterparties, which have good market credibility and stability.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024 OMR	2023 OMR
Cash at bank	**7,382**	7,391
Due from a related party	**80,898**	90,245
	88,280	97,636

Liquidity risk

The following are the contractual maturities of financial liability based on contractual undiscounted payments including interest payment and excluding impact of netting:

31 December 2024	**Carrying amount OMR**	**Contractual cashflows OMR**	**1 year or less OMR**
Non derivative financial liabilities			
Trade and other payables*	**141**	**(141)**	**(141)**
	141	**(141)**	**(141)**

***(excluding advances from customers, Tax and VAT payable)**

31 December 2023	Carrying amount OMR	Contractual cashflows OMR	1 year or less OMR
Non derivative financial liabilities			
Trade and other payables*	4,308	(4,308)	(4,308)
	4,308	(4,308	(4,308)

*(excluding advances from customers and VAT payable)

16 Financial instruments (continued)

Market risk

Foreign exchange risk

The Company has no significant exposure to foreign currency risk as foreign currency transactions are mainly made in USD and the OMR to USD exchange rate has remained unchanged since 1986.

Interest rate risk

The Company has no borrowings and is not exposed to interest rate risk.

17 Fair values

The fair values of the Company's financial assets and financial liabilities approximate their carrying amounts due to the short-term nature of these instruments.

Fair value hierarchy

As at 31 December 2024 and 31 December 2023, there are no financial instruments carried at fair value by valuation method. Accordingly, fair value hierarchy disclosures are not applicable.

18 Subsequent events

There has been no significant event subsequent to the reporting date and up to the date of authorization of the financial statements, which would have a material effect on the financial statements.

Desert Adventures Tourism LLC

Separate financial statements
31 December 2024

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Directors' Report

The directors submit their report together with the audited separate financial statements of the Company for the year ended 31st December 2024.

LEGAL STATUS

Desert Adventures Tourism LLC is a limited liability company (the "Company") registered with the Department of Tourism and Commerce Marketing, Government of Dubai and Department of Economic Development.

The principal business activity of the Company is providing travel and tourism related services. The Company secures access to hotel accommodation and other travel and tourism related activities and sells it to customer who generally are tour operators, travel agents and other wholesalers.

The registered office of the Desert Adventures Tourism LLC is P.O. Box No. 25488, Dubai, United Arab Emirates.

SHARE HOLDINGS

The shareholding pattern of the Company as at 31st December 2024 and 31st December 2023 is as follows:

Name of the shareholder	**Shareholding %**
Travel Circle International (Mauritius) Limited	100%

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited, a company registered in Toronto, Ontario, Canada.

FINANCIAL PERFORMANCE

The results of the Company for the year ended 31st December 2024 and 31st December 2023 are stated below:

Financial highlights	**2024**	2023
	AED	AED
Net loss	(2,423,630)	(630,388)
Total equity	(45,095,469)	(42,671,839)

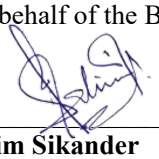
SUBSEQUENT EVENT:

There has been no significant event subsequent to the reporting date and up to the date of authorization, which would have a material effect on the financial statements.

AUDITORS

KPMG was appointed as the independent auditor for the year ended 31 December 2024. The firm is eligible for reappointment for the financial year 2025 and has expressed its willingness to continue in office. The Director recommends the reappointment of KPMG as the Company's auditor for the year ending 31 December 2025.

On behalf of the Board



Salim Sikander
Chief Financial Officer

Peter Payet
Chief Executive Officer

Date: 11 July 2025

KPMG Lower Gulf Limited
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Independent auditors' report

To the Shareholder of Desert Adventures Tourism LLC

Opinion

We have audited the separate financial statements of Desert Adventures Tourism LLC ("the Company"), which comprise the separate statement of financial position as at 31 December 2024, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at 31 December 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Group has prepared consolidated financial statements for the year ended 31 December 2024 in accordance with IFRS Accounting Standards on which we issued a separate auditors' report, dated 22 July 2025.

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Other Information

Management is responsible for the other information. The other information comprises the Directors' Report which is set out on Page 1.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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Auditors' Responsibilities for the Audit of the Separate Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Dubai, United Arab Emirates

Date: 22 JUL 2025

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Desert Adventures Tourism LLC

Separate statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Notes	**2024** **AED**	2023 AED
Revenue	*4*	**333,781,255**	345,723,919
Cost of sales	*5*	**(307,281,285)**	(317,979,919)
Gross profit		**26,499,970**	27,744,000
Administrative and general expenses	*6*	**(28,682,675)**	(26,673,485)
Impairment loss on trade receivables	*12.1*	**-**	(81,000)
Other income	*8*	**1,273,614**	776,035
Operating (loss)/profit		**(909,091)**	1,765,550
Finance income	*7*	**792,085**	874,169
Finance cost	*7*	**(2,530,826)**	(3,270,107)
Loss before tax		**(2,647,832)**	(630,388)
Deferred tax income	*21*	**224,202**	-
Loss after tax		**(2,423,630)**	(630,388)
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(2,423,630)**	(630,388)

The notes on pages 9 to 35 are an integral part of these separate financial statements.

The independent auditors' report is set out on pages 2 - 4.

Desert Adventures Tourism LLC

Separate statement of financial position

As at 31 December 2024

	Notes	2024 AED	2023 AED
ASSETS			
Property and equipment	*9*	**987,448**	1,464,550
Intangible asset	*10*	**277,151**	427,903
Investment in subsidiaries	*11*	**1,435,575**	1,435,575
Deferred tax assets	*21*	**224,202**	-
Non-current assets		**2,924,376**	3,328,028
Trade and other receivables	*12*	**45,553,285**	40,231,483
Due from related parties	*13*	**3,314,228**	1,897,106
Cash and cash equivalents	*14*	**5,829,534**	5,883,633
Current assets		**54,697,047**	48,012,222
Total assets		**57,621,423**	51,340,250
EQUITY AND LIABILITIES			
Equity			
Share capital	*15*	**300,000**	300,000
Statutory reserve	*17*	**150,000**	150,000
Shareholders contribution	*16*	**9,341,289**	9,341,289
Accumulated losses		**(54,886,758)**	(52,463,128)
Total equity		**(45,095,469)**	(42,671,839)
Liabilities			
Provision for employees' end of service benefits	*18*	**4,495,375**	3,688,133
Lease liability	*20*	**-**	525,708
Bank borrowings	*14.1*	**171,688**	232,638
Non-current liabilities		**4,667,063**	4,446,479
Trade and other payables	*19*	**70,624,257**	69,418,065
Due to related parties	*13*	**7,409,811**	2,160,935
Loan from holding Company	*13*	**3,788,530**	-
Bank borrowings	*14.1*	**15,701,548**	17,516,562
Lease liability	*20*	**525,683**	470,048
Current liabilities		**98,049,829**	89,565,610
Total liabilities		**102,716,892**	94,012,089
Total equity and liabilities		**57,621,423**	51,340,250

To the best of our knowledge, the separate financial statements fairly present, in all material respects, the separate financial position, results of operation and cash flows of the Company as of, and for the year ended 31 December 2024.

These separate financial statements were authorized for issue by the shareholders on 11 July 2025.

Salim Sikander
Chief Financial Officer

Peter Payet
Chief Executive Officer

The notes on pages 9 to 35 are an integral part of these separate financial statements.
The independent auditors' report is set out on pages 2 - 4.

Desert Adventures Tourism LLC

Separate statement of cash flows

For the year ended 31 December

	Notes	**2024**	2023
		AED	AED
Cash flows from operating activities			
(Loss) for the year		**(2,423,630)**	(630,388)
Adjustments for:			
Depreciation on property and equipment	*9*	**671,410**	629,110
Amortizations on intangible asset	*10*	**150,752**	206,949
Provision for employees' end of service benefits	*18*	**959,109**	857,203
Impairment loss on trade receivables	*12*	**-**	81,000
Interest expense on lease liability		**63,387**	75,596
Interest expense on related party balances		**588,816**	645,464
Interest expense on bank borrowings		**1,732,088**	1,737,795
Interest income		**(19,214)**	-
Gain on sale of property and equipment		**-**	(40,307)
Deferred tax income		**(224,202)**	-
Net cash flows before working capital changes		**1,498,516**	3,562,422
Changes in:			
- trade and other receivables		**(5,321,802)**	(5,011,514)
- due from related parties		**(1,417,122)**	5,403,754
- due to related parties		**5,097,045**	1,519,758
- trade and other payables		**1,206,192**	(751,739)
Payment for employees' end of service benefits	*18*	**(151,867)**	(238,837)
Net cash from operating activities		**910,962**	4,483,844
Cash flows from investing activities			
Acquisition of property and equipment	*9*	**(194,308)**	(500,009)
Proceeds from disposal of property and equipment		**-**	41,082
Acquisition of intangible asset	*10*	**-**	(380,031)
Interest income received		**19,214**	-
Net cash used in investing activities		**(175,094)**	(838,958)
Cash flows from financing activities			
Proceeds from loan from Holding Group		**14,684,000**	10,095,250
Repayment of loan from Holding Group		**(11,332,455)**	(24,040,117)
Proceeds from bank borrowings		**-**	1,649,531
Repayment of bank borrowings		**(1,875,964)**	-
Repayment of interest on bank borrowings		**(1,732,088)**	(1,737,795)
Payment of lease liabilities		**(533,460)**	(493,737)
Net cash used in financing activities		**(789,967)**	(14,526,868)
Net decrease in cash and cash equivalents		**(54,099)**	(10,881,982)
Cash and cash equivalents at beginning of the year		**5,883,633**	16,765,615
Cash and cash equivalents at end of the year	*14*	**5,829,534**	5,883,633

The notes on pages 9 to 35 are an integral part of these separate financial statements.

The independent auditors' report is set out on pages 2 - 4.

Desert Adventures Tourism LLC

Separate statement of changes in equity

For the year ended 31 December

	Share capital AED	Statutory reserve AED	Shareholders' contribution AED	Accumulated losses AED	Total AED
At 1 January 2023	300,000	150,000	9,341,289	(51,832,740)	(42,041,451)
Total comprehensive income for the period					
Loss for the year	-	-	-	(630,388)	(630,388)
At 31 December 2023	300,000	150,000	9,341,289	(52,463,128)	(42,671,839)
At 1 January 2024	300,000	150,000	9,341,289	(52,463,128)	(42,671,839)
Total comprehensive income for the period					
Loss for the year	-	-	-	(2,423,630)	(2,423,630)
At 31 December 2024	300,000	150,000	9,341,289	(54,886,758)	(45,095,469)

The notes on pages 9 to 35 are an integral part of these separate financial statements.

1 Reporting entity

Desert Adventures Tourism LLC is a limited liability Company (the "Company") registered with the Department of Tourism and Commerce Marketing, Government of Dubai.

The authorised and fully paid-up share capital of the Company is AED 300,000 divided into 100 shares of AED 3,000 / share.

The shareholding pattern of the Company as at 31st December 2024 and 31st December 2023 is as follows:

Name of the shareholder	Shareholding %
Travel Circle International (Mauritius) Limited ("the Holding Company")	100%

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited, a company registered in Toronto, Ontario, Canada.

The principal business activity of the Company is providing travel and tourism related services. The Company secures access to hotel accommodation and other travel and tourism related activities and sells it to customer who generally are tour operators, travel agents and other wholesalers.

The registered office of the Company is P.O. Box No. 25488, Dubai, United Arab Emirates.

The Company has not purchased any shares during the year.

2 Basis of accounting

a) Consolidated results

These financial statements reflect the operating results and the financial position of the Company only, and do not consolidate the operating results and financial position of the subsidiaries. These separate financial statements are prepared to present the net value of the Company based on cost less provision, if any. The subsidiaries are consolidated on a line-by-line basis in the consolidated financial statements of Desert Adventures Tourism L.L.C., which should be referred to for the consolidated financial position and results of operations for the Group.

b) Going concern

During the year ended 31 December 2024, the Company reported a net loss of AED 2,423,630 *(2023: Net loss of AED* 630,388*)*, net current liabilities of AED 43,352,782 *(2023: AED* 41,553,388*)* and net liabilities of AED 45,095,469 (2023: AED 42,671,839). As at 31 December 2024, the accumulated losses of the Company, amounted to AED 54,886,758 (2023: AED 52,463,128), exceed more than 50% of the share capital. Article 308 of the UAE Federal Decree Law no. 32 of 2021 for commercial states that if the losses of a limited liability company reach half the share capital, the Management of the Company shall refer to the shareholders the issue of dissolution. These factors indicate that the Company ability to continue as a going concern is dependent upon the continued financial support of the Holding company. The Holding company have provided an undertaking that it will provide the necessary financial support to the Company to enable it to meet its obligation for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

2 Basis of accounting (continued)

c) Statement of compliance

The separate financial statements have been prepared on a going concern basis an in accordance with International Financial Reporting Standards ("IFRSs") as issued by International Accounting Standards Board (IASB) and the applicable provision of UAE Federal Decree Law no. 32 of 2021.

d) Basis of measurement

The separate financial statements have been prepared on the historical cost basis.

e) Functional and presentation currency

The separate financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Company's functional currency.

f) Use of estimates and judgments

The preparation of the separate financial statements in conformity with IFRS requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying policies that have the most significant effect on the amounts recognized in these separate financial statements are disclosed in note 24.

g) Change in material accounting policies

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Company has adopted Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. This resulted in a change in accounting policy for the classification of liabilities that can be settled in a Company's entity's own shares. Previously, the Company ignored all counterparty conversion options when classifying the related liabilities as current or non-current. Under the new policy, when a liability includes a counterparty conversion option whereby the liability may be settled by a transfer of a Company entity's own shares, the Company takes into account the conversion option in classifying the host liability as current or non-current unless the option is classified as equity under IAS 32. The Company's other liabilities were not impacted by the amendments.

Despite the change in policy, there is no retrospective impact on the comparative statement of financial position, as the Company had no convertiable notes as at 31 December 2023.

3 Summary of Material Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Revenue

The Company renders a wide range of tourism and related services.

Revenue includes hotel accommodation, transfers, visa services and other tourism and travel related services. The revenue from rendering these services is recognized in profit or loss at the fair value of the consideration received or receivable.

The following table provides information about the nature and timing of the satisfaction of performance obligation in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
- **Tourism & related services** including: - Hotel accommodation - Visas - Transfers - Meet and greet and; - Excursions	Control of travel related services is considered transferred to customer at the travel in date i.e. in case of: - Visas at the date of issuance; - Hotel accommodation on the date hotel check in; - Transfers on the date of arrival; - Meet and greet on the date of arrival; and - Excursions on the date excursions Invoices are usually payable within 30 days. Booking cancellations vary depending on the timing of the season during the year.	Revenue is recognized at a point in time i.e. the time of travel in date.
Tour Packages	The services above are also sold as a combined tour package to travelers. In case of a combined tour package, entire package is generally considered as a single performance obligation. The combination of separate services in a combined tour package is considered significant integration and revenue for the entire tour package is recognized at the time of travel in date. Invoices are usually payable within 30 days. Booking cancellations vary depending on the timing of the season during the year.	Revenue is recognized at a point in time i.e. the time of travel in date.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3 Summary of Material Accounting Policies (continued)

Financial instruments (continued)

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

3 Summary of Material Accounting Policies (continued)

Financial instruments (continued)

Classification and subsequent measurement (continued)

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currency transactions

Transactions in foreign currencies are translated to AED at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to AED at the foreign exchange rate ruling at that date. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated into AED using the exchange rates at the date of the transaction. Foreign exchange differences arising on translation are recognized in profit or loss.

Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent cost

The cost of replacing an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognized in the profit or loss as incurred.

3 Summary of Material Accounting Policies (continued)

Property and equipment (continued)

Depreciation

Depreciation is recognized in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Depreciation on additions is calculated on a pro-rata basis from the day of addition and on disposal up to and including the month of disposal of the asset. The estimated useful lives are as follows:

	Years
Motor vehicles	4
Furniture, fixtures and equipment	2 - 5
Leasehold improvements	10
Leased office premises	3

The depreciation method and useful lives, as well as estimates of residual lives, are reassessed annually.

Intangible Assets

Intangible assets, including software, operating licenses and trademarks, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses if any.

Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

Amortization
Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

The estimated useful lives for current and comparative are 5 years.

Impairment

Non-derivative financial assets

Financial instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and due from related parties are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

3 Summary of Material Accounting Policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e. 120 days from the invoice date.

The Company considers trade receivables to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written

3 Summary of Material Accounting Policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

Write-off (continued)

off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:
- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.
In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss.

3 Summary of Material Accounting Policies (continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments (continued)

Non-financial assets (continued)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

Provisions

A provision is recognized, if as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provision for employees' end of service benefits

The provision is made for the amount of end of service benefits due to employees in accordance with the UAE Labour Law and its amendments and is based on the current remuneration and the period of service of the employees at the end of the reporting period. The provision has been classified as a non-current liability.

Intercompany recharges

Intercompany expenses are recharged to related parties at arm's length price. Charges mainly includes Salaries and Other Admin expense including IT system cost as paid by / charged to the Company.

3 Summary of Material Accounting Policies (continued)

Contract assets

The contract assets are recognized for the Company's rights to consideration for services provided to the customer but not billed at the reporting date. The amount is netted with the expected credit losses, if any. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customers.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; and

- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.

The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

3 Summary of Material Accounting Policies (continued)

Leases (continued)

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of

3 Summary of Material Accounting Policies (continued)

Income tax (continued)

Deferred tax (continued)

relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

New standards or amendments and forthcoming requirements

A number of new standards are effective for annual periods beginning after 01 January 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

a) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

• Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
• Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
• Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

b) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's financial statements.
— Lack of Exchangeability (Amendments to IAS 21).
— Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

3 Summary of Material Accounting Policies (continued)

New standards or amendments and forthcoming requirements (continued)

The following are the new currently effective requirements for annual periods beginning on 01 January 2024, which did not have a significant impact of the Company's financial statements:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (noncurrent liability with covenants)
- Amendments to IFRS 16 Leases– Lease liability in a sale and leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 January 2024 and early adoption is permitted; however, the Company has not early adopted the new or amended standards in these financial statements. The following amended standards and interpretations are not expected to have a significant impact on the financial statements in the period of initial application:

New and amended standards not effective and not yet adopted by the Company	**Effective date**
Lack of Exchangeability – Amendments to IAS 21	*1 January 2025*
Classification and Measurement of Financial Instruments – Amendment to IFRS 9 and IFRS 7	*1 January 2026*
IFRS 18 – Presentation and Disclosure in Financial Statements	*1 January 2027*
IFRS 19 – Subsidiaries without Public Accountability Disclosures	*1 January 2027*
Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 23	*Optional*

4 Revenue

Revenue from contract with customers is disaggregated by major products and service lines and timing of revenue recognition.

	2024	2023
	AED	AED
Tourism and related services	**295,808,276**	295,513,671
Tour packages	**34,294,866**	45,734,447
Hotel commissions	**3,678,113**	4,475,801
	333,781,255	345,723,919
Geographical markets		
United Arab Emirates	**333,781,255**	345,723,919
Timing of revenue recognition		
Revenue recognized at a point in time	**333,781,255**	345,723,919
Contract balances		
Receivables, which are included in "trade receivables and other receivables" (Note 12) – net	**24,033,369**	17,955,326

5 Cost of sales

	2024 AED	2023 AED
Tourism and related services	**275,962,975**	275,674,622
Tour Packages	**31,318,310**	42,305,297
	307,281,285	317,979,919

6 Administrative and general expenses

	2024 AED	2023 AED
Staff salaries and related benefits	**21,043,829**	19,881,971
Advertisement and business promotion	**1,684,150**	1,526,492
IT expenses	**1,499,567**	1,259,745
Travel expense	**695,972**	632,738
Depreciation (refer note 9.1)	**671,410**	629,110
Office expense	**348,792**	380,289
Amortisation (refer note 10)	**150,752**	206,949
Rent expense	**125,486**	126,437
Other expenses	**2,462,717**	2,029,754
	28,682,675	26,673,485

7 Net finance cost

	2024 AED	2023 AED
Finance income		
Net foreign exchange gain	**772,871**	874,169
Interest income	**19,214**	-
Total finance income	**792,085**	874,169
Finance cost		
Interest on bank borrowings	**(1,732,088)**	(1,737,795)
Interest on related party balance	**(588,816)**	(645,464)
Bank charges	**(106,846)**	(180,299)
Other charges for corporate guarantee	**(39,689)**	(630,953)
Interest on lease liabilities (note 20)	**(63,387)**	(75,596)
Total finance cost	**(2,530,826)**	(3,270,107)
Net finance costs	**1,738,741**	(2,395,938)

8 Other income – net

	2024 AED	2023 AED
Expenses recharged by associated companies	**(434,499)**	(361,589)
Commission Income	**1,708,113**	1,097,317
Gain on sale of fixed assets	**-**	40,307
	1,273,614	776,035

9 Property and equipment

	Motor vehicles AED	Furniture, fixtures and equipment AED	Leasehold improvements AED	Leased office premises AED	Total AED
Cost					
Balance at 1 January 2023	2,477,250	615,445	1,191,909	-	4,284,604
Additions	376,000	124,009	-	1,413,897	1,913,906
Disposals	(375,000)	(1,000)	-	-	(376,000)
Balance at 31 December 2023	2,478,250	738,454	1,191,909	1,413,897	5,822,510
Balance at 1 January 2024	**2,478,250**	**738,454**	**1,191,909**	**1,413,897**	**5,822,510**
Additions	-	155,384	38,924	-	194,308
Disposals	-	(141,573)	-	-	(141,573)
Balance at 31 December 2024	**2,478,250**	**752,265**	**1,230,833**	**1,413,897**	**5,875,245**
Depreciation					
Balance at 1 January 2023	2,426,809	525,291	1,151,975	-	4,104,075
Charge for the year	87,404	63,885	6,521	471,300	629,110
Disposals	(375,000)	(225)	-	-	(375,225)
Balance at 31 December 2023	2,139,213	588,951	1,158,496	471,300	4,357,960
Balance at 1 January 2024	**2,139,213**	**588,951**	**1,158,496**	**471,300**	**4,357,960**
Charge for the year	105,998	89,042	5,070	471,300	671,410
Disposals	-	(141,573)	-	-	(141,573)
Balance at 31 December 2024	**2,245,211**	**536,420**	**1,163,566**	**942,600**	**4,887,797**
Net book value					
At 31 December 2024	**233,039**	**215,845**	**67,267**	**471,297**	**987,448**
At 31 December 2023	339,037	149,503	33,413	942,597	1,464,550

9.1 Allocation of depreciation expense

	2024 AED	2023 AED
Depreciation expense related to administration (refer note 6)	**671,410**	629,110

10 Intangible asset – Software

	2024 AED	2023 AED
Cost		
As at 1 January	**2,460,999**	2,080,968
Additions	**-**	380,031
As at 31 December	**2,460,999**	2,460,999
Amortisation		
As at 1 January	**2,033,096**	1,826,147
Charge for the period	**150,752**	206,949
As at 31 December	**2,183,848**	2,033,096
Net book value as at 31 December	**277,151**	427,903

11 Investment in subsidiaries

The investment in subsidiaries are registered in the name of the shareholders of the Company and represents the amount contributed directly by the shareholders in the capital of Muscat Desert Adventures Tourism LLC ("Muscat DAT) and Jordan Desert Adventures Tourism LLC ("Jordan DAT").

	Muscat DAT AED	Jordan DAT AED	Total AED
Cost	**1,435,575**	**522,900**	**1,958,475**
Provision for impairment	**-**	**(522,900)**	**(522,900)**
At 31 December 2024	**1,435,575**	**-**	**1,435,575**
Cost	1,435,575	522,900	1,958,475
Provision for impairment	-	(522,900)	(522,900)
At 31 December 2023	1,435,575	-	1,435,575

Management carried out an impairment test of the carrying value of the subsidiaries as at 31 December 2024, based on these impairment test management, no impairment was made as the net assets of subsidiary was in excess of its carrying amount as at 31 December 2024.

12 Trade and other receivables

	2024 AED	2023 AED
Trade receivables	**27,523,160**	21,445,117
Provision for impairment loss on trade receivables (refer note 12.1)	**(3,489,791)**	(3,489,791)
	24,033,369	17,955,326
Other receivables and prepayments		
Advances to suppliers	**9,279,532**	9,542,172
Prepayments	**1,189,546**	1,235,535
Other receivables		
- Deposits	**5,593,425**	5,600,425
- Commission receivables	**4,673,381**	4,952,095
- Other receivables	**784,032**	945,930
	45,553,285	40,231,483

Above, deposit balance includes guarantee deposit of AED 370,000 (2023: AED 370,000) which is in name of Reem Tours and Travel LLC, but it is held and used for the beneficial interest of the Company.

12.1 Provision for impairment loss on trade receivables

The movement in the provision for doubtful debts during the year is as follows:

	2024 AED	2023 AED
As at 1 January	**3,489,791**	3,408,791
Provision made during the year	**-**	81,000
As at 31 December	**3,489,791**	3,489,791

13 Related parties

Related parties, within the definition of a related party contained in International Accounting Standard 24, represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Such transactions are on terms and conditions mutually agreed. Significant transactions entered with related parties during the year were:

	Relationship	2024 AED	2023 AED
Sales to related parties	Fellow subsidiaries	**32,036,047**	37,525,343
Loan acquired from Holding Company	Holding Company	**14,684,000**	10,095,250
Expenses recharged by fellow subsidiaries (note 8)	Fellow subsidiaries	**(434,499)**	(361,589)
Interest on related party balance	Holding Company and Fellow subsidiaries	**(588,816)**	(645,464)
Repayment of loan and interest loan from Holding Company	Holding Company	**(11,332,455)**	(24,040,117)

13 Related parties (continued)

The key management personnel compensation is as follows:

	2024 AED	2023 AED
Short-term employee benefits	**3,451,645**	4,003,720
Staff terminal benefits	**167,517**	265,842
	3,619,162	4,269,562

Due from related parties

	Relationship	2024 AED	2023 AED
Thomas Cook (India) Limited	Intermediate parent	**2,242,341**	682,801
SOTC Travel Limited	Intermediate parent	**985,536**	390,402
Desert Adventures Tourism – Jordan	Fellow Subsidiary	**86,351**	-
Gulf Dunes LLC	Affiliate Company	-	823,903
		3,314,228	1,897,106

For the period ended 31 December 2024, the Company has not recorded any allowance for expect credit losses of amounts owed by related parties.

Due to related parties

		2024 AED	2023 AED
Gulf Dunes LLC*	Affiliate Company	**6,302,961**	-
Muscat Desert Adventures Tourism LLC*	Fellow Subsidiary	**1,064,598**	872,215
Travel Corporation (India) Limited	Affiliate Company	**22,557**	568
Horizon Travel Services	Affiliate Company	**19,695**	12,908
Desert Adventures Tourism – Jordan	Fellow Subsidiary	**-**	37,885
Reem Tours LLC	Affiliate Company	**-**	608,868
Digiphoto Entertainment Imaging	Affiliate Company	**-**	625,686
Jardin Travel Solutions Limited	Affiliate Company	**-**	2,805
		7,409,811	2,160,935

*Outstanding balances at the year-end are unsecured and settlement occurs in cash and arise in normal course of business. The amount due to Gulf Dunes LLC and Muscat Desert Adventure Tourism LLC is subject to interest rate of 9.82%. There have been no guarantees provided or received for any related party.

13 Related parties (continued)

Loan from holding Company

The Company obtained a short-term facility to finance working capital requirements from Travel Circle International (Mauritius) Limited ("Holding Group"). This facility is unsecured and carries interest at the rate from 6.98% to 8.90%. The movement in the balance during the year ended 31 December 2024 and 31 December 2023 is as follows:

	2024	2023
	AED	AED
Opening balance	**-**	13,299,403
Proceeds from loan	**14,684,000**	10,095,250
Interest accrued during the year	**436,985**	645,464
Repayment of principal and interest	**(11,332,455)**	(24,040,117)
Closing balance	**3,788,530**	-

14 Cash and cash equivalents

	2024	2023
	AED	AED
Cash in hand	**591,177**	183,708
Cash at bank	**5,238,357**	5,699,925
	5,829,534	5,883,633

14.1 Bank borrowings

Overdraft Facility:
The Company has an overdraft facility of USD 5,000,000 (AED 18,355,000) issued by Standard Chartered Bank. This facility is secured over the assets of the Company. Overdraft facility carries interest at the rate of 5.15% per annum over 1 month LIBOR. The principal is payable on demand and interest is payable on monthly basis. The Company has availed overdraft facility during the year and outstanding amount as at 31 December 2024 is AED 15,640,620 (2023: AED 17,749,200). The Company also has commercial card facility of AED 12,855,400 issued by Citi bank.

Auto Loan:

During the year, Company has borrowed an Auto Loan from Abu Dhabi Commercial Bank. The outstanding amount as at 31 December 2024 is AED 232,616 (2023: AED 289,234) of which AED 60,928 (2023: AED 56,596) is the current portion and remaining balance of AED 171,688 (2023: AED 232,638) is non-current portion.

15 Share capital

	2024	2023
	AED	AED
Authorised, issued and fully paid up capital		
100 shares of AED 3,000 each	**300,000**	300,000

16 Shareholder contribution

	2024	2023
	AED	AED
Shareholder contribution	**9,341,289**	9,341,289

17 Statutory reserves

In accordance with UAE Federal Decree Law No. 32 of 2021, a minimum of 10% of the net profits of the Company is required to be allocated to a statutory reserve, which is not distributable. Such allocations may be ceased when the statutory reserve equals half of the paid-up share capital of the Company. During the year no transfers were made to this reserve as the amount of the reserve has reached to the threshold *(2023: AED Nil)*.

18 Employees' end of service benefits

	2024	2023
	AED	AED
As at 1 January	**3,688,133**	3,069,767
Provision during the year	**959,109**	857,203
Payments made during the year	**(151,867)**	(238,837)
As at 31 December	**4,495,375**	3,688,133

19 Trade and other payables

	2024	2023
	AED	AED
Trade payables	**19,593,784**	18,812,731
Advances from customers	**16,571,176**	15,819,294
Accruals and other payables		
- Employees accruals	**1,380,441**	1,750,093
- Hotel and other service accruals	**31,653,793**	31,438,186
- Other payables	**1,425,062**	1,597,761
	70,624,257	69,418,065

20 Lease liabilities

	2024	2023
	AED	AED
Current	**525,683**	470,048
Non-current	**-**	525,708
Balance at 31 December	**525,683**	995,756

Set out below, are the carrying amounts of the Company's lease liabilities and the movements during the year:

	2024	2023
	AED	AED
As at 1 January	**995,756**	-
Additions	**-**	1,413,897
Interest expense on lease liability (note 7)	**63,387**	75,596
Repayment of lease liability during the year	**(533,460)**	(493,737)
As at 31 December	**525,683**	995,756

20 Lease liabilities (continued)

Amount recognized in the profit or loss

	2024 AED	2023 AED
Interest on lease liability	**63,387**	75,596
Depreciation on right-of-use asset (refer note 9)	**471,300**	471,300
Expenses relating to low value assets, excluding short-term leases (refer note 6)	**125,486**	126,437
Balance at 31 December	**660,173**	673,333

Amounts recognized in the Statement of cash flows

	2024 AED	2023 AED
Repayment of lease liability	**(533,460)**	(493,737)

21 Taxation

	2024 AED
Deferred tax assets	
Recognition of deferred tax assets on the losses	**(224,202)**
Total income tax credit, net	**(224,202)**

	2024 AED	Effective tax Rate
Reconciliation of effective tax rate		
Profit before tax	**(2,647,832)**	**-**
Tax using the Company base tax rate	**(238,305)**	**-9.00%**
Tax effect of:		
Add: Non-deductible Expenditure	**14,103**	**0.53%**
Tax credit for the year	**(224,202)**	**(8.47%)**

Movement in deferred tax asset

A deferred tax asset of AED 224,202 has been recognized, as management anticipates that sufficient taxable profits will be available in the foreseeable future to utilize the related tax losses.

	2024 AED
Recognized during the period	**(224,202)**
Deferred tax asset as at 31 December 2024	**(224,202)**

21 Taxation (continued)

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("the CT Law") to enact a Federal corporate tax ("CT") regime in the UAE. The CT Law is effective for financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income as AED 375,000, over which a corporate tax of 9% would apply. The CT Law has now been enacted, and based on this, the Company has recognized current taxes in its financial statements and has elected to apply the 'realization basis' for recognizing gains and losses on all assets and liabilities. As the Company incurred net losses for the year ended 31 December 2024, no taxable income was generated, and therefore, no income tax expense has been recorded for the year.

22 Contingencies and commitments

Contingent liabilities
The Company has AED 716,238 *(2023: AED* 716,238*)* of bank guarantees as at 31 December 2024, these were issued during the normal course of business.

Capital commitments
There are no capital commitments of the Company as at 31 December 2024 (31 December 2023: AED Nil).

23 Financial risk management

The Company has exposure to the following risks arising from financial instruments
- Credit risk;
- Liquidity risk; and
- Market risk.

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The management is responsible for developing and monitoring the Company's risk management policy. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade and other receivables (excluding prepayments and advances) and amounts due from related parties.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Company's cash and cash equivalents are held with bank and financial institution counterparties, which have good market credibility and stability. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

23 Financial risk management (continued)

Credit risk (continued)

	2024	2023
	AED	AED
Trade receivables	**24,033,369**	17,955,326
Other receivables*	**11,275,040**	11,498,450
Due from related parties	**3,314,228**	1,897,106
Cash at bank	**5,238,357**	5,699,925
	43,860,994	37,050,807

* Prepayments and advances are excluded.

At 31 December, the Company's exposure of credit risk to trade receivables by geographical region was as follows:

	Carrying amount	Carrying amount
	2024	2023
Geographical regions	**AED**	AED
Commonwealth of Independent States	**12,835,315**	9,537,151
Europe	**6,870,301**	5,041,020
Middle East	**3,755,201**	3,777,656
Asia	**786,986**	539,573
Others	**3,275,357**	2,549,717
	43,860,994	37,050,807

The ageing of trade receivables at the reporting date was:

	Not credit-impaired 2024 AED	**Credit impaired 2024 AED**	Not credit-impaired 2023 AED	Credit impaired 2023 AED
Not yet due	**18,157,718**	**-**	12,150,130	-
1-30 days	**5,617,012**	**-**	4,905,409	-
31- 90 days	**258,639**	**759,037**	899,787	1,018,813
91- 120 days and above	**-**	**2,730,754**	-	2,470,978
Total gross carrying amount	**24,033,369**	**3,489,791**	17,955,326	3,489,791
Loss allowance	**-**	**(3,489,791)**		(3,489,791)
	24,033,369	**-**	17,955,326	-

Impairment losses

Expected credit losses assessment for individual customers as at 31 December 2024 and 31 December 2023.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise large number of trade balances. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of

23 Financial risk management (continued)

Credit risk (continued)

Impairment losses (continued)

delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - geographic region and industry.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2024.

	Gross carrying amount AED	Loss allowance AED	Credit impaired
Not yet due	**18,157,718**	-	**No**
1-30 days	**5,617,012**	-	**No**
31- 90 days	**258,639**	**759,037**	**Yes**
91- 120 days and above	**-**	**2,730,754**	**Yes**
Total	**24,033,369**	**3,489,791**	

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2023.

	Gross carrying amount AED	Loss allowance AED	Credit impaired
Not yet due	12,150,130	-	No
1-30 days	4,905,409	-	No
31- 90 days	1,918,600	1,018,813	Yes
91- 120 days and above	2,470,978	2,470,978	Yes
Total	21,445,117	3,489,791	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Exposure is segmented by geographical region and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. Scalar factors are based on GDP.

Cash at Banks

The Company held cash at banks of AED 5,238,357 at 31 December 2024 (2023: AED 5,699,925). The cash at banks are held with banks, which are rated A1 to A3, based on Mood's ratings. Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

23 Financial risk management (continued)

Other receivables

The company's exposure to credit risk on other receivable from third parties influence mainly by the individual characteristics of each party. Other receivable as at 31 December 2024 include deposits and other receivable of AED 11,275,040 (2023: AED 11,498,450) for which management believes that there is no significant credit risk associated at reporting date.

Due from related parties

For receivables from related parties, the Company as determined Probability of Debt (PD) that is applicable for outstanding related party receivables PD has been determined in accordance with Moody's PD rating scale by considering external credit ratings and adjusting the PDs so determined for macroeconomic factors. The Company has also considered a standard Loss Given Default (LGD) percentage of 45% for all unsecured outstanding exposures in accordance with foundation approach of Basel guidelines in the absence of the Group's historical experience. The Company does not require collateral in respect of its amount due from a related party. The Company does not have amounts for which no loss allowance is recognized because of collateral. At the reporting date there was no significant concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company aims to maintain the level of cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities by continuous monitoring of forecast and actual cash outflows. The following are the contractual maturities of financial liabilities based on contractual payments:

2024	**Carrying Amount AED**	**Contractual cash out flows AED**	**1 year or less AED**	**More than 1 year AED**
Non derivative financial liabilities				
Trade and other payables*	**54,053,081**	(54,053,081)	(54,053,081)	**-**
Due to related parties	**7,409,811**	(7,409,811)	(7,409,811)	**-**
Bank borrowing	**15,873,236**	(15,873,236)	(15,873,236)	**-**
Loan from holding company	**3,788,530**	(3,788,530)	(3,788,530)	
Lease liability	**525,683**	(525,683)	(525,683)	**-**
	81,650,341	(81,650,341)	(81,650,341)	**-**

2023	Carrying Amount AED	Contractual cash out flows AED	1 year or less AED	More than 1 year AED
Non derivative financial liabilities				
Trade and other payables*	53,598,771	(53,598,771)	(53,598,771)	-
Due to related parties	2,160,935	(2,160,935)	(2,160,935)	-
Loan from holding Company	17,749,200	(17,749,200)	(17,749,200)	-
Bank borrowing	995,757	(995,757)	(470,049)	(525,708)
	74,504,663	(74,504,663)	(73,978,955)	(525,708)

** excluding advances from customers*

23 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than its functional currency, primarily the US Dollar (USD). Since USD is currently pegged to AED, the Company does not hedge the currency risk in respect of its foreign currency exposure.

Interest rate risk

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instrument is as follows:

Variable instruments	**2024**	2023
	AED	AED
Financial liabilities (loan from holding company)	**3,788,530**	-
Financial liabilities (bank borrowings)	**15,873,236**	17,749,200
	19,661,766	17,749,200

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by AED 196,618 *(2023: AED* 177,492*)*. This analysis assumes that all other variables remain constant.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to shareholders. The Company is not subject to externally imposed capital requirements.

24 Fair values

The fair values of the Company's financial assets and financial liabilities approximate their carrying amounts.

Fair value hierarchy

As at 31 December 2024 and 31 December 2023, there are no financial instruments carried at fair value by valuation method.

25 Use of judgments and estimates

In the process of applying the entity's accounting policies, which are described in the notes, management has made certain judgment and estimates as mentioned below.

Assumptions and estimation uncertainties

The key assumption concerning the future, and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impairment losses on receivables

The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 22.

Elements of the ECL models that are considered accounting judgments and estimates include:
- Development of ECL models, including various formulas and choice of inputs
- The segmentation of financial assets when their ECL is assessed on a collective basis; and
- Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGDs).

Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. The Company's policy is to regularly review its models in the context of actual loss experience and adjust when necessary. Detailed information about the judgments and estimates made by the Company in the above areas is set out in note 22.

26 Comparatives

Previous year reported figures have been regrouped/reclassified, wherever necessary, to conform to the current year's presentation. The reclassification of items is not considered material and does not impact the financial statement as at the beginning of the earliest comparative period. Thus, a third statement of financial position at the beginning of the earliest comparative period has not been presented.

27 Subsequent events

There has been no significant event subsequent to the reporting date and up to the date of authorization of the financial statements, which would have a material effect on the financial statements.

Muscat Desert Adventures Tourism LLC

Financial Statements
31 December 2024

Muscat Desert Adventures Tourism LLC
Financial Statements
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Directors' Report

The directors submit their report together with the audited financial statements of the Company for the year ended 31st December 2024.

LEGAL STATUS

Muscat Desert Adventures Tourism LLC is a limited liability company ("the Company") registered with the Ministry of Commerce and Industry in the Sultanate of Oman on October 31, 2005, under the commercial registration no. 1808435.

The Company is 70% owned subsidiary of Desert Adventures Tourism LLC ("the Holding Company"), a company registered in Dubai, United Arab Emirates and 30% shares are held by a local partner namely Hani Bin Juman Ashour Rajab who has agreed not to take part in the operational and financial management of the Company and has confirmed that these shares are held for the beneficial interest of the Company.

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited with a registered address at 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada.

The principal activity of the Company is to carry out tour operation business which include handling Hotel Booking, Leisure, FIT, Visa Processing and Transfer.

The registered office of the Muscat Desert Adventures Tourism LLC is P.O. Box No. 809, P.C.133, Al Khuwair, Sultanate of Oman.

FINANCIAL PERFORMANCE

The results of the Company for the year ended 31st December 2024 and 31st December 2023 are stated below:

Financial highlights	**2024**	2023
	OMR	OMR
Net (Loss)/Profit	(25,240)	12,391
Total equity	(82,848)	(57,608)

SUBSEQUENT EVENT:

There has been no significant event subsequent to the reporting date and up to the date of authorization, which would have a material effect on the financial statements.

AUDITORS

KPMG LLC was appointed as the independent auditor for the year ended 31 December 2024. The firm is eligible for reappointment for the financial year 2025 and has expressed its willingness to continue in office. The Director recommends the reappointment of KPMG LLC as the Company's auditor for the year ending 31 December 2025.

On behalf of the Board

Salim Sikander
Chief financial officer

Peter Payet
Chief executive officer

Date: 29 April 2025

KPMG LLC
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Independent auditors' report

To the Shareholders of Muscat Desert Adventures Tourism LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Muscat Desert Adventures Tourism LLC ("the Company"), which comprise the statement of financial position as at December 31, 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which is set out on Page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and their preparation in compliance with the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We report that these financial statements comply, in all material respects, with the applicable provisions of the Commercial Companies Law of 2019.

30 April 2025

KPMG LLC

KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

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Muscat Desert Adventures Tourism LLC
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2024

	Notes	2024 OMR	2023 OMR
Revenue	*4*	**1,218,390**	1,152,185
Cost of sales	*5*	**(1,066,836)**	(992,139)
Gross profit		**151,554**	160,046
Administrative and general expenses	*6*	**(185,328)**	(142,146)
Other income	*7*	**9,681**	-
Operating (Loss)/Profit		**(24,093)**	17,900
Finance cost - bank charges		**(6,294)**	(5,509)
Finance income	*10*	**5,147**	-
(Loss)/Profit before tax and		**(25,240)**	12,391
Tax expense	*18*	**-**	-
(Loss)/Profit after tax		**(25,240)**	12,391
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(25,240)**	12,391

The notes on pages 9 to 26 are an integral part of these financial statements.

The independent auditors' report is set out on page 2 - 4.

Muscat Desert Adventures Tourism LLC
Statement of financial position
As at 31 December 2024

	Notes	2024 OMR	2023 OMR
ASSETS			
Property and equipment	*8*	**692**	894
Non-current assets		**692**	894
Trade and other receivables	*9*	**175,496**	169,732
Due from related parties	*10*	**117,183**	91,431
Cash and cash equivalents	*15*	**26,402**	48,287
Current assets		**319,081**	309,450
Total assets		**319,773**	310,344
EQUITY AND LIABILITIES			
Equity			
Share capital	*13*	**150,000**	150,000
Statutory reserve	*14*	**50,000**	50,000
Accumulated losses		**(282,848)**	(257,608)
Total equity		**(82,848)**	(57,608)
Liabilities			
Employees' end of service benefits	*12*	**3,546**	2,795
Non-current liability		**3,546**	2,795
Trade and other payables	*11*	**399,075**	364,343
Due to related parties	*10*	**-**	814
Total current liabilities		**399,075**	365,157
Total liabilities		**402,621**	367,952
Total equity and liabilities		**319,773**	310,344

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operations and cashflows of the Company as of, and for, the year ended 31 December 2024.

These financial statements were authorized for issue on behalf of the Company's Directors on 29 April 2025.

Salim Sikander
Chief Financial Officer

Peter Payet
Chief Executive Officer

The notes on pages 9 to 26 are an integral part of these financial statements.

The independent auditors' report is set out on page 2-4.

Muscat Desert Adventures Tourism LLC
Statement of cash flows
For the year ended 31 December 2024

	Note	2024 OMR	2023 OMR
Cash flow from operating activities			
(Loss)/Profit for the year		**(25,240)**	12,391
Adjustments for:			
Depreciation on property and equipment	*8*	**836**	609
Provision for employees' end of service benefits	*12*	**3,571**	1,177
Finance income		**(5,147)**	-
		(25,980)	14,177
Changes in:			
- trade and other receivables		**(5,764)**	(53,551)
- due from related parties		**(20,606)**	(63,764)
- trade and other payables		**34,733**	89,687
- due to related parties		**(814)**	(217,527)
Cash (used in) operating activities		**(18,431)**	(230,978)
Payment of employees' end of service benefits	*12*	**(2,820)**	(1,047)
Net cash (used in) operating activities		**(21,251)**	(232,025)
Cash flow from investing activities			
Acquisition of property and equipment	*8*	**(634)**	(200)
Net cash (used in) investing activities		**(634)**	(200)
Cash flow from financing activities		**-**	-
Net increase in cash and cash equivalents		**(21,885)**	(232,225)
Cash and cash equivalents at beginning of the year		**48,287**	280,512
Cash and cash equivalents at the end of the year	*15*	**26,402**	48,287

The notes on pages 9 to 26 are an integral part of these financial statements.

The independent auditors' report is set out on page 2-4.

Muscat Desert Adventures Tourism LLC
Statement of changes in equity
For the year ended 31 December 2024

	Share capital OMR	Statutory reserve OMR	Accumulated losses OMR	Total OMR
At 1 January 2023	150,000	50,000	(269,999)	(69,999)
Total comprehensive Profit for the year	-	-	12,391	12,391
At 31 December 2023	150,000	50,000	(257,608)	(57,608)
At 1 January 2024	150,000	50,000	(257,608)	(57,608)
Total comprehensive Profit for the year	-	-	(25,240)	(25,240)
At 31 December 2024	150,000	50,000	(282,848)	(82,848)

The notes on pages 9 to 26 form an integral part of these financial statements.

1 Reporting entity

Muscat Desert Adventures Tourism LLC is a limited liability company ("the Company") registered with the Ministry of Commerce and Industry in the Sultanate of Oman on October 31, 2005, under the commercial registration no. 1/80843/5. The Company is 70% owned subsidiary of Desert Adventures Tourism LLC ("the Holding Company"), a company registered in Dubai, United Arab Emirates and 30% shares are held by a local partner namely Hani Bin Juman Ashour Rajab who has agreed not to take part in the operational and financial management of the Company and has confirmed that these shares are held for the beneficial interest of the Company.

The principal activity of the Company is to carry out tour operation business which include handling Hotel Booking, Leisure, FIT, Visa Processing and Transfer. The Company secures access to hotel accommodation and other travel and tourism related activities and sells it to customer who generally are tour operators, travel agents and other wholesalers.

The registered office of Muscat Desert Adventures Tourism LLC is P.O. Box No. 809, P.C.133, Al Khuwair, Sultanate of Oman.

The ultimate parent and ultimate controlling party of the Company is Fairfax Financial Holdings Limited with a registered address at 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada.

The Company did not purchase any shares during the year.

2 Basis of accounting

a) Going concern

During the year ended 31 December 2024, the Company incurred a loss after tax of OMR 25,240 (31 December 2023: Profit of OMR 12,391) and as at 31 December 2024 its accumulated losses amounted to OMR 82,848 (2023: accumulated losses OMR57,608). The Company's ability to continue as a going concern is dependent on the continued financial support from its Parent Company and the expectation of future profitable operations. The Parent Company has issued a letter of support, confirming its commitment to provide the necessary financial assistance to enable the Company to meet its working capital requirements in the foreseeable future.

Accordingly, the accompanying financial statements have been prepared on a going concern basis and do not include any adjustments that might be required if the Company were unable to continue as a going concern.

b) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by International Accounting Standards Board (IASB) and the requirements of the Commercial Companies Law of 2019.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis.

d) Functional and presentation currency

The financial statements are presented in Omani Rial ("OMR"), which is the Company's functional currency.

e) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about significant areas of estimation uncertainty and critical judgments in applying policies that have the most significant effect on the amounts recognized in these financial statements are disclosed in note 21.

3 Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Revenue

The Company renders a wide range of tourism and related services.

Revenue includes hotel accommodation, transfers, visa services and other tourism and travel related services. The revenue from rendering these services is recognized in profit or loss at the fair value of the consideration received or receivable.

The following table provides information about the nature and timing of the satisfaction of performance obligation in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/service	**Nature and timing of satisfaction of performance obligations, including significant payment terms**	**Revenue recognition under IFRS 15**
- **Tourism & related services** including: - Hotel accommodation - Visas - Transfers - Meet and greet and. - Excursions	Control of travel related services is considered transferred to customer at the travel in date i.e. in case of: - Visas at the date of issuance. - Hotel accommodation on the date hotel check in. - Transfers on the date of arrival. - Meet and greet on the date of arrival; and - Excursions on the date excursions Invoices are usually payable within 30 days. Booking cancellations vary depending on the timing of the season during the year.	Revenue is recognized at a point in time i.e. the time of travel in date.
Tour Packages	The services above are also sold as a combined tour package to travelers. In case of a combined tour package, entire package is generally considered as a single performance obligation. The combination of separate services in a combined tour package is considered significant integration and revenue for the entire tour package is recognized at the time of travel in date. Invoices are usually payable within 30 days. Booking cancellations vary depending on the timing of the season during the year.	Revenue is recognized at a point in time i.e. the time of travel in date.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3 Material accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

3 Material accounting policies (continued)

Financial instruments (continued)

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currency transactions

Transactions in foreign currencies are translated to OMR at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to OMR at the foreign exchange rate ruling at that date. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated into OMR using the exchange rates at the date of the transaction. Foreign exchange differences arising on translation are recognized in profit or loss.

Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent cost

The cost of replacing an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognized in the profit or loss as incurred.

Depreciation

Depreciation is recognized in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Depreciation on additions is calculated on a pro-rata basis from the day of addition and on disposal up to and including the month of disposal of the asset. The estimated useful lives for the current year and prior years are as follows:

3 Material accounting policies (continued)

Property and equipment (continued)

	Years
Motor vehicles	4
Office equipment	2 – 5
Office furniture and installations	5

The depreciation method and useful lives, as well as estimates of residual lives, are reassessed annually.

Impairment

Non-derivative financial assets

Financial instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition. Loss allowances for trade receivables and due from related parties are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e. 120 days from the invoice date.

The Company considers trade receivables to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer.
- a breach of contract such as a default.
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

3 Material accounting policies (continued)

Impairment (continued)

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:
- default or delinquency by a debtor.
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise.
- indications that a debtor or issuer would enter bankruptcy.
- adverse changes in the payment status of borrowers or issuers.
  observable data indicating that there was a measurable decrease in the expected cash flows from a Company of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting policies (continued)

Impairment (continued)

Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Provisions

A provision is recognized, if as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Employees' end of service benefits

Employees' end of service benefits is accrued in accordance with the terms of employment of the Company's employees at the reporting date, having regard to the requirements of IFRS and the Oman Labor Law 2003 and its amendments.

Employee entitlements to annual leave and leave passage are recognized when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in liabilities.

Tax

Tax expense comprises current and deferred tax. Current and deferred tax is recognized in the profit or loss except to the extent that it relates to a business combination, or items recognized directly in the equity or in other comprehensive income.

Current tax (refer to note 18) is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Intercompany recharges

Intercompany expenses are recharged to related parties at arm's length price. Charges mainly includes Salaries and Other Admin expense including IT system cost as paid by / charged to the Company.

3 Material accounting policies (continued)

Contract assets

The contract assets are recognized for the Company's rights to consideration for services provided to the customer but not billed at the reporting date. The amount is netted with the expected credit losses, if any. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customers.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; and

- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.

The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

3 Material accounting policies (continued)

Leases (continued)

As a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

New standards or amendments and forthcoming requirements

A number of new standards are effective for annual periods beginning after 01 January 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

a) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

• Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
• Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
• Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

b) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's financial statements.

— Lack of Exchangeability (Amendments to IAS 21).

— Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

3 Material accounting policies (continued)

New standards or amendments and forthcoming requirements (continued)

The following are the new currently effective requirements for annual periods beginning on 01 January 2024, which did not have a significant impact of the Company's financial statements:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (noncurrent liability with covenants)

- Amendments to IFRS 16 Leases– Lease liability in a sale and leaseback

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 January 2024 and early adoption is permitted; however, the Company has not early adopted the new or amended standards in these financial statements. The following amended standards and interpretations are not expected to have a significant impact on the financial statements in the period of initial application:

New and amended standards not effective and not yet adopted by the Company	**Effective date**
Lack of Exchangeability – Amendments to IAS 21	*1 January 2025*
Classification and Measurement of Financial Instruments – Amendment to IFRS 9 and IFRS 7	*1 January 2026*
IFRS 18 – Presentation and Disclosure in Financial Statements	*1 January 2027*
IFRS 19 – Subsidiaries without Public Accountability Disclosures	*1 January 2027*
Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 23	*Optional*

4 Revenue

Revenue from contract with customers is disaggregated by major products and service lines.

	2024 OMR	2023 OMR
Tourism and related services	**1,218,390**	1,152,185
	1,218,390	1,152,185
Geographical markets		
Oman	**1,218,390**	1,152,185
Timing of revenue recognition		
Revenue recognized at a point in time	**1,218,390**	1,152,185

5 Cost of sales

	2024 OMR	2023 OMR
Tourism and related services	**(1,066,836)**	992,139
	(1,066,836)	992,139

6 Administrative and general expenses

	2024 OMR	2023 OMR
Staff salaries and related benefits (i)	**138,173**	93,748
Rent and utility expense	**10,886**	11,701
Motor vehicle expense	**4,314**	4,234
Promotion and business expense	**12,486**	9,917
Government and legal fees	**7,308**	8,684
Depreciation expense (refer note 8)	**836**	609
Office communication and postage expenses	**5,706**	5,864
Other Expenses	**5,619**	7,389
	185,328	142,146

(i) The staff salaries and related benefits comprises:

Staff salaries and wages	**98,645**	75,723
Other staff benefits	**35,957**	16,848
End of service benefits (refer note 12)	**3,571**	1,177
	138,173	93,748

7 Other income

	2024 OMR	2023 OMR
Commission income (Other GOP)	**9,681**	-
	9,681	-

8 Property and equipment

	Motor vehicle OMR	Office equipment OMR	Office furniture and installations OMR	Total OMR
Cost				
At 1 January 2023	59,474	6,535	16,848	82,857
Addition	-	200	-	200
As at 31 December 2023	59,474	6,735	16,848	83,057
At 1 January 2024	**59,474**	**6,735**	**16,848**	**83,057**
Addition	-	634	-	634
As at 31 December 2024	**59,474**	**7,369**	**16,848**	**83,691**
Depreciation				
As at 1 January 2023	59,474	5,510	16,570	81,554
Charge for the year	-	476	133	609
As at 31 December 2023	59,474	5,986	16,703	82,163
As at 1 January 2024	**59,474**	**5,986**	**16,703**	**82,163**
Charge for the year	-	702	134	836
As at 31 December 2024	**59,474**	**6,688**	**16,837**	**82,999**
Net book value				
At 31 December 2024	**-**	681	11	692
At 31 December 2023	-	749	145	894

9 Trade and other receivables

	2024 OMR	2023 OMR
Trade receivables	**154,805**	120,702
Provision for impairment loss on trade receivables (refer note 9.1)	**(5,713)**	(5,713)
	149,092	114,989
Prepayments	**9,877**	39,830
Deposits	**9,350**	9,350
Other receivables	**7,177**	5,563
	175,496	169,732

9.1 Provision for impairment loss on trade receivables

The movement in the provision for impairment loss on trade receivables during the year was as follows:

	2024 OMR	2023 OMR
As at 1 January	**5,713**	5,713
As at 31 December	**5,713**	5,713

10 Related parties

Related parties, within the definition of a related party contained in International Accounting Standard 24, represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. With respect to related party relationships, Desert Adventure Tourism L.L.C. is the Parent Company of the Company, while Gulf Dunes L.L.C. and Jordan Desert Adventures Tourism L.L.C. are its sister concerns.

Significant transactions entered with related parties during the year were:

	Relationship	2024 OMR	2023 OMR
Interest income	Sister Concern	**5,147**	-
Revenue	Sister Concern	**437**	-

Due from related parties

	2024 OMR	2023 OMR
Desert Adventures Tourism L.L.C. – Dubai*	**111,602**	91,431
Gulf Dunes LLC - Oman	**5,308**	-
Desert Adventures Tourism PSC - Jordan	**273**	-
	117,183	91,431

*****Outstanding balances at the year-end are unsecured and settlement occurs in cash and arise in normal course of business. The amount due to/from the Desert Adventure Tourism LLC is subject to interest rate of 9.82%. There have been no guarantees provided or received for any related party receivables. For the period ended 31 December 2024, the Company has not recorded any allowance for expect credit losses of amounts owed by related parties.

10 Related parties (continued)

Due to related parties

	2024	2023
	OMR	OMR
Desert Adventures Tourism PSC - Jordan	-	814
	-	814

The key management personnel compensation is as follows:

	2024	2023
	OMR	OMR
Short-term employee benefits	**5,807**	2,795

11 Trade and other payables

	2024	2023
	OMR	OMR
Hotel and other service accruals	**188,101**	206,585
Trade payables	**98,440**	56,300
Advances from customers	**89,721**	91,944
Accruals and other payables		
-Employee accruals	**4,871**	5,079
-Other payables	**17,942**	4,435
	399,075	364,343

12 Employees' end of service benefits

	2024	2023
	OMR	OMR
At 1 January	**2,795**	2,665
Provision during the year	**3571**	1,177
Payments made during the year	**(2,820)**	(1,047)
At 31 December	**3,546**	2,795

13 Share capital

	2024	2023
	OMR	OMR
Authorized, and fully paid up capital		
150,000 shares of OMR 1 each	**150,000**	150,000

14 Statutory reserve

In accordance with Article 132 of the Commercial Companies Law of 2019, a minimum of 10% of the net profit of the Company is to be allocated every year to a statutory reserve. No such transfer is required once the statutory reserve has reached one-third of the paid-up share capital of the Company. During the year, no transfers were made to this reserve as the amount of the reserve has reached to the threshold *(2023: AED Nil)*.

15 Cash and cash equivalents

	2024	2023
	OMR	OMR
Cash at bank	**18,431**	42,837
Cash in hand	**7,971**	5,450
	26,402	48,287

16 Contingencies

Guarantees amounting to OMR 5,000 *(2023: OMR 5,000)* were issued in favor of the Company by Bank Muscat. These were issued during the normal course of business.

17 Commitments

The Company does not have any commitments as at 31 December 2024 *(2023: Nil).*

18 Taxes

a) The Company is liable to income tax at the rate of 15% of taxable profits as amended by Royal Decree No.9/2017.

	2024	2023
	OMR	OMR
Current year	**-**	-
Prior years	**-**	-
Total tax expense for the year	**-**	-

Reconciliation of tax expense

The following is a reconciliation of income taxes calculated on accounting profits at the applicable tax rates with the income tax expense for the year:

	2024	2023
	OMR	OMR
(Loss)/Profit for the year	**(25,240)**	12,391
Income tax at 15%	**(3,786)**	1,859
Non-deductible expenses	**720**	1,199
Unrecognized deferred tax for current year	**(3,824)**	(4,795)
Deferred tax on tax losses expired during the year	**6,890**	1,737
Taxable expense for the year	**-**	-

Deferred tax asset has not been recognized on losses as the management believes that sufficient taxable profits will not be available in future.

Status of assessment

The assessment of the Company has been completed and agreed up to the Tax Year 2020. The assessment for Tax Years 2021 to 2023 has not yet initiated by the TA. Management is of the opinion that any additional taxes, if any, related to the open years would not be significant to the Company's financial position as at 31 December 2024.

19 Financial risk management

The Company has exposure to the following risks arising from financial instruments

- Credit risk.
- Liquidity risk; and
- Market risk.

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The management is responsible for developing and monitoring the Company's risk management policy.

The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade and other receivables and amounts due from related parties.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company's cash and cash equivalents are held with bank and financial institution counterparties, which have good market credibility and stability.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	OMR	OMR
Trade and other receivables *	**165,619**	129,902
Due from related parties	**117,183**	91,431
Cash at bank	**18,431**	42,837
	301,233	264,170

* Prepayments are excluded.

At 31 December 2024 and 31 December 2023, the Company's exposure of credit risk to trade receivables by geographical region was as follows:

	Gross Amount 2024	Gross Amount 2023
	OMR	OMR
Geographical regions		
Europe	**35,631**	43,340
Middle East	**28,999**	711
Commonwealth of Independent States	**43,593**	42,465
Others	**46,582**	34,186
Grand total	**154,805**	120,702

19 Financial risk management (continued)

Credit risk

The ageing of trade receivables at the reporting date was:

	Not credit-impaired 2024 OMR	**Credit impaired 2024 OMR**	Not credit-impaired 2023 OMR	Credit impaired 2023 OMR
Not yet due	**101,420**	**-**	-	-
1-30 days	**30,890**	**-**	103,998	-
31- 90 days	**21,220**	**-**	12,969	-
91- 120 days and above	**1,275**	**(5,713)**	3,735	(5,713)
Total	**154,805**	**(5,713)**	120,702	(5,713)

Impairment losses

Expected credit losses assessment for individual customers as at 31 December 2024 and 31 December 2023.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise large number of trade balances. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - geographic region and industry.

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. Exposure is segmented by geographical region and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. Scalar factors are based on GDP.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company aims to maintain the level of cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities by continuous monitoring of forecast and actual cash outflows.

The following are the contractual maturities of financial liabilities based on contractual payments:

	Carrying amount OMR	**Contractual cash outflows OMR**	**1 year or less OMR**
2024			
Non derivative financial liabilities			
Trade and other payables*	**309,354**	**309,354**	**309,354**
2023			
Non derivative financial liabilities			
Trade and other payables*	272,399	272,399	272,399

**excluding advances from customers*

19 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than its functional currency, primarily the US Dollar (USD). Since USD is currently pegged to OMR, the Company does not hedge the currency risk in respect of its foreign currency exposure.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to shareholders. The Company is not subject to externally imposed capital requirements.

20 Fair values

The fair values of the Company's financial assets and financial liabilities approximate their carrying amounts.

Fair value hierarchy

As at 31 December 2024 and 31 December 2023, there are no financial instruments carried at fair value by valuation method.

21 Use of judgments and estimates

In the process of applying the entity's accounting policies, which are described in the notes, management has made certain judgment and estimates as mentioned below.

Assumptions and estimation uncertainties

The key assumption concerning the future, and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment losses on receivables

The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 19.

Elements of the ECL models that are considered accounting judgments and estimates include:

- Development of ECL models, including various formulas and choice of inputs
- The segmentation of financial assets when their ECL is assessed on a collective basis; and
- Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGDs).

Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. The Company's policy is to regularly review its models in the context of actual loss experience and adjust when necessary. Detailed information about the judgments and estimates made by the Company in the above areas is set out in note 19.

22 Comparatives

Previous year reported figures have been regrouped/reclassified, wherever necessary, to conform to the current year's presentation. The reclassification of items is not considered material and does not impact the financial statement as at the beginning of the earliest comparative period. Thus, a third statement of financial position at the beginning of the earliest comparative period has not been presented.

23 Subsequent events

There has been no significant event subsequent to the reporting date and up to the date of authorization of the financial statements, which would have a material effect on the financial statements.

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

MANAGEMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF FINANCIAL POSITION

In Jordanian dinar	Note	As of December 31, 2024	As of December 31, 2023
Assets			
Current assets			
Cash and cash equivalents	4	210,073	356,368
Trade and other receivables	5	49,910	105,376
Due from related parties	9-1	-	8,826
Total Current assets		**259,983**	**470,570**
Non-Current asset			
Property and equipment	6	2,144	3,837
Right-of-use-assets	13	26,972	8,869
Deferred tax assets	8	29,134	29,134
Total Non-Current asset		**58,250**	**41,840**
Total assets		**318,233**	**512,410**
Liabilities and Owners' Equity			
Current Liabilities			
Trade and other payables	7	153,661	278,562
Due to related parties	9-2	17,173	-
Income tax provision	8	86,726	86,726
Lease liability	13	8,648	5,276
Total Current liabilities		**266,208**	**370,564**
Non-Current Liabilities			
Lease liability	13	14,518	-
Total Non-current liabilities		**14,518**	**-**
Total Liabilities		**280,604**	**370,564**
Owners' Equity			
Paid-up capital		100,000	100,000
Statutory reserve	10	25,000	25,000
Accumulated losses		(87,493)	16,846
Net Owners' Equity		**37,507**	**141,846**
Total Owners' Equity and Liabilities		**318,233**	**512,410**

CEO **CFO**

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Jordanian dinar		For the year ended December 31,	
	Note	**2024**	**2023**
Revenue	11	218,523	950,091
Cost of revenue	11	(138,330)	(643,007)
Gross profit		**80,193**	**307,084**
Administrative expenses	12	(205,396)	(260,428)
Marketing and advertisement expenses		-	-
Expected credit loss	5	-	-
Profit/(Loss) from operations		**(125,203)**	**46,656**
Interest income/(expense), net		10,059	930
Other income	12.1	10,805	678
Profit/(Loss) before income tax		**20,864**	**48,264**
Income tax			
Current tax expense	8	-	(10,136)
Deferred tax (income) / expense	8	-	10,136
Profit/(Loss) for the year		**(104,339)**	**48,264**

CEO **CFO**

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF CHANGES IN OWNERS' EQUITY

In Jordanian dinar	Paid up Capital	Accumulated losses	Statutory Reserve	Total
Changes for the year ended December 31, 2024				
Balance at January 1, 2024	100,000	16,846	25,000	141,846
Total comprehensive income for the year	-	(104,339)	-	(104,339)
Balance as of December 31, 2024	100,000	(87,493)	25,000	37,507
Changes for the year ended December 31, 2023				
Balance at January 1, 2023	100,000	(31,418)	25,000	93,582
Total comprehensive income for the year	-	48,264	-	48,264
Balance as of December 31, 2023	100,000	16,846	25,000	141,846

STATEMENT OF CASH FLOWS

In Jordanian dinar	Note	For the year ended December 31, 2024	2023
Cash flows from operating activities			
Profit/(Loss) for the year		(104,339)	48,264
Adjustments for:			
Income tax, net	8	-	-
Interest expense on lease liability	13	252	440
Reversal of provisions		-	-
Depreciation expense		11,332	11,251
Expected credit loss	5	-	-
		(92,755)	**59,955**
Changes in:			
Trade and other receivables		55,466	99,923
Trade and other payables		(124,900)	44,342
Due from related parties		8,826	(717)
Due to related parties		17,173	(13,536)
Net cash (used in) / from operating activities before		(136,190)	189,965
Tax paid	8	-	-
Net cash from operating activities		**(136,190)**	**189,965**
Cash flows from investing activities			
Acquisition of property and equipment	6	-	(2,862)
Funds provided to a related party - net		-	-
Net cash (used in) investing activities		**-**	**(2,862)**
Cash flows from financing activity			
Payment of finance costs		(252)	(440)
Payment of lease liability	13	(9,853)	(10,270)
Net Cash (used in) financing activity		**(10,105)**	**(10,710)**
Net change in cash and cash equivalents		(146,295)	176,393
Cash and cash equivalents at the beginning of the year		356,368	179,975
Cash and cash equivalents at the year end	4	**210,073**	**356,368**

Kuoni Private Safaris Proprietary Limited
(Registration number 2002/030353/07)
Financial statements
for the year ended 31 December 2024

Kuoni Private Safaris Proprietary Limited

(Registration number 2002/030353/07)
Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Providing services as a destination management company
Directors	V Barnard MK Menon
Registered office	Unit 114 First floor Bock 2 Northgate Park Corner Section Street and Platinum Road Cape Town, South Africa 7405
Business address	Unit 114 First floor Bock 2 Northgate Park Corner Section Street and Platinum Road Cape Town, South Africa 7405
Ultimate holding company	Fairfax Financial Holdings Group incorporated in Toronto, Canada
Bankers	Standard Bank of South Africa Limited
Reviewers	LPH Chartered Accountants Inc. Registered Auditors
Secretary	S Kemp
Level of assurance	These financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The financial statements were independently compiled by: J L du Preez, Du Preez & Vennote Inc. Chartered Accountants (S.A.)

Kuoni Private Safaris Proprietary Limited

(Registration number 2002/030353/07)
Financial Statements for the year ended 31 December 2024

Contents

The reports and statements set out below comprise the financial statements presented to the shareholder:

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards.

The financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2025 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewer is responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's independent reviewers and their report is presented on pages 6 to 7.

The financial statements set out on pages 8 to 45, which have been prepared on the going concern basis, were approved by the directors on 24 April 2025 and were signed on their behalf by:

Approval of financial statements

V Barnard

MK Menon

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Kuoni Private Safaris Proprietary Limited for the year ended 31 December 2024.

1. Nature of business

Kuoni Private Safaris Proprietary Limited was incorporated in South Africa with interests in the Services industry. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the directors may pass on the payment of dividends.

Given the current state of the global economic environment, the directors believes that it would be more appropriate for the company to conserve cash and maintain adequate debt headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore the directors has resolved not to declare a dividend for the financial year ended 31 December 2024.

The directors do not recommend the declaration of a dividend for the year.

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Office	Designation
V Barnard	Chairperson	Executive
MK Menon		Executive

6. Interests in associates and joint arrangements

Details of material interests in subsidiary companies are presented in the financial statements in note 5.

The interest of the company in the profits and losses of its subsidiaries for the year ended 31 December 2024 are as follows:

	Company	
	2024 R	2023 R
Subsidaries		
Total profits before income tax	2,338,307	3,490,707

There were no significant acquisitions or divestitures during the year ended 31 December 2024.

7. Ultimate holding company

The company's ultimate holding company is Fairfax Financial Holdings Group which is incorporated in Toronto, Canada.

Directors' Report

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

9. Going concern

We draw attention to the fact that at 31 December 2024, the company had accumulated losses of R22,377,978 (2023: R29,599,367) and that the company's total liabilities exceed its total assets by R21,877,978 (2023: R29,099,367).

Consequently, the annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern has been confirmed through the intervention of the company’s shareholder, which continues to provide financial support to enable the company to meet its liabilities in the ordinary course of business and which shall extend to at least the next financial year end.

Also, the fact that the total liabilities exceed the assets has not hindered the company’s ability to pay its debts as they have become due in the normal course of business.

10. Review

The financial statements are subject to an independent review and have been reviewed by LPH Chartered Accountants Inc.

11. Secretary

The company secretary is Ms S Kemp.

12. Employees

The average number of employees for the year under review was 36 (2023: 36).

Independent Reviewer's Report

To the Shareholder of Kuoni Private Safaris Proprietary Limited

We have reviewed the financial statements of Kuoni Private Safaris Proprietary Limited, set out on pages 8 to 43, which comprise the statement of financial position as at 31 December 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects the financial position of Kuoni Private Safaris Proprietary Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

LPH Chartered Accountants Incorporated
Registered Auditors
Registration No: 1998/020830/21
IRBA Practice No: 900537
LPH Services Proprietary Limited
Registration No: 2018/565454/07

tel: 021 448 1360
fax: 021 448 2157
email: info@lph.co.za
web: www.lph.co.za

Physical Address:
Old Warehouse Building
Black River Park, Fir Street
Observatory
Cape Town, 7925

Postal Address:
P O Box 14043
Mowbray 7705
Cape Town

Independent Reviewer's Report

Other Reports Required by the Companies Act of South Africa

The financial statements include the Directors' Report as required by the Companies Act of South Africa. The directors are responsible for the Directors' Report. Our conclusion on the financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

LPH.

LPH Chartered Accountants Inc.
Registered Auditors
Per: ER Livesey
Chartered Accountant (SA)
Registered Auditor

30 April 2025
Cape Town

Kuoni Private Safaris Proprietary Limited

(Registration number 2002/030353/07)
Financial Statements for the year ended 31 December 2024

Statement of Financial Position as at 31 December 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	3	3,461,940	4,571,432
Intangible assets	4	261,580	284,271
Investments in subsidiaries	5	-	-
		3,723,520	**4,855,703**
Current Assets			
Loans to related parties	7	-	1,600,000
Trade and other receivables	8	13,208,237	7,008,770
Prepayments	9	7,305,007	6,876,670
Current tax receivable		172,000	54,000
Cash and cash equivalents	10	11,491,119	15,214,705
		32,176,363	**30,754,145**
Total Assets		**35,899,883**	**35,609,848**
Equity and Liabilities			
Equity			
Share capital	11	500,000	500,000
Accumulated loss		(22,377,978)	(29,599,367)
		(21,877,978)	**(29,099,367)**
Liabilities			
Non-Current Liabilities			
Loans from group companies	12	11,512,683	20,483,920
Lease liabilities	13	2,067,812	2,882,365
		13,580,495	**23,366,285**
Current Liabilities			
Trade and other payables	14	38,545,024	37,047,204
Lease liabilities	13	747,297	618,694
Provisions	15	4,905,045	3,677,032
		44,197,366	**41,342,930**
Total Liabilities		**57,777,861**	**64,709,215**
Total Equity and Liabilities		**35,899,883**	**35,609,848**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Revenue	16	157,563,443	143,985,253
Cost of sales		(133,460,288)	(123,950,440)
Gross profit		**24,103,155**	**20,034,813**
Other operating income	17	6,038,486	4,821,321
Other operating gains (losses)	18	(714,558)	(1,417,638)
Other operating expenses		(21,360,692)	(21,247,998)
Operating profit (loss)	19	**8,066,391**	**2,190,498**
Investment income	20	747,286	508,911
Finance costs	21	(1,278,288)	(3,076,487)
Profit (loss) before taxation		**7,535,389**	**(377,078)**
Taxation	22	(314,000)	-
Profit (loss) for the year		**7,221,389**	**(377,078)**
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		**7,221,389**	**(377,078)**

Kuoni Private Safaris Proprietary Limited

(Registration number 2002/030353/07)
Financial Statements for the year ended 31 December 2024

Statement of Changes in Equity

Figures in Rand	Share capital	Accumulated loss	Total equity
Balance at 01 January 2023	**500,000**	**(29,222,289)**	**(28,722,289)**
Loss for the year	-	(377,078)	(377,078)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	**-**	**(377,078)**	**(377,078)**
Balance at 01 January 2024	**500,000**	**(29,599,367)**	**(29,099,367)**
Profit for the year	-	7,221,389	7,221,389
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**7,221,389**	**7,221,389**
Balance at 31 December 2024	**500,000**	**(22,377,978)**	**(21,877,978)**
Note(s)	11		

Statement of Cash Flows

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Cash generated from operations	23	5,320,787	14,431,264
Interest income	20	747,286	508,911
Finance costs	21	(1,278,288)	(3,076,487)
Tax paid	24	(432,000)	(54,000)
Net cash from operating activities		**4,357,785**	**11,809,688**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(8,129)	(4,957,089)
Proceeds from sale of property, plant and equipment	3	-	28,799
Purchases of intangible assets	4	(16,057)	(164,819)
Proceeds from sale of intangible assets	4	-	4,438
Net movements on loans to/from related parties	7	(7,371,237)	(4,766,347)
Net cash from investing activities		**(7,395,423)**	**(9,855,018)**
Cash flows from financing activities			
Cash repayments on lease liabilities	13	(685,948)	(453,121)
Total cash movement for the year		**(3,723,586)**	**1,501,549**
Cash and cash equivalents at the beginning of the year		15,214,705	13,713,156
Cash and cash equivalents at the end of the year	10	**11,491,119**	**15,214,705**

Accounting Policies

1. Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and IFRIC Interpretations issued and effective at the time of preparing these financial statements and the Companies Act of South Africa as amended.

These financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Material judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Loans and receivables/impairment

The company assesses its loans and receivables for impairment at each balance sheet date. in determining whether an impairment loss should be recorded in the income statement, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Key sources of estimation uncertainty

Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques such as estimated discounted cash flows and are used to determine fair value of financial instruments. Discounting factors are based on assumptions that correlated to market conditions existing at each balance sheet date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by disounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Accounting Policies

1.2 Material judgements and sources of estimation uncertainty (continued)

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 15.

1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of **property, plant and equipment** have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	3 years
Computer equipment - PC	Straight line	5 years
Computer equipment - Server	Straight line	5 years
Leasehold improvements	Straight line	5 years
Right of use assets	Straight line	4 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Intangible assets

An intangible asset is recognised when:

Accounting Policies

1.4 Intangible assets (continued)

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

The gain or loss arising from the derecognition of an intangible asset is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3 years

1.5 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The cost of an investment in a subsidiary is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company plus any costs directly attributable to the purchase of the subsidiary.

1.6 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or

Accounting Policies

1.6 Financial instruments (continued)

- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 27 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Accounting Policies

1.6 Financial instruments (continued)

Loans receivable at amortised cost

Classification

Loans to group companies (note 7), are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 20).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The company recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The company measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Measurement and recognition of expected credit losses

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 8.

Accounting Policies

1.6 Financial instruments (continued)

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 8).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 20).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 8.

Accounting Policies

1.6 Financial instruments (continued)

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 19).

Borrowings and loans from related parties

Classification

Loans from group companies (note 7), are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 21).

Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 27 for details of risk exposure and management thereof.

Trade and other payables

Classification

Trade and other payables (note 14), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 21).

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 27 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Accounting Policies

1.6 Financial instruments (continued)

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.7 Financial instruments: IAS 39 comparatives

Classification

The company classifies financial assets and financial liabilities into the following categories:
- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category. Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Accounting Policies

1.7 Financial instruments: IAS 39 comparatives (continued)

Loans to (from) related parties

This includes a loan to the company's subsidiary and is recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Accounting Policies

1.8 Tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

1.9 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Accounting Policies

1.9 Leases (continued)

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense (note 19) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Details of leasing arrangements where the company is a lessee are presented in note 13 Leases (company as lessee).

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

1.10 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

- tests goodwill acquired in a business combination for impairment annually.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

Accounting Policies

1.10 Impairment of assets (continued)

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

If the company reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) on those instruments are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

1.12 Share based payments

Goods or services received or acquired in a share-based payment transaction are recognised when the goods or as the services are received. A corresponding increase in equity is recognised if the goods or services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

When the goods or services received or acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

For equity-settled share-based payment transactions the goods or services received and the corresponding increase in equity are measured, directly, at the fair value of the goods or services received provided that the fair value can be estimated reliably.

If the fair value of the goods or services received cannot be estimated reliably, or if the services received are employee services, their value and the corresponding increase in equity, are measured, indirectly, by reference to the fair value of the equity instruments granted.

For cash-settled share-based payment transactions, the goods or services acquired and the liability incurred are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Market conditions and non-vesting conditions are taken into account when estimating the fair value of the cash-settled share-based payment.

If the share based payments granted do not vest until the counterparty completes a specified period of service, company accounts for those services as they are rendered by the counterparty during the vesting period, (or on a straight line basis over the vesting period).

If the share based payments vest immediately the services received are recognised in full.

For share-based payment transactions in which the terms of the arrangement provide either the entity or the counterparty with the choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments, the components of that transaction are recorded, as a cash-settled share-based payment transaction if, and to the extent that, a liability to settle in cash or other assets has been incurred, or as an equity-settled share-based payment transaction if, and to the extent that, no such liability has been incurred.

As an exception, when the company is obligated, in terms of tax legislation, to withhold an amount of employees' tax associated with an equity-settled share-based payment transaction (thus creating a net settlement feature), the full transaction is still accounted for as an equity-settled share-based payment transaction.

Accounting Policies

1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.14 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note .

1.15 Revenue from contracts with customers

The company recognises revenue from the following major sources:

- Fees received for travelling administration

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

1.16 Borrowing costs

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.17 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Accounting Policies

1.17 Translation of foreign currencies (continued)

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

Figures in Rand	2024	2023

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after
• Supplier finance arrangements - amendments to IAS 7 and IFRS 7	01 January 2024
• Non-current liabilities with covenants - amendments to IAS 1	01 January 2024

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027	Unlikely there will be a material impact
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2026	Unlikely there will be a material impact
• Lack of exchangeability - amendments to IAS 21	01 January 2025	Unlikely there will be a material impact

Notes to the Financial Statements

3. Property, plant and equipment

	2024			2023		
	Cost or revaluation	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Computer equipment - PC	933,589	(564,771)	368,818	925,460	(428,756)	496,704
Computer equipment - Server	512,074	(512,074)	-	512,074	(507,014)	5,060
Furniture and fixtures	456,649	(456,486)	163	456,649	(456,486)	163
Leasehold improvements	953,344	(355,227)	598,117	953,344	(166,526)	786,818
Right of used asset	3,939,224	(1,444,382)	2,494,842	3,939,224	(656,537)	3,282,687
Total	**6,794,880**	**(3,332,940)**	**3,461,940**	**6,786,751**	**(2,215,319)**	**4,571,432**

Reconciliation of property, plant and equipment - 2024

	Opening balance	**Additions**	**Depreciation**	**Total**
Computer equipment - PC	496,704	8,129	(136,015)	368,818
Computer equipment - Server	5,060	-	(5,060)	-
Furniture and fixtures	163	-	-	163
Leasehold improvements	786,818	-	(188,701)	598,117
Right of use asset	3,282,687	-	(787,845)	2,494,842
	4,571,432	**8,129**	**(1,117,621)**	**3,461,940**

Reconciliation of property, plant and equipment - 2023

	Opening balance	**Additions**	**Disposals**	**Depreciation**	**Total**
Computer equipment - PC	456,713	79,202	89,762	(128,973)	496,704
Computer equipment - Server	101,585	-	(60,961)	(35,564)	5,060
Furniture and fixtures	641	-	(171)	(307)	163
Leasehold improvements	2,321	938,663	3,840	(158,006)	786,818
Right of use asset	281,677	3,939,224	-	(938,214)	3,282,687
	842,937	**4,957,089**	**32,470**	**(1,261,064)**	**4,571,432**

Notes to the Financial Statements

4. Intangible assets

	2024			2023		
	Cost / Valuation	**Accumulated amortisation**	**Carrying value**	**Cost / Valuation**	**Accumulated amortisation**	**Carrying value**
Trademarks	320,642	(99,115)	221,527	304,584	(81,364)	223,220
Computer software	6,683,855	(6,643,802)	40,053	6,683,855	(6,622,804)	61,051
Total	**7,004,497**	**(6,742,917)**	**261,580**	**6,988,439**	**(6,704,168)**	**284,271**

Reconciliation of intangible assets - 2024

	Opening balance	**Additions**	**Amortisation**	**Total**
Trademarks	223,220	16,058	(17,751)	221,527
Computer software	61,051	-	(20,998)	40,053
	284,271	**16,058**	**(38,749)**	**261,580**

Reconciliation of intangible assets - 2023

	Opening balance	**Additions**	**Disposals**	**Amortisation**	**Total**
Trademarks	77,440	164,819	(4,438)	(14,601)	223,220
Computer software	83,048	-	-	(21,997)	61,051
	160,488	**164,819**	**(4,438)**	**(36,598)**	**284,271**

5. Interests in subsidiaries

Name of company	**Held by**	**% holding 2024**	**% holding 2023**	**Carrying amount 2024**	**Carrying amount 2023**
Kuoni Private Safaris Namibia Proprietary Limited		100.00 %	100.00 %	-	-

The carrying amounts of subsidiaries are shown at cost net of impairment losses.

An amount of R4,200,000 was impaired in earlier years.

Figures in Rand	2024	2023

6. Deferred tax

Deferred tax asset

Property plant and equipment	(44)	(44)
Income received in advance	3,751,832	3,171,152
Provisions & lease liability	1,351,874	1,196,838
Prepayments	(288,154)	-
Investment	1,134,000	1,134,000
Total deferred tax asset	**5,949,508**	**5,501,946**

Reconciliation of deferred tax asset / (liability)

At beginning of year	-	-
Change in temporary difference movement on property, plant and equipment	-	(22,609)
Change in temporary difference on provisions	158,927	220,209
Change in temporary difference on prepayments	(288,154)	-
Change in temporary difference on income received in advance	580,681	(140,655)
Change in temporary difference on lease liability	(3,891)	256,969
Deferred tax asset not recognised	(447,563)	(313,914)
	-	**-**

Recognition of deferred tax asset

An entity shall disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition, when:

- the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and
- the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

No deferred tax asset has been recognised on the assessed loss as it is unlikely that this will be utilised over the next 12 months.

7. Loans to group companies

Subsidiaries

Kuoni Private Safaris Namibia Proprietary Limited The loan bore interest at 7% per annum and is repayable within 12 months from the date of agreement. Security for the full value of the loan was provided by group shareholders, Travel Circle International (Mauritius) Ltd.	-	1,600,000

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

Figures in Rand	2024	2023

7. Loans to group companies (continued)

Exposure to currency risk

The company is exposed to currency risk related to certain group loans receivable which are denominated in a foreign currency. Management has decided not to make use of foreign exchange contracts to hedge the risk.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

Loans to subsidiaries

The net carrying amounts, in Rand, of loans to subsidiaries, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

Rand amount		
Rand	-	1,600,000

Fair value of group loans receivable

The fair value of group loans receivable approximates their carrying amounts.

8. Trade and other receivables

Financial instruments:		
Trade receivables	11,546,575	5,793,025
Accrued income	523,263	165,733
Trade receivables at amortised cost	12,069,838	5,958,758
Other receivables	26,495	16,538
Non-financial instruments:		
VAT	1,111,904	1,033,474
Total trade and other receivables	**13,208,237**	**7,008,770**

Split between non-current and current portions

Current assets	13,208,237	7,008,770

Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	12,096,333	5,975,296
Non-financial instruments	1,111,904	1,033,474
	13,208,237	**7,008,770**

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical inormation about counterparty default rates. Long standing trading relationships exist with most of the company's customers and the company reviews the credit history, predominantly based on its own records, on a cyclical basis. Based on this, the company considers the credit quality of all fully performing amounts as satisfactory.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Figures in Rand	2024	2023

8. Trade and other receivables (continued)

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Exposure to currency risk

The net carrying amounts, in Rand, of trade and other receivables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

The net carrying amounts, in foreign currency of the above exposure was as follows:

Rand Amount		
US Dollar	381,661	538,106
Euro	(32,459)	-
	349,202	**538,106**
Rand per unit of foreign currency:		
US Dollar	18.870	18.287
Euro	19.539	20.201

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

9. Prepayments

Prepayments consists of expenses relating to the provision of services paid in advanced to secure preferential rates and early confirmation from suppliers. Prepayments are not discounted and are recognised and subsequently measured at cost.

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	60	(227)
Bank balances	8,040,796	7,814,669
Short-term deposits	3,450,263	7,400,263
	11,491,119	**15,214,705**

Cash and cash equivalents pledged as security

Total cash and cash equivalents pledged as security for [specify the liability]	554,175	554,175

The Standard Bank of South Africa Limited has issued guarantees to some of the company's trade creditors totalling ZAR 554,175 (2023: ZAR 554,175).

The guarantees serve to secure credit terms with some of the company's suppliers and become payable on default. There have been no defaults during the current or any preceding period to date.

Figures in Rand	2024	2023

11. Share capital

Authorised

5,000 Ordinary shares of ZAR 100 each	500,000	500,000

Issued

5,000 Ordinary shares of ZAR 100 each	500,000	500,000

The company is a private company and accordingly the right to transfer its shares is restricted and any invitation to the public to subcribe for any shares or debentures of the company is prohibited.

12. Loans from group companies

Holding company

Travel Circle International (Mauritius) Ltd This loan comprises working capital loans issued as a result of the COVID-19 pandemic. The loan bears interest at 7.80% per annum. The loan is unsecured and has no fixed terms of repayment, but payment is not due before 31 December 2024.	11,512,681	20,483,920

Exposure to currency risk

Loans from subsidiaries

The net carrying amounts, in Rand, of loans from subsidiaries, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

Foreign currency amount

US Dollar	11,512,681	20,483,920

13. Leases (company as lessee)

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

PPE subject to operating lease arrangements	2,494,842	3,282,687

Interest and expenses related to the lease

Interest expense on lease liabilities	298,221	341,468
Depreciation	787,845	938,214

Lease liabilities

Lease liabilities have been included in the borrowings line item on the statement of financial position.

The maturity analysis of lease liabilities is as follows:

Within one year	747,297	618,694
Two to five years	2,067,812	2,882,365
	2,815,109	**3,501,059**
Non-current liabilities	2,067,812	2,882,365
Current liabilities	747,297	618,694
	2,815,109	**3,501,059**

Notes to the Financial Statements

Figures in Rand	2024	2023

14. Trade and other payables

Financial instruments:		
Trade payables	22,097,108	21,113,365
Brochure contributions	(8,439)	-
Accrued expense	2,352,446	3,968,443
Other payables	208,234	220,390
Non-financial instruments:		
Amounts received in advance	13,895,675	11,745,006
	38,545,024	**37,047,204**

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	24,649,348	25,302,199
Non-financial instruments	13,895,675	11,745,006
	38,545,023	**37,047,205**

Exposure to currency risk

The net carrying amounts, in Rand, of trade and other payables, excluding non-financial instruments, are denominated in the following currencies.

Rand Amount		
Rand	21,285,209	18,198,920
US Dollar	-	612,852
Euro	(344,547)	873,781
Yen	463,410	483,575
Other	70,052	944,237
	21,474,124	**21,113,365**

Fair value of trade and other payables

Credit purchases are accepted and, for the greater part, settled on normal trading terms, thus the carrying values reasonably approximate fair values.

Figures in Rand	2024	2023

15. Provisions

Reconciliation of provisions - 2024

	Opening balance	Additions	Utilised during the year	Prior year correction	Total
Provision for assurance fees	366,113	542,410	(366,113)	-	542,410
Provision for credit notes	1,865,945	826,326	133,250	-	2,825,521
Short term employees benefits	292,296	(269,769)	247,242	-	269,769
Short term provision overheads	1,152,678	818,148	(818,148)	114,667	1,267,345
	3,677,032	**1,917,115**	**(803,769)**	**114,667**	**4,905,045**

Reconciliation of provisions - 2023

	Opening balance	Additions	Utilised during the year	Total
Provision for assurance fees	223,116	366,113	(223,116)	366,113
Provision for credit notes	1,591,431	274,514	-	1,865,945
Short term employees benefits	239,667	(239,667)	292,296	292,296
Short term provision overheads	1,446,624	818,148	(1,112,094)	1,152,678
	3,500,838	**1,219,108**	**(1,042,914)**	**3,677,032**

Notes to the Financial Statements

Figures in Rand		2024	2023
16. Revenue			
Revenue from contracts with customers			
Fees received for travelling administration		157,563,443	143,985,253
Disaggregation of revenue from contracts with customers			
The company disaggregates revenue from customers as follows:			
Rendering of services			
Fees received for travelling administration		157,563,443	143,985,253
Geographical split of revenue			
Africa (Southern)		643,632	154,271
Africa (Northern)		541,424	-
Africa (Eastern)		32,904	-
America (Northern)		8,740,306	25,648,727
America (Sourthern)		4,153,372	2,842,535
Asia (South Eastern)		54,257	570,909
Asia (Southern)		4,425,908	-
Asia (Southern Western)		80,630	-
Europe (Eastern)		1,638,556	461,911
Europe (Northern)		4,708,339	4,198,244
Europe (Sourthern)		1,234,510	-
Europe (Western)		124,579,817	106,175,632
Middle East		-	159,997
Oceania		7,556,115	4,521,745
IRFS 15 Credit Note Accrual		(826,327)	(748,718)
		157,563,443	**143,985,253**
Timing of revenue recognition			
At a point in time			
Fees received for travelling administration		157,563,443	143,985,253
17. Other operating income			
Administration and management fees received		3,840,820	1,637,916
Commissions received		37,753	40,029
Other recoveries		(5,351)	-
Net gain on cost of sales		2,165,264	751,697
Marketing income		-	332,380
Other income		-	2,059,299
		6,038,486	**4,821,321**
18. Other operating gains (losses)			
Gains (losses) on disposals, scrappings and settlements			
Property, plant and equipment	3	-	(8,109)
Foreign exchange gains (losses)			
Net foreign exchange loss		(714,558)	(1,409,529)
Total other operating gains (losses)		**(714,558)**	**(1,417,638)**

Figures in Rand	2024	2023
19. Operating profit (loss)		
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:		
Professional services		
Assurance fees	382,797	352,297
Employee costs		
Salaries, wages, bonuses and other benefits	14,183,706	12,809,413
Other short-term costs and allowances	156,097	177,525
Long term incentive scheme	1,266,007	695,496
Total employee costs	**15,605,810**	**13,682,434**
Depreciation and amortisation		
Depreciation of property, plant and equipment	1,117,621	1,261,064
Amortisation of intangible assets	38,748	36,598
Total depreciation and amortisation	**1,156,369**	**1,297,662**
20. Investment income		
Interest income		
Investments in financial assets:		
Surplus funds	747,286	508,911
21. Finance costs		
Loans from group companies	979,441	2,552,970
Lease liability (right of use asset)	298,847	523,517
Total finance costs	**1,278,288**	**3,076,487**
22. Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	314,000	-
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	7,535,389	(377,078)
Tax at the applicable tax rate of 27% (2023: 28%)	2,034,555	(105,582)
Tax effect of adjustments on taxable income		
Deferred tax effect income	(1,720,555)	105,582
	314,000	**-**

The estimated tax loss available for set off against future taxable income is R 23,864,724 (2023: R 29,679,544).

Notes to the Financial Statements

Figures in Rand	2024	2023
23. Cash generated from operations		
Profit before taxation	7,535,390	(377,078)
Adjustments for non-cash items:		
Depreciation and amortisation	1,156,369	1,297,662
Losses on disposals, scrappings and settlements of assets and liabilities	-	8,109
Losses on exchange differences	714,558	1,409,529
Movements in provisions	1,228,013	176,194
Non cash: Lease liabilities	-	3,501,059
Adjust for items which are presented separately:		
Interest income	(747,286)	(508,911)
Finance costs	1,278,288	3,076,487
Changes in working capital:		
(Increase) decrease in trade and other receivables	(6,914,025)	6,746,761
(Increase) decrease in prepayments	(428,337)	(2,657,424)
Increase (decrease) in trade and other payables	1,497,817	1,758,876
	5,320,787	**14,431,264**
24. Tax paid		
Balance at beginning of the year	54,000	-
Current tax recognised in profit or loss	(314,000)	-
Balance at end of the year	(172,000)	(54,000)
	(432,000)	**(54,000)**

Figures in Rand		2024	2023

25. Related parties

Relationships

Ultimate holding company	Fairfax Financial Holdings Group
Subsidiaries	Refer to note 5
Shareholder	Travel Circle International (Mauritius) Ltd
Parent companies	SOTC Travel Limited
Associates	Thomas Cook India Ltd
Fellow susidiaries	Desert Adventures Tourism LLC, Dubai, UAE
	Gulf Dunes LLC, Dubai
	Reem Tours & Travels LLC, Dubai
	Private Safaris (East Africa) Ltd. (Kenya)
	Kuoni Australia Holding Pty. Ltd.
	DEI Holdings Limited (UAE)
Members of key management	V Barnard
	S Kemp

Related party balances

Loan accounts - Owing (to) by related parties		
Travel Circle International (Mauritius) Ltd	(11,512,681)	(20,483,920)
Amounts included in Trade receivable		
Kuoni Private Safaris Namibia Proprietary Limited	531,591	1,448,155
Private Safaris (East Africa) Limited	52,271	24,066
SOTC Travel Limited	183,237	-
Amounts included in Trade payables		
Desert Adventures Tourism	-	12,999
SOTC Travel Limited	-	9,483
Travel Corporation India Ltd	66,611	-
Thomas Cook India Ltd	70,052	934,756

Related party transactions

Sales		
Kuoni Private Safaris Namibia Proprietary Limited	182,791	1,033,313
Kuoni Private Safaris (East Africa) Limited	66,650	-
SOTC Travel Limited	3,087,866	-
Expenditure from related parties		
Kuoni Private Safaris Namibia Proprietary Limited	37,716	30,214
Travel Corporation India Ltd	108,691	5,652
Thomas Cook India Ltd	1,283,132	577,063
Private Safaris (East Africa) Limited	-	1,033,313

Notes to the Financial Statements

Figures in Rand	2024	2023

26. Directors' emoluments

Executive

2024

Directors' emoluments	Emoluments	Total
V Barnard	1,380,000	1,380,000

2023

Directors' emoluments	Emoluments	Total
V Barnard	1,200,000	1,200,000

27. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	8	12,096,333	12,096,333	12,096,333
Cash and cash equivalents	10	11,491,119	11,491,119	11,491,119
		23,587,452	**23,587,452**	**23,587,452**

2023

	Note(s)	Amortised cost	Total	Fair value
Loans to related parties	7	1,600,000	1,600,000	1,600,000
Trade and other receivables	8	5,975,296	5,975,296	5,975,296
Cash and cash equivalents	10	15,214,705	15,214,705	15,214,705
		22,790,001	**22,790,001**	**22,790,001**

Figures in Rand	2024	2023

27. Financial instruments and risk management (continued)

Categories of financial liabilities

2024

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	14	24,649,348	-	24,649,348	26,649,348
Loans from group companies	12	11,512,681	-	11,512,681	11,512,681
Lease liabilities	13	-	2,815,109	2,815,109	2,815,109
		36,162,029	**2,815,109**	**38,977,138**	**40,977,138**

2023

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	14	25,302,199	-	25,302,199	25,203,199
Loans from group companies	12	20,494,785	-	20,494,785	20,494,785
Lease liabilities	13	-	3,501,059	3,501,059	3,501,059
		45,796,984	**3,501,059**	**49,298,043**	**49,199,043**

Capital risk management

The company's objective when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in notes 13, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The capital structure and gearing ratio of the company at the reporting date was as follows:

Loans from group companies	12	11,512,681	20,494,785
Lease liabilities		2,815,109	3,501,059
Trade and other payables	14	38,545,023	37,047,205
Total borrowings		**52,872,813**	**61,043,049**
Cash and cash equivalents	10	(11,491,119)	(15,214,705)
Net borrowings		**41,381,694**	**45,828,344**
Equity		(21,877,975)	(29,099,367)
Gearing ratio		(189)%	(157)%

Figures in Rand	2024	2023

27. Financial instruments and risk management (continued)

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The company's overall risk management progarm focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. Risk management is carried out under policies approved by the directors.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratingsin accordance with limits set by the board.

The utilisation of credit limits is regularly monitored. Credit loss allowances for expected credit losses are recognised for all debt instruments.

The maximum exposure to credit risk is presented in the table below:

27. Financial instruments and risk management (continued)

		2024			2023		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Loans to group companies	7	-	-	-	1,600,000	-	1,600,000
Trade and other receivables	8	13,208,237	-	13,208,237	7,008,770	-	7,008,770
Cash and cash equivalents	10	11,491,119	-	11,491,119	15,215,120	-	15,215,120
		24,699,356	**-**	**24,699,356**	**23,823,890**	**-**	**23,823,890**

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequaute utilised borrowing facilities are monitored.

Foreign currency risk

The company operates internationally and is exposed to foreign exchange rate risk arising from various currency exposures. The company minimises exposure by purchasing and selling services through the use of current foreign currency accounts the company holds in all the major currencies it trades in.

The company does not hedge foreign exchange fluctuations. At year end the following items are uncovered:

Figures in Rand		2024	2023

27. Financial instruments and risk management (continued)

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

Foreign currency exposure:			
Current assets:			
Trade and other receivables - USD	8	381,661	538,106
Trade and other receivables - EUR		(32,459)	-
CFC bank accounts - USD	10	3,675,516	2,762,735
CFC bank accounts - EUR		5,632	412,258
Current liabilities:			
Trade creditors - USD	14	-	612,852
Trade creditors - EUR	10	(344,547)	873,781
Trade creditors - CHF		463,410	483,575
Trade creditors - INR		70,052	944,238
Net foreign currency exposure		**4,219,265**	**6,627,545**
Euro exposure:			
Non-current liabilities:			
Loan from group companies	12	(11,512,681)	(20,483,920)

Exchange rates

Rand per unit of foreign currency:		
USD	18.870	18.287
EUR	19.539	20.014
AED	5.137	4.979
CHF	20.822	21.728
INR	0.220	0.219

Interest rate risk

The company is exposed to interest rate risk in South Africa and Namibia. The company does not make use of interest rate derivatives and is therefore only exposed to variable interest rates.

Change in market interest rates affect the interest income of non-derivative variable interest rate financial instruments, the interest payments are of which are not designated as hedged items of cash flow hedges against interest rate risks. As a consequence, they are included in the calculation of the income related sensitivity.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2024	2024	2023	2023
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss:				
Cash and cash equivalents (1%)	114,911	(114,911)	152,147	(152,147)

Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
Revenue			
Rendering of services		157,563,443	143,985,253
Cost of sales			
Purchases		(133,460,288)	(123,950,440)
Gross profit		**24,103,155**	**20,034,813**
Other operating income			
Administration and management fees received		3,840,820	1,637,916
Commissions received		37,753	40,029
Other recoveries		(5,351)	-
Prior year GOP income		2,165,264	751,697
Markerting income		-	332,380
Other income		-	2,059,299
	17	**6,038,486**	**4,821,321**
Other operating gains (losses)			
Losses on disposal of assets or settlement of liabilities		-	(8,109)
Foreign exchange losses		(714,558)	(1,409,529)
	18	**(714,558)**	**(1,417,638)**
Expenses (Refer to page 45)		**(21,360,692)**	**(21,247,998)**
Operating profit (loss)	19	**8,066,391**	**2,190,498**
Investment income	20	747,286	508,911
Finance costs	21	(1,278,288)	(3,076,487)
Profit (loss) before taxation		**7,535,389**	**(377,078)**
Taxation	22	(314,000)	-
Profit (loss) for the year		**7,221,389**	**(377,078)**

Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
Other operating expenses			
Administration and management fees		1,406,469	356,794
Advertising		(204,250)	(86,077)
Amortisation		(38,748)	(36,598)
Assurance fees	19	(382,797)	(352,297)
Bad debts		(2,035)	3,536
Bank charges		(289,096)	(269,608)
Legal fees		-	(10,422)
Consulting and professional fees		-	(18,000)
Depreciation		(1,117,621)	(1,261,064)
Donations		(24,429)	(24,860)
Employee costs		(15,605,810)	(13,682,434)
Entertainment		(23,206)	(15,961)
Accounting fees		(15,074)	(4,724)
Office expenses		(223,190)	(317,988)
Assets < R7,500		(5,107)	(18,870)
Sundry expenses		(4,293)	6,257
Lease rentals on operating lease		(174,458)	(238,686)
IT expenses		(2,911,111)	(2,787,236)
Insurance		(295,187)	(296,998)
Promotions		(1,223,016)	(2,097,879)
Repairs and maintenance		(14,997)	95,626
Security		(6,633)	(5,602)
Subscriptions		(23,127)	(41,544)
Travel - local		(89,490)	(112,580)
Travel - overseas		(93,486)	(30,783)
		(21,360,692)	**(21,247,998)**

Kuoni Private Safaris Namibia (Proprietary) Limited

(Registration number 2006/511)

Annual Financial statements

for the year ended 31 December 2024

Kuoni Private Safaris Namibia (Pty) Ltd

(Registration number 2006/511)
Annual Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	The company carry on the business of tourism, arrange and operate services for travel agents, tour operators, cruise liners, travel packages wholesale and logistics and all business related thereto.
Director	Virginia Barnard
Registered office	61 Simeon Shixungileni Street Windhoek Namibia
Business address	Suit 320, Regus Business Centre 3rd Floor Office Towers Tel:+264 83 330 7479 I info.na@privatesafaris.com Maerua Mall Windhoek Namibia
Holding company	Kuoni Private Safaris (Pty) Ltd incorporated in South Africa
Ultimate holding company	Fairfax Financial Holdings Group Limited incorporated in Toronto, Canada
Bankers	Standard Bank Namibia Limited
Auditors	BDO Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	Sage Secretarial Services (Pty) Ltd
Company registration number	2006/511
Tax reference number	4297241011

Kuoni Private Safaris Namibia (Pty) Ltd

(Registration number 2006/511)
Annual Financial Statements for the year ended 31 December 2024

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Director's Responsibilities and Approval

The director is required in terms of the Companies Act of Namibia to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is her responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The director acknowledges that she is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

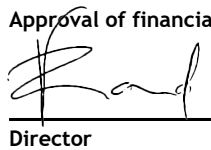
The director is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The director has reviewed the company's cash flow forecast for the year to 31 December 2025 and, in light of this review and the current financial position, she is satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 30, which have been prepared on the going concern basis, were approved by the board on 19.05.2025 and were signed by:

Approval of financial statements



Director

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61 Simeon Shixungileni Street
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WINDHOEK
Namibia

INDEPENDENT AUDITOR'S REPORT

To the Member of Kuoni Private Safaris Namibia (Proprietary) Limited

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Opinion

We have audited the annual financial statements of Kuoni Private Safaris Namibia (Proprietary) Limited set ("the company") set out on pages 7 to 30, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of material accounting policy information and the director's report.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Annual Financial Statements*" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The director is responsible for the other information. The other information comprises the Detailed Income Statement, which we obtained prior to the date of this auditor's report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

BDO, a Namibian partnership, is registered with Public Accountants' and Auditors' Board (Practice Number: 9402). Our firm has offices in Windhoek, Walvis Bay and Oshakati. BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

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If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Director for the Annual financial statements

The director is responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards and the requirements of the Companies Act of Namibia, and for such internal control as the director determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to

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events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of section 283 (3) of the Companies Act of Namibia, we report that with the written consent of the shareholder, we have performed certain secretarial duties on behalf of the company.

BDO Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: JSW de Vos **20 May 2025**
Partner **Windhoek**

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Director's Report

The director has pleasure in submitting her report on the annual financial statements of Kuoni Private Safaris Namibia (Pty) Ltd for the year ended 31 December 2024.

1. Nature of business

To carry on the business of tourism, arrange and operate services for travel agents, tour operators, cruise lines, travel packages wholesale and logistics and all businesses related thereto.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policy information has been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

The board do not recommend the declaration of a dividend for the year.

5. Directorate

The director in office at the date of this report is as follows:

Director	Nationality
Virginia Barnard	German

6. Holding company

The company's holding company is Kuoni Private Safaris (Pty) Ltd incorporated in South Africa.

7. Ultimate holding company

The company's ultimate holding company is Fairfax Financial Holdings Group Limited which is incorporated in Toronto, Canada.

8. Events after the reporting period

The director is not aware of any material event which occurred after the reporting date and up to the date of this report.

Director's Report

9. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The director believes that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The director has satisfied herself that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The director is not aware of any new material changes that may adversely impact the company. The director is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

10. Secretary

The company secretary is Sage Secretarial Services (Pty) Ltd.

Postal address:	PO Box 2184 Windhoek Namibia
Business address:	61 Simeon Shixungileni Street Windhoek Namibia

11. Terms of appointment of the auditors

BDO Namibia continued in the office as auditors for the company for 2024.

Statement of Financial Position as at 31 December 2024

Figures in Namibia Dollar	Note(s)	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	3	93,900	120,745
Intangible assets	4	11	11
Deferred tax	5	32,425	32,425
		126,336	**153,181**
Current Assets			
Trade and other receivables	6	2,384,530	2,678,194
Cash and cash equivalents	7	5,304,342	8,219,853
		7,688,872	**10,898,047**
Total Assets		**7,815,208**	**11,051,228**
Equity and Liabilities			
Equity			
Share capital	8	19,987,120	19,987,120
Accumulated loss		(27,713,546)	(29,965,343)
		(7,726,426)	**(9,978,223)**
Liabilities			
Non-Current Liabilities			
Loan from shareholder	11	-	1,600,000
Current Liabilities			
Trade and other payables	9	15,453,100	19,429,451
Current tax payable		88,534	-
		15,541,634	**19,429,451**
Total Liabilities		**15,541,634**	**21,029,451**
Total Equity and Liabilities		**7,815,208**	**11,051,228**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2024	2023
Revenue	13	112,575,163	112,587,026
Cost of sales	14	(97,804,316)	(98,478,559)
Gross profit		**14,770,847**	**14,108,467**
Other operating income	15	48,327	(74,534)
Other operating losses	16	134,289	(127,943)
Other operating expenses		(12,758,642)	(10,701,233)
Operating profit	17	**2,194,821**	**3,204,757**
Investment income	18	146,092	285,950
Finance costs	19	(578)	-
Profit before taxation		**2,340,335**	**3,490,707**
Taxation	20	(88,534)	-
Total comprehensive income for the year		**2,251,801**	**3,490,707**

Statement of Changes in Equity

Figures in Namibia Dollar	Share capital	Share premium	Total share capital	Accumulated loss	Total equity
Balance at 1 January 2023	**3,001,000**	**16,986,120**	**19,987,120**	**(33,456,050)**	**(13,468,930)**
Total comprehensive income for the year	**-**	**-**	**-**	**3,490,707**	**3,490,707**
Balance at 1 January 2024	**3,001,000**	**16,986,120**	**19,987,120**	**(29,965,347)**	**(9,978,227)**
Total comprehensive income for the year	**-**	**-**	**-**	**2,251,801**	**2,251,801**
Balance at 31 December 2024	**3,001,000**	**16,986,120**	**19,987,120**	**(27,713,546)**	**(7,726,426)**
Note(s)	8	8	8		

Statement of Cash Flows

Figures in Namibia Dollar	Note(s)	2024	2023
Cash flows from operating activities			
Cash used in operations	21	(1,573,235)	(4,006,316)
Net cash used in operating activities		**(1,427,721)**	**(3,720,366)**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	-	(18,963)
Net cash used in investing activities		**-**	**(18,963)**
Cash flows from financing activities			
Proceeds from shareholder loan		(1,487,790)	1,472,053
Net cash (used in) / from financing activities		**(1,487,790)**	**1,472,053**
Total cash movement for the year		**(2,915,511)**	**(2,267,276)**
Cash at the beginning of the year		8,219,853	10,487,129
Total cash at end of the year	7	**5,304,342**	**8,219,853**

Accounting Policy Information

1. Material accounting policy information

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act of Namibia. The annual financial statements have been prepared on the historic cost convention, and incorporate the principal accounting policy information set out below. They are presented in Namibia Dollar.

1.1 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgments, estimates and assumptions that affect the application of policy information and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policy information

The critical judgments made by management in applying accounting policy information, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Key sources of estimation uncertainty

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

Taxation

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Accounting Policy Information

1.2 Property, plant and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
IT equipment	Straight line	3-5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.3 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3 years

1.4 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.
Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Accounting Policy Information

1.4 Financial instruments (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.
For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available- for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Loans to / (from) related parties

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.
Loans to group companies are classified as loans and receivables.
Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value

Accounting Policy Information

1.4 Financial instruments (continued)

Fair value measurement hierarchy

IFRS 13 requires certain disclosure which require the classification of financial assets and financial liabilities measured at fair value using a fair value measurement hierarchy. The company determines the fair value of its financial statements on the basis of the following hierarchy:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is derived from prices); and

Level 3 - inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

1.5 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Accounting Policy Information

1.6 Leases

All leases of low value assets and leases with a duration of 12 months or less are recognised in the statement of profit or loss.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
• amounts expected to be payable under any residual value guarantee;
• the exercise price of any purchase option granted in favour of the company if it is reasonable certain to assess that option;
• any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
• lease payments made at or before commencement of the lease;
• initial direct costs incurred; and
• the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease terms.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.
The discount rate used in calculating the present value of the minimum lease payments is the.
The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

1.7 Impairment of non-financial assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:
- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

Accounting Policy Information

1.7 Impairment of non-financial assets (continued)

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

1.8 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are declared.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.10 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised.

1.11 Revenue

The company recognises revenue to depict the transfer of services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those services.
For each contract with a customer;

- identifies the contract with a customer
- identifies the performance obligations in the contract;

Accounting Policy Information

1.11 Revenue (continued)

- determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct service to be delivered;
- and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the or services promised;

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by the travel dates of bookings completed at reporting date

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.12 Cost of sales

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.13 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.14 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollars by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

Figures in Namibia Dollar	2024	2023

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Presentation and Disclosures in Financial Statements: IFRS 18	1 January 2024	Impact not material
• Subsidiaries without Public Accountability: Disclosures :IFRS 19	1 January 2024	Impact not material
• Other 4		

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lack of exchangeability: amendments to IAS 21	1 January 2025	Unlikely there will be a material impact
• Amendments to Financial Instruments: Disclosures : IFRS 7	1 January 2026	Unlikely there will be a material impact
• Amendments to Financial Instruments: Disclosures : IFRS 9	1 January 2026	Unlikely there will be a material impact
• Amendments to Statement of Cash Flows: IAS 10	1 January 2026	Unlikely there will be a material impact
• Amendments to Financial Instruments: Classification and Measurement : IFRS 9	1 January 2026	Unlikely there will be a material impact
• Subsidiaries without Public Accountability: Disclosure: IFRS 18	1 January 2027	Unlikely there will be a material impact

The directors are in the process of assessing the aggregate impact of the initial application of the standards and interpretations on the company's annual financial statements, but it is not expected to be material.

Notes to the Annual Financial Statements

3. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	228,409	(228,353)	56	228,409	(228,353)	56
IT equipment	1,091,543	(997,699)	93,844	1,069,464	(948,775)	120,689
Total	**1,319,952**	**(1,226,052)**	**93,900**	**1,297,873**	**(1,177,128)**	**120,745**

Reconciliation of property, plant and equipment

		Furniture and fixtures	IT equipment	Total
Cost				
At 1 January 2023	-	228,409	1,050,501	1,278,910
Additions	-	-	18,963	18,963
At 31 December 2023	**-**	**228,409**	**1,069,464**	**1,297,873**
Depreciation	-	-	22,079	22,079
Depreciation and impairment				
At 1 January 2023	-	(228,353)	(897,837)	(1,126,190)
Depreciation	-	-	(50,938)	(50,938)
At 31 December 2023	**-**	**(228,353)**	**(948,775)**	**(1,177,128)**
Depreciation	-	-	(48,924)	(48,924)
At 31 December 2024	**-**	**(228,353)**	**(997,699)**	**(1,226,052)**
Carrying amount				
Cost	-	228,409	1,069,464	1,297,873
Accumulated depreciation and impairment	-	(228,353)	(948,775)	(1,177,128)
At 31 December 2023	**-**	**56**	**120,689**	**120,745**
Cost	-	228,409	1,091,543	1,319,952
Accumulated depreciation and impairment	-	(228,353)	(997,699)	(1,226,052)
At 31 December 2024	**-**	**56**	**93,844**	**93,900**

4. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	1,091,413	(1,091,402)	11	1,091,413	(1,091,402)	11

Reconciliation of intangible assets - 2024

	Opening balance	Total
Computer software	11	11

Notes to the Annual Financial Statements

4. Intangible assets (continued)

Reconciliation of intangible assets - 2023

	Opening balance	Total
Computer software	11	11

5. Deferred tax

Deferred tax liability

Property plant and equipment	39,450	39,450
Other deferred tax liability	(7,025)	(7,025)
Total deferred tax liability	**32,425**	**32,425**

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	32,425	32,425

Reconciliation of deferred tax asset / (liability)

At beginning of year	32,425	32,425
Current year timing differences	(16,817)	(501,147)
Increases (decrease) in tax loss available for set off against future taxable income	(718,917)	(615,879)
Reduction due to rate change (32% to 30%)	(2,026)	-
Deferred asset not recognised	737,760	1,117,026
	32,425	**32,425**

6. Trade and other receivables

Financial instruments:		
Trade receivables	1,624,934	1,014,740
Deposits	51,348	49,921
Other receivables	-	133,836
Non-financial instruments:		
Value Added Tax	381,816	1,080,314
Prepayments	326,432	399,383
Total trade and other receivables	**2,384,530**	**2,678,194**

Split between non-current and current portions

Current assets	2,384,530	2,678,194

Notes to the Annual Financial Statements

6. Trade and other receivables (continued)

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 December 2024 N$nill (2023: N$186,762) were past due but not impaired.

The amounts past due but not impaired is as follows:

	2024	2024	2023	2023
	3 months past due	Total	3 months past due	Total
Trade receivables	-	-	186,762	186,762
Total	**-**	**-**	**186,762**	**186,762**

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1,229	1,256
Bank balances	5,014,690	7,776,176
Short-term deposits	288,423	442,421
	5,304,342	**8,219,853**

8. Share capital

Authorised		
3,000,000 Ordinary shares of N$ 1.00 each	3,000,000	3,000,000
Issued		
3,000,000 Ordinary shares of N$ 1.00 each	3,000,000	3,000,000
1,000 Preference Shares of N$1.00 each issued at a premium of N$16,986.12 each	1,000	1,000
Share premium on preference shares	16,986,120	16,986,120
	19,987,120	**19,987,120**

9. Trade and other payables

Financial instruments:		
Trade payables	3,869,368	8,157,741
Operating lease liability	43,440	14,216
Accruals	8,919,140	8,823,917
Non-financial instruments:		
Amounts received in advance	2,621,152	2,433,577
	15,453,100	**19,429,451**

Figures in Namibia Dollar	2024	2023

10. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below

2024	Financial assets at amortised cost	Total
Trade and other receivables	1,624,934	1,624,934
Cash and cash equivalents	5,304,342	5,304,342
	6,929,276	**6,929,276**

2023	Financial assets at amortised cost	Total
Trade and other receivables	1,064,661	1,064,661
Cash and cash equivalents	8,219,853	8,219,853
	9,284,514	**9,284,514**

11. Loans from group companies

Holding company

Kuoni Private Safaris South Africa (Pty) Ltd	-	1,600,000

The loan was fully repaid in current year.

12. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below

2024	Financial liabilities at amortised cost	Total
Trade and other payables	15,453,101	18,482,370
	15,453,101	**18,482,370**

2023	Financial liabilities at amortised cost	Total
Trade and other payables	16,882,370	16,882,370
Loan from related party	1,600,000	1,600,000
	18,482,370	**18,482,370**

13. Revenue

Fees received from traveling administration	112,575,163	112,587,026

Notes to the Annual Financial Statements

Figures in Namibia Dollar		2024	2023
13. Revenue (continued)			
Disaggregation of revenue from contracts with customers			
The company disaggregate's revenue from customers as follows:			
At a point in time			
Fees received from traveling administration		112,575,163	112,587,026
Timing of revenue recognition			
At a point in time			
Fees received from traveling administration		112,575,163	112,587,026
14. Cost of sales			
Rendering of travel administration services		97,804,316	98,478,559
Rendering of services			
Cost of rendering travel administration services		97,804,316	98,478,559
15. Other operating (expenses) / income			
Brochure Contributions		48,327	(74,534)
16. Other operating losses			
Gains (losses) on disposals			
Property, plant and equipment	3	-	(18,424)
Foreign exchange gains (losses)			
Net foreign exchange gains (losses)		134,289	(109,519)
Total other operating losses		**134,289**	**(127,943)**
17. Operating profit (loss)			
Operating profit for the year is stated after charging (crediting) the following, amongst others:			
Auditor's remuneration - external			
Audit fees		203,143	290,065
Remuneration, other than to employees			
Administrative and managerial services		1,988,378	1,028,673
Consulting and professional services		19,530	24,790
Secretarial services		17,640	17,640
		2,025,548	**1,071,103**
Employee costs			
Salaries, wages, bonuses and other benefits		7,047,959	5,563,316

Notes to the Annual Financial Statements

Figures in Namibia Dollar	2024	2023

17. Operating profit (loss) (continued)

Depreciation and amortisation		
Depreciation of property, plant and equipment	48,924	50,937

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, and other operating expenses are analysed by nature as follows:

Costs to render travel administration services	97,804,316	98,478,559
Employee costs	7,047,959	5,563,316
Depreciation and amortisation	48,924	50,937
Other expenses	5,661,759	5,086,980
	110,562,958	**109,179,792**

18. Investment income

Interest income		
Investments in financial assets:		
Bank	146,092	285,950

19. Finance costs

Interest paid	578	-

20. Taxation

Major components of the tax expense

Current		
Local income tax - current period	88,534	-

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting profit	2,340,335	3,490,707
Tax at the applicable tax rate of 31% (2023: 32%)	725,504	1,117,026
Tax effect of adjustments on taxable income		
Tax losses not utilised	(636,970)	(1,117,026)
	88,534	**-**

The company made a tax provision in line with Section 21 (Revised). Under this Section, for the purpose of determining the taxable income derived by the taxpayer from carrying on a trade, there is set-off against the income so derived of any balance of assessed loss incurred by the taxpayer in a previous year which has been carried forward from the preceding year of assessment, provided that the amount allowed as set-off does not exceed N$ 1 million or 80% of the amount of the current year's taxable income determined, whichever is the greater. This is effective for the years iof assessments beginning on or after 01 January 2024.

The company had current year's taxable income of N$ 1,434,295 of which 80% (N$1,147,436) was utilised to set-off against the carried-forward assessed tax losses of N$ 19,781,113.

Figures in Namibia Dollar	2024	2023

20. Taxation (continued)

The estimated tax loss available for set off against future taxable income is N$ 18,633,676 (2023: N$19,781,114).

21. Cash used in operations

Profit before taxation	2,340,335	3,490,707
Adjustments for:		
Depreciation and amortisation	48,924	50,937
Losses on disposals of assets	-	18,424
(Gains) / losses on foreign exchange	(134,289)	109,519
Interest income	(146,092)	(285,950)
Finance costs	578	-
Changes in working capital:		
Trade and other receivables	293,664	(1,598,986)
Trade and other payables	(3,976,355)	(5,790,967)
	(1,573,235)	**(4,006,316)**

22. Tax refunded / (paid)

Current tax for the year recognised in profit or loss	(88,534)	-
Balance at end of the year	88,534	-
	-	**-**

23. Related parties

Relationships	
Ultimate holding company	Fairfax Financial Holdings Group Limited
Holding company	Kuoni Private Safaris (Pty) Ltd

Related party balances

Loan accounts - Owing (to) by related parties		
Kuoni Private Safaris (Pty) Ltd	-	(1,600,000)
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Kuoni Private Safaris (Pty) Ltd	(531,591)	(3,601,912)

Related party transactions

Purchases from related parties		
Kuoni Private Safaris (Pty) Ltd	1,988,378	1,899,084
Administration fees paid to related parties		
Kuoni Private Safaris (Pty) Ltd	182,791	1,028,673

Notes to the Annual Financial Statements

Figures in Namibia Dollar		2024	2023

24. Risk management

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of budgeted expenditure. The company uses working capital and loan from its shareholder to fund capital and operational expenses. The company also issued preference shares to the shareholder subsequent to year-end for additional capital contribution.

The gearing ratio at 2024 and 2023 respectively were as follows:

Loans from group companies	11	-	1,600,000
Trade and other payables	9	15,453,101	19,429,456
Total borrowings		**15,453,101**	**21,029,456**
Cash and cash equivalents	7	(5,304,342)	(8,219,853)
Net borrowings		**10,148,759**	**12,809,603**
Equity		(7,726,425)	(9,978,227)
Gearing ratio		(131)%	(128)%

Figures in Namibia Dollar		2024	2023

24. Risk management (continued)

Financial risk management

The company is exposed to market risk through its use of financial instruments and specifically to liquidity risk, interest risk and credit risk which results from both its operating and investing activities. The company's risk management is coordinated by its ultimate parent, in co-operation with the board of directors, and focuses on actively securing the company's short to medium term cash flows by minimising the exposure to financial markets and institutions. The company does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the company is exposed to are described below

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management does not foresee any material cash expenditure in the near future which could result in the utilisation of the bank account.

The company’s risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through rolling forecast of the company's liquidity reserves (comprise undrawn borrowing facility and cash and cash equivalents).

The table below analyses the company’s financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2024

		Carrying amount
Current liabilities		
Trade and other payables	9	15,453,101

2023

		Carrying amount
Current liabilities		
Trade and other payables	9	19,429,451

Notes to the Annual Financial Statements

Figures in Namibia Dollar	2024	2023

24. Risk management (continued)

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

The company's interest rate risk arises from financing from a group company. This loan issued at a variable interest rate of nil (2023: N$nill) exposes the group to cash flow interest rate risk.

The company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the company calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Detailed Income Statement

Figures in Namibia Dollar	Note(s)	2024	2023
Revenue			
Fees received for traveling administration	13	112,575,163	112,587,026
Cost of sales			
Cost incurred for rendering of travel administration services	14	(97,804,316)	(98,478,559)
Gross profit		**14,770,847**	**14,108,467**
Other operating income			
Brochure Contributions		48,327	(74,534)
Other operating losses			
Losses on disposal of assets		-	(18,424)
Foreign exchange losses		134,289	(109,519)
	16	**134,289**	**(127,943)**
Other operating expenses			
Accounting fees		-	(50,617)
Administration and management fees		(1,988,378)	(1,028,673)
Advertising		(642,285)	(395,763)
Auditor's remuneration - external audit	17	(203,143)	(290,065)
Bad debts		(274)	13,791
Bank charges		(302,338)	(249,476)
Commission paid		(141,672)	(678,114)
Consulting and professional fees		(7,230)	25,827
Consulting and professional fees - legal fees		(12,300)	-
Consumables		(4,493)	(6,193)
Delivery expenses		(55,398)	(54,326)
Depreciation		(48,924)	(50,937)
Employee costs		(7,047,959)	(5,563,316)
Entertainment		(4,074)	(13,777)
Insurance		(164,063)	(161,155)
Miscellaneous office expenses		(36,775)	(37,935)
Motor vehicle expenses		(5,572)	(9,621)
Printing and stationery		(5,084)	(18,286)
Promotions		(4,705)	-
Rent		(460,707)	(304,457)
Repairs and maintenance		(8,301)	24,859
Secretarial fees		(17,640)	(17,640)
Subscriptions		(5,040)	(3,478)
Supplier overrides		273,987	(388,829)
Telephone and fax		(1,647,192)	(1,386,936)
Training		(8,663)	-
Travel - overseas		(210,419)	(56,116)
		(12,758,642)	**(10,701,233)**
Operating profit	17	**2,194,821**	**3,204,757**
Investment income	18	146,092	285,950
Finance costs	19	(578)	-
Profit before taxation		**2,340,335**	**3,490,707**
Taxation	20	(88,534)	-
Total comprehensive income / (loss) for the year		**2,251,801**	**3,490,707**

The supplementary information presented does not form part of the annual financial statements and is unaudited

PRIVATE SAFARIS (EAST AFRICA) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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The following pages do not form an integral part of these financial statements

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COMPANY INFORMATION

BOARD OF DIRECTORS	: Madhavan Karunakaran Menon (Indian) : Alexander Andor Spiro (Swiss)
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	: LR. No. 214/250 : 2nd floor, Ola Plaza : Muthaiga Road : P.O. Box 16913, 00620 : NAIROBI
INDEPENDENT AUDITOR	: PKF Kenya LLP : Certified Public Accountants : P.O. Box 14077, 00800 : NAIROBI
COMPANY SECRETARIES	: Scribe Services Secretaries : Certified Public Secretaries : 3rd Floor, Westpark Suites : Ojijo Road : P.O. Box 3085, 00100 : NAIROBI
PRINCIPAL BANKERS	: Citibank N.A. : NAIROBI : Standard Chartered Bank Kenya Limited : NAIROBI

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2024, which present the financial position of the company as at 31 December 2024 and their financial performance and cash flows for the year then ended.

PRINCIPAL ACTIVITY

The principal activity of the company is that of tour operations.

BUSINESS REVIEW

During the year 2024 the total revenue of the company decreased from Shs. 2,147,149,832 to Shs.1,760,079,860. This decrease is mainly as a result of the loss of one of their key sales agent who became insolvent.

Key performance indicators	2024	2023
Revenue (Shs '000)	1,760,080	2,147,150
Gross profit (Shs '000)	302,180	343,647
Gross profit margin (%)	17.17%	16.00%
(Loss)/profit for the year (Shs '000)	(28,508)	127,891
EBITDA (Shs '000)	(18,271)	208,238

PRINCIPAL RISKS AND UNCERTAINTIES

Kenya's economy is the largest in East and Central Africa and has experienced considerable growth in the past few years with average growth rate of over 5%. Although the economy remains small by global standards, it is distinguished from most African countries by the fact that it is one of the most diversified and advanced.

Political stability
The country experienced continued political stability throughout the year. The tourism environment has enjoyed the stability and consequently contributed to the recorded growth.

Security situation
The security situation remained stable in the year with sustained investment in the same by the Government.

In addition to the business risks discussed above, the company's activities expose it to a number of financial risks which are described in detail in Note 20 to the financial statements.

DIVIDEND

The directors do not recommend the declaration of a dividend for the year (2023: Nil).

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each director at the time this report was approved:

(a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and

(b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

PKF Kenya LLP continues in office in accordance with the company's Articles of Association and Section 719 of the Kenyan Companies Act, 2015. The director monitors the effectiveness, objectivity and independence of the auditor. The director also approves the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fee.

Approved by the board of directors on 08th April 2025 and signed on its behalf by:

BY ORDER OF THE BOARD

DIRECTOR

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company; that disclose, with reasonable accuracy, the financial position of the company and that enable them to prepare financial statements of the company that comply with IFRS® Accounting Standards and the requirements of the Kenyan Companies Act, 2015. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
ii. Selecting and applying appropriate accounting policies; and
iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The directors confirm that the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and of the company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Kenyan Companies Act,2015

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern for at least the next twelve months from the date of this statement.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 08th April 2025 and signed on its behalf by:

DIRECTOR **DIRECTOR**

PKF

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF PRIVATE SAFARIS (EAST AFRICA) LIMITED

Opinion

We have audited the financial statements of Private Safaris (East Africa) Limited set out on pages 8 to 37, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Kenyan Companies Act, 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the report of the directors, statement of directors' responsibilities and schedule of direct costs and expenditure but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF PRIVATE SAFARIS (EAST AFRICA) LIMITED (CONTINUED)

Report on other matters prescribed by the Companies Act, 2015

In our opinion, the information given in the report of the directors on pages 2 and 3 is consistent with the financial statements.

The engagement partner responsible for the audit resulting in this report of the independent auditor is CPA Ritesh Haresh Mirchandani, Practising certificate No 1631

For and behalf of PKF Kenya LLP
Certified Public Accountants
Nairobi, Kenya

5 May **2025**

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STATEMENT OF PROFIT OR LOSS

	Notes	2024 Shs '000	2023 Shs '000
Revenue from contracts with customers	1	1,760,080	2,147,150
Cost of sales		(1,457,899)	(1,803,503)
Gross profit		302,180	343,647
Other operating income	2	645	30
Interest income earned from fixed deposits		12,899	6,236
Net impairment (loss) on financial and contract assets	20 (b)	(23,584)	(3,049)
Net impairment (loss) on intangible assets		-	(9,900)
Administrative expenses		(226,527)	(206,714)
Foreign exchange differences		(70,991)	92,589
Other operating expenses		(32,147)	(32,196)
Operating (loss)/profit	3	(37,525)	190,644
Finance costs	5	(1,447)	(1,518)
(Loss)/profit before tax		(38,972)	189,126
Tax	6	10,464	(61,235)
(Loss)/profit for the year		(28,508)	127,891
Earnings per share			
- basic and diluted (Shs.)	7	(9)	41

The notes on pages 12 to 37 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2024 Shs '000	2023 Shs '000
CAPITAL EMPLOYED			
Ordinary share capital	8	62,500	62,500
Preference share capital	8	293,770	293,770
Retained earnings		(48,510)	(20,002)
Shareholders' funds		307,760	336,268
Non-current liabilities			
Lease liabilities	9	-	5,014
		307,760	341,282
REPRESENTED BY			
Non-current assets			
Deferred tax	10	79,517	65,183
Property and equipment	11	49,434	4,213
Intangible assets	12	1,612	578
Right-of-use assets	13	4,637	13,191
		135,200	83,165
Current assets			
Inventories	14	5,202	1,902
Trade and other receivables	15	94,553	243,020
Cash and cash equivalents	16	211,472	336,114
Tax recoverable		47,268	46,997
		358,495	628,033
Current liabilities			
Trade and other payables	17	180,921	361,127
Lease liabilities	9	5,014	8,789
		185,935	369,916
Net current assets		172,560	258,117
		307,760	341,282

The financial statements on pages 8 to 37 were approved and authorised for issue by the Board of Directors on 08th April 2025 and were signed on its behalf by:

Madhavan Karunakaran Menon
DIRECTOR

Alexander Andor Spiro
DIRECTOR

The notes on pages 12 to 37 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital Shs '000	Preference share capital Shs '000	Retained earnings Shs '000	Total Shs '000
Year ended 31 December 2023				
At start of year	62,500	293,770	(147,893)	208,377
Profit for the year	-	-	127,891	127,891
At end of year	62,500	293,770	(20,002)	336,268
Year ended 31 December 2024				
At start of year	62,500	293,770	(20,002)	336,268
(Loss) for the year	-	-	(28,508)	(28,508)
At end of year	62,500	293,770	(48,510)	307,760

The notes on pages 12 to 37 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CASH FLOWS

Operating activities	Notes	2024 Shs '000	2023 Shs '000
Cash (used in)/from operations	18	(70,048)	109,599
Interest paid on lease liabilities	9	(1,447)	(1,518)
Tax paid		(4,141)	(801)
Net cash (used in)/from operating activities		(75,636)	107,280
Investing activities			
Cash paid for purchase of property and equipment	11	(55,475)	(1,269)
Cash paid for purchase of intangible assets	12	(1,481)	(79)
Interest received		12,899	6,236
Proceeds from disposal of property and equipment		625	38
Net cash (used in)/from investing activities		(43,432)	4,927
Financing activities			
Payment of principal portion of lease liabilities	9	(8,788)	(8,288)
Net cash (used in) financing activities		(8,788)	(8,288)
(Decrease)/increase in cash and cash equivalents		(127,856)	103,919
Movement in cash and cash equivalents			
At start of year		336,114	232,095
(Decrease)/increase		(127,856)	103,919
Effect of exchange rate changes		3,214	100
At end of year	16	211,472	336,114

The notes on pages 12 to 37 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

NOTES

MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy information considered material in the preparation of these financial statements is set out below. The accounting policy information has been consistently applied to all the years presented, unless otherwise stated.

These financial statements comply with the requirements of the Kenyan Companies Act, 2015. The statement of profit or loss represents the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

a) **Basis of preparation**

The financial statements have been prepared under the historical cost convention and are in accordance with IFRS Accounting Standards. The historical cost convention is generally based on the fair value of the consideration given in exchange of assets.

Going concern

The financial performance of the company is set out in the report of the directors and in the statement of profit or loss. The financial position of the company is set out in the statement of financial position. Disclosures in respect of risk management are set out in Note 20 and disclosures in respect of capital management are set out in Note 21.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

New standards, amendments and interpretations adopted by the company

The company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 1 'Classification of Liabilities as Current or Non-current' and 'Non-current Liabilities with Covenants'

The amendments to IAS 1 'Classification of Liabilities as Current or Non-current' and 'Non-current Liabilities with Covenants' (issued in January 2020 and October 2022) clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement for at least 12 months after the reporting date. In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

Amendments to IAS 7 and IFRS 7 'Supplier Finance Arrangements' (issued in May 2023)

The amendments to IAS 7 and IFRS 7 'Supplier Finance Arrangements' (issued in May 2023), clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Amendment to IFRS 16 'Lease Liability in a Sale and Leaseback' (issued in September 2022)

The amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the company's financial statements.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

a) **Basis of preparation (continued)**

New standards, amendments and interpretations issued but not effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- Amendments to IAS 21 'Lack of Exchangeability' (issued in August 2023), effective for annual periods beginning on or after 1 January 2025, with early adoption permitted, specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of an entity's financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

- Amendments to IFRS 9 and IFRS 7 'Classification and Measurement of Financial Instruments' (issued May 2024), effective for annual periods beginning on or after 1 January 2026, clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

  The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments.

- Amendments to IFRS 10 and IAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture' (issued in September 2014), applicable from a date yet to be determined, address a current conflict between the two standards and clarify that a gain or loss should be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business.

- IFRS 18 'Presentation and Disclosure in Financial Statements' (issued in April 2024), replaces IAS 1 'Presentation of Financial Statements'. IFRS 18 introduces new categories and subtotals the statement of profit or loss. It also requires disclosure of newly defined management-defined performance measures (MPM) and includes new requirements for the location, aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

  Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest.

  IAS 33 Earnings per Share has been amended to include additional requirements that permit entities to disclose additional amounts per share, only if the numerator used in the calculation meets specified criteria.

  Some requirements previously included within IAS 1 have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis of Preparation of Financial Statements. IAS 34 Interim Financial Reporting has also been amended to require disclosure of MPMs.

  IFRS 18, and the amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

a) **Basis of preparation (continued)**

New standards, amendments and interpretations issued but not effective (continued)

The company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (issued in May 2024), effective for annual periods beginning on or after 1 January 2027, with early adoption permitted, allows subsidiaries without public accountability of a parent that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. (eligible entities) to elect to apply IFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS Accounting Standards compliance statement.

Except where indicated above, the directors do not expect that adoption of these standards and interpretations will have a material impact on the financial statements in future periods. The company plans to apply the changes above, if applicable, from their effective dates.

b) **Significant accounting judgements, estimates and assumptions**

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

- **Measurement of expected credit losses (ECL):**

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumption about future economic conditions and credit behaviour.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and associated ECL; and
- Establishing company's of similar financial assets for the purposes of measuring ECL.

ECLs are measured as the probability-weighted present value of expected cash shortfalls over the remaining expected life of the financial instrument.

The measurement of ECLs are based primarily on the product of the instrument's Probability of Default (PD), Loss Given Default (LGD), and Exposure At Default (EAD).

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) **Significant accounting judgements, estimates and assumptions (continued)**

- **Measurement of expected credit losses (ECL): (continued)**

The ECL model applied for financial assets other than trade receivables and contains a three-stage approach that is based on the change in the credit quality of assets since initial recognition.

- **Stage 1** - If, at the reporting date, the credit risk of non-impaired financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and a loss allowance that is measured, at each reporting date, at an amount equal to 12-month expected credit losses is recorded.

- **Stage 2** - When there is a significant increase in credit risk since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and a loss allowance that is measured, at each reporting date, at an amount equal to lifetime expected credit losses is recorded. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to recognition of 12-month expected credit losses.

- **Stage 3** - When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance equal to lifetime expected losses continues to be recorded or the financial asset is written off.

Assessment of significant increase in credit risk: The determination of a significant increase in credit risk takes into account many different factors including a comparison of a financial instruments credit risk or PD at the reporting date and the credit or PD at the date of initial recognition. IFRS 9 however includes rebuttable presumptions that contractual payments are overdue by more than 30 days will represent a significant increase in credit risk (stage 2) and contractual payments that are more than 90 days overdue will represent credit impairment (stage 3). The company uses these guidelines in determining the staging of its assets unless there is persuasive evidence available to rebut these presumptions.

Provision for expected credit losses of trade receivables and contract assets

The company uses a provision matrix to calculate ECLs for trade receivables and contract assets.

The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type, rating and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) **Significant accounting judgements, estimates and assumptions (continued)**

- **Useful lives, depreciation methods and residual values of property and equipment, intangible assets and right-of-use assets**

Management reviews the useful lives, depreciation methods and residual values of the items of property and equipment, intangible assets and right-of-use on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values. The carrying amount of property and equipment, intangible assets and right-of-use assets are disclosed in notes 11, 12 and 13, respectively.

- **Accounting for leases under IFRS 16**

Management has made various judgements and estimates under IFRS 16 as detailed below:

Incremental borrowing rate: To determine the incremental borrowing rate, the company:
- where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease term/period: In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of offices and stores, the following factors are normally the most relevant:
- If there are significant penalties to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The carrying amounts of lease liabilities and right-of-use assets are disclosed in Notes 9 and 13, respectively.

- **Impairment of non-financial assets**

Impairment exists when the carrying amount of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.

The carrying amounts of property, plant and equipment, intangible assets and right-of-use assets are disclosed in notes 11, 12 and 13, respectively.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) **Significant accounting judgements, estimates and assumptions (continued)**

- **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

c) **Revenue recognition**

The company recognises revenue from direct sales of tour operations. The company recognises revenue as and when it satisfies a performance obligation by transferring control of a service to a customer. The amount of revenue recognised is the amount the company expects to receive in accordance with the terms of the contract and excludes amounts collected on behalf of third parties.

Direct sales of tour operations
The company's revenue is measured as the aggregate amount of gross revenue receivable from inclusive tours, airline travel services, hotel services, travel agency commissions and other travel services supplied to customers in the ordinary course of business. The company records revenue on a net basis after deducting discounts and rebates.

Other income

Interest income is recognised on a time proportion basis using the effective interest method. Once a financial asset is identified as credit-impaired, the effective interest rate is applied to the amortised cost (net of impairment losses) in subsequent reporting periods.

d) **Translation of foreign currencies**

Transactions in foreign currencies during the year are converted into Kenya Shillings (the functional currency), at the rates ruling at the transaction dates.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The resulting differences from settlement and translation of monetary items are dealt with in profit or loss in the year in which they arise.

e) **Financial instruments**

Financial instruments are recognised when, and only when, the company becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale.

- ***Financial assets***

All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

e) **Financial instruments (continued)**

- ***Financial assets (continued)***

The company's financial assets which include cash and bank balances and trade and other receivables fall into the following category:

Amortised cost:
Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding and are not designated at Fair Value Through Profit or Loss (FVTPL), are classified and measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured.

At initial recognition of a financial asset, the company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the company has not identified a change in its business models.

Derecognition/write off

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the company has transferred substantially all risks and rewards of ownership, or when the company has no reasonable expectations of recovering the asset.

Financial instruments that are subsequently measured at amortised cost are subject to impairment.

Impairment

Debt instruments that are subsequently measured at amortised cost.

The company recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are measured at amortised cost:

- Cash and cash equivalents
- Trade and other receivables.
- Contract assets
- Other financial assets

The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which:

- the credit risk has increased significantly since initial recognition; or
- there is observable evidence of impairment (a credit-impaired financial asset).

If, at the reporting date, the credit risk on a financial asset other than a trade receivable has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

e) **Financial instruments (continued)**

Impairment (continued)

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Presentation

All financial assets are classified as non-current except those that are held for trading, those with maturities of less than 12 months from the reporting date, those which management has the express intention of holding for less than 12 months from the reporting date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

Financial liabilities

- **Initial recognition and measurement**

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts..

  All other financial liabilities are classified and measured at amortised cost.

- **Presentation**

  All financial liabilities are classified as non-current except those held for trading, those expected to be settled in the company's normal operating cycle, those payable or expected to be paid within 12 months of the reporting date and those which the company does not have an unconditional right to defer settlement for at least 12 months after the reporting date.

- **Derecognition**

  A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

- **Offsetting financial instruments**

  Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

f) **Property and equipment**

All property and equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation is calculated on a straight line basis to write down the cost of each asset, to its residual value over its estimated useful life as follows:

	Rate %
Leasehold improvements	20%
Furniture and fittings	20%
Motor vehicles	20%
Computer equipment	33%

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit.

g) **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

i) **Computer software**

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be five years.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

g) **Intangible assets (continued)**

ii) **Trade marks**

Trade marks are shown at historical cost. Trade marks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over a period of five years to allocate the cost of trademarks over their estimated useful lives.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset is recognised in profit or loss.

h) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on direct purchase value. Net realisable value is the estimate of the selling price in the ordinary course of business less the selling expenses.

i) **Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

j) **Taxation**

The tax expense for the year comprises current and deferred tax and is recognised in profit or loss.

Current tax
Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

Deferred tax
Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, the carry forward of unused tax credits and tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The company offsets deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

k) **Retirement benefit obligations**

The company and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

The company operates a defined contribution staff retirement benefit scheme for its permanent and pensionable employees. The scheme is administered by an insurance company. The company's contributions to the defined contribution staff retirement benefit scheme are charged to profit or loss in the year to which they relate. The company has no further payment obligations once the contributions have been paid.

l) **Impairment of non-financial assets and intangible assets**

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

m) **Accounting for leases**

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company as a lessee:

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the company recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the company is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the company's incremental borrowing rate is used.

For leases that contain non-lease components, the company allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

NOTES (CONTINUED)

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

m) **Accounting for leases (continued)**

The company as a lessee: (continued)

Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

All other right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability. Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the company at the end of the lease term, the estimated useful life would not exceed the lease term.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognised in profit or loss on a straight-line basis over the lease period.

n) **Employee entitlements**

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

o) **Share capital and share premium**

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity.

p) **Comparatives**

There were no changes in presentation in the current year.

1. **Revenue from contracts with customers**	2024 Shs '000	2023 Shs '000
Sale of safari packages	1,760,080	2,147,150

2. **Other operating income**		
Gain on disposal of property and equipment	625	30
Other income	20	-
	645	30

3. **Operating (loss)/profit**		
The following items have been charged in arriving at the operating (loss)/profit:		
Depreciation on property and equipment (Note 11)	10,254	8,828
Amortisation of intangible assets (Note 12)	446	437
Depreciation on right of use assets (Note 13)	8,554	8,329
Staff costs (Note 4)	137,351	136,823
Director's remuneration	17,966	18,719
Auditors' remuneration		
- current year	1,849	1,672
Repairs and maintenance	8,197	7,437

4. **Staff costs**		
Salaries and wages	119,210	119,116
Other staff costs	16,051	16,700
Post-employment benefits:		
- National Social Security Fund	2,090	1,007
	137,351	136,823

The average number of persons employed during the year, by category, were:	2024 No	2023 No
Management and administration	86	83

5. **Finance costs**	2024 Shs '000	2023 Shs '000
Lease liabilities interest (Note 9)	1,447	1,518

NOTES (CONTINUED)

6. **Tax**	2024 Shs '000	2023 Shs '000
Current tax	3,870	1,871
Deferred tax (credit)/charge (Note 10)	(14,334)	59,364
	(10,464)	61,235
The tax on the company's (loss)/profit before tax differs from the theoretical amount that would arise using the basic rate as follows:		
(Loss)/profit before tax	(38,972)	189,126
Tax calculated at a tax rate of 30% (2023: 30%)	(11,692)	56,738
Tax effect of:		
- expenses not deductible for tax purposes	1,228	4,497
Tax (credit)/charge	(10,464)	61,235

7. **(Loss)/earnings per share**

Basic (loss)/earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	2024 Shs	2023 Shs
(Loss)/profit attributable to equity holders (Shs.)	(28,508,000)	127,891,000
Weighted average number of ordinary shares (Number)	3,125,000	3,125,000
(Loss)/earnings per share (Shs).	(9)	41

8. **Share capital**	2024 Shs '000	2023 Shs '000
Authorised:		
3,250,000 (2023: 3,250,000) ordinary shares of Shs. 20 each	65,000	65,000
2,937,695 (2023: 2,937,695) 6% non-cumulative redeemable preference shares of Shs. 100 each	293,770	293,770
	358,770	358,770
Issued and fully paid:		
3,125,000 (2023: 3,125,000) ordinary shares of Shs. 20 each	62,500	62,500
2,937,695 (2023: 2,937,695) 6% non-cumulative redeemable preference shares of Shs. 100 each	293,770	293,770
	356,270	356,270

The preference shares are non-cumulative and only redeemable within a period of 20 years from the issue date (being 21 December 2017) if the company has not exercised its option to convert such shares to ordinary equity before such period elapses. The company holds the option for conversion of such shares at a predetermined number and valuation at any time over this period.

9. **Lease liabilities**	**2024 Shs '000**	**2023 Shs '000**
Non-current	-	5,014
Current	5,014	8,789
	5,014	13,802

Reconciliation of lease liabilities arising from financing activities:

At start of year	13,802	7,146
Interest charged to profit or loss (Note 5)	1,447	1,518
Cash flows:		
- Amounts financed through leases	-	14,944
- Payments under leases	(10,235)	(9,806)
At end of year	5,014	13,802

Lease liabilities are unsecured.

The leases expiring within one year are subject to review at various dates during the next financial year.

The exposure of the company's leases to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	2024 Shs '000	**2023 Shs '000**
6 months or less	4,976	4,141
6 - 12 months	38	4,647
1 - 2 years	-	5,014
	5,014	13,802

Weighted average effective interest rates at the reporting date was:	**2024 %**	**2023 %**
Lease liabilities	11.5% - 14%	11.5% - 14%

The carrying amounts of the company's lease liabilities are denominated in Kenya Shillings.

Maturity based on the repayment structure of lease liabilities is as follows:

Gross lease liabilities - minimum lease payments	**2024 Shs '000**	**2023 Shs '000**
Not later than 1 year	5,281	10,236
Later than 1 year and not later than 5 years	-	5,280
Total gross lease	5,281	15,516
Future interest expense on leases liabilities	(267)	(1,714)
Present value of lease liabilities	5,014	13,802

10. **Deferred tax**

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2023: 30%). The movement on the deferred tax account is as follows:

	2024 Shs '000	2023 Shs '000
At start of year	(65,183)	(124,547)
(Credit)/charge to profit or loss (Note 6)	(14,334)	59,364
At end of year	(79,517)	(65,183)

Deferred tax (assets) in the statement of financial position and deferred tax (credit)/charge to profit or loss are attributable to the following items:

	At start of year Shs '000	(Credit)/charge to profit or loss Shs '000	At end of year Shs '000
Year ended 31 December 2024			
Property and equipment	(7,162)	3,131	(4,031)
Impairment loss	(3,966)	(7,075)	(11,041)
General provisions	(3,555)	(76)	(3,631)
Unrealised foreign exchange differences	23,009	(25,475)	(2,466)
Tax losses	(73,509)	15,161	(58,348)
Net deferred tax (asset)	(65,183)	(14,334)	(79,517)
Year ended 31 December 2023			
Property and equipment	(6,354)	(808)	(7,162)
Impairment loss	(2,523)	(1,443)	(3,966)
General provisions	(4,443)	888	(3,555)
Unrealised foreign exchange differences	5,035	17,974	23,009
Tax losses	(116,262)	42,753	(73,509)
Net deferred tax (asset)	(124,547)	59,364	(65,183)

11. Property and equipment

Year ended 31 December 2024

	Leasehold improvements Shs '000	Furniture and fittings Shs '000	Motor vehicles Shs '000	Computer equipment Shs '000	Total Shs '000
Cost					
At start of year	46,522	19,009	79,193	47,851	192,575
Additions	757	-	54,310	408	55,475
Disposals	-	-	(1,800)	-	(1,800)
At end of year	47,279	19,009	131,703	48,259	246,250
Accumulated depreciation					
At start of year	46,051	18,988	77,194	46,129	188,362
Disposals	-	-	(1,800)	-	(1,800)
Charge for the year	209	21	8,957	1,067	10,254
At end of year	46,260	19,009	84,351	47,196	196,816
Net carrying amount	1,019	-	47,352	1,063	49,434

Year ended 31 December 2023

Cost					
At start of year	46,522	19,009	79,193	46,601	191,325
Additions	-	-	-	1,269	1,269
Disposals	-	-	-	(19)	(19)
At end of year	46,522	19,009	79,193	47,851	192,575
Accumulated depreciation					
At start of year	45,890	18,922	69,567	45,166	179,545
Disposals	-	-	-	(11)	(11)
Charge for the year	161	66	7,627	974	8,828
At end of year	46,051	18,988	77,194	46,129	188,362
Net carrying amount	471	21	1,998	1,722	4,213

All additions during the year were made through cash payments.

16. **Cash and cash equivalents**	2024 Shs '000	2023 Shs '000
Cash at bank and in hand	211,472	336,114

For the purposes of the statement of cash flows, the year-end cash and cash equivalents comprise the above.

The carrying amounts of the company's cash and cash equivalents are denominated in the following currencies:

	2024 Shs '000	2023 Shs '000
Kenya Shillings	30,639	22,389
United States Dollar	175,154	304,484
Euro	5,639	7,798
Great Britian Pound	40	1,443
	211,472	336,114

17. **Trade and other payables**		
Trade payables	12,948	94,829
Accruals for safaris	99,582	147,718
Deferred income	52,733	97,216
Accruals and other payables	15,082	18,879
Amount due to related party (Note 19)	576	2,485
	180,921	361,127

The carrying amounts of the company's trade and other payables are denominated in the following currencies:

Kenya Shillings	170,030	269,001
United States Dollar	10,439	86,211
Euro	235	3,238
Indian Rupees	-	2,256
South African Rand	217	421
	180,921	361,127

17. Trade and other payables (continued)

The maturity analysis of the trade and other payables is as follows:

Year ended 31 December 2024	**Up to 3 months Shs '000**	**4 to 12 months Shs '000**	**Total Shs '000**
Trade payables	12,948	-	12,948
Accruals for safaris	80,475	19,107	99,582
Deferred income	25,596	27,137	52,733
Accruals and other payables	15,082	-	15,082
Amounts due to related party	576	-	576
	134,678	46,244	180,921
Year ended 31 December 2023			
Trade payables	88,444	6,385	94,829
Accruals for safaris	137,864	9,855	147,718
Deferred income	50,001	47,215	97,216
Accruals and other payables	18,879	-	18,879
Amounts due to related party	2,485	-	2,485
	297,672	63,455	361,127

18. Cash (used in)/from operations

Reconciliation of (loss)/profit before tax to cash from operations:	**2024 Shs '000**	**2023 Shs '000**
(Loss)/profit before tax	(38,972)	189,126
Adjustments for:		
Depreciation on property and equipment (Note 11)	10,254	8,828
Depreciation on right-of-use assets (Note 13)	8,554	8,329
Amortisation of intangible assets (Note 12)	446	437
Impairment of intangible assets (Note 12)	-	7,679
Interest expense on lease liabilities (Note 9)	1,447	1,518
(Gain) on disposal of property and equipment	(625)	(30)
Interest (income)	(12,899)	(6,236)
Net foreign exchange (gain)	(3,214)	(100)
Changes in working capital:		
- inventories	(3,300)	1,016
- trade and other receivables	148,467	(167,281)
- trade and other payables	(180,206)	66,313
Cash (used in)/from operations	(70,048)	109,599

19. Related party transactions and balances

The company is controlled by Travel Circle International (Mauritius) Limited incorporated in Mauritius, which owns 100% of the company shares. The ultimate parent company is Travel Circle International (Mauritius) Limited incorporated in Mauritius.

The following transactions were carried out and balances held with related parties:	2024 Shs '000	2023 Shs '000
i) **Sale of goods and services to other related party**	6,140	23,092
ii) **Purchase of goods and services from other related party**	16,330	9,320
iii) **Key management compensation**		
Salaries and other short term benefits - directors	19,454	20,207
iv) **Outstanding balances arising from sale and purchase of goods/services/property/other transactions**		
Amount due from related parties (Note 15) - Parent	-	306
Amount due to related parties (Note 17) - Other related parties	576	2,485

20. Risk management objectives and policies

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by the management under policies approved by the board of directors. Management identifies, evaluates and hedges financial risks in close co-operation with various departmental heads.

(a) **Market risk**

- *Foreign exchange risk*

The company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar, Sterling Pound and Euro. The risk arises from future transactions, assets and liabilities in the statement of financial position.

The table below summarises the effect on post-tax profit had the Kenya Shilling weakened by 10% against each currency, with all other variables held constant. If the Kenya Shilling strengthened against each currency, the effect would have been the opposite.

	2024 Shs '000	2023 Shs '000
Effect of profit - increase	18,707	27,519

A 10% sensitivity rate is being used when reporting foreign risk internally to key management personnel and represents managements assessment of the reasonably possible change in foreign exchange rates.

20. **Risk management objectives and policies (continued)**

Financial risk management (continued)

(a) **Market risk (continued)**

- *Interest rate risk*

The company's exposure to interest rate risk arises from lease liabilities.

The summary below shows the effect on post-tax profit had the interest rate on interest bearing liabilities increased by 1%. Had the interest rates decreased by the same margin, the effect would have been the opposite.

	2024 Shs '000	2023 Shs '000
Effect on (loss)/profit - decrease	1,851	1,915

A 1% sensitivity rate is being used when reporting interest risk internally to key management personnel and represents managements assessment of the reasonably possible change in interest rates.

(b) **Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

Management assesses the credit quality of the customer, taking into account their financial position, past experience and other factors.

Exposure to this risk has been quantified in each financial asset note in the financial statements along with any concentration of risk.

In assessing whether the credit risk on a financial asset has increased significantly, the company compares the risk of default occurring on the financial asset as at the reporting date with the risk of default occurring on that financial asset as at the date of initial recognition. In doing so, the company considers reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition and that is available without undue cost or effort. There is a rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due.

For these purpose default is defined as having occurred if the debtor is in breach of contractual obligations, or if information is available internally or externally that suggests that the debtor unlikely to be able to meet its obligations. However, there is a rebuttable assumption that that default does not occur later than when a financial asset is 90 days past due.

If the company does not have reasonable and supportable information to identify significant increases in credit risk and/or to measure lifetime credit losses when there has been a significant increase in credit risk on an individual instrument basis, lifetime expected credit losses are recognised on a collective basis. For such purposes, the company companys financial assets on the basis of shared credit risk characteristics, such as:

- type of instrument;
- industry in which the debtor operates; and
- nature of collateral.

20. **Risk management objectives and policies (continued)**

Financial risk management (continued)

(b) **Credit risk (continued)**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired include observable data about the the following events:

- significant financial difficulty of the debtor;
- a breach of contract;
- it is probable that the debtor will enter bankruptcy; and
- the disappearance of an active market for the financial asset because of financial difficulties.

The gross carrying amount of financial assets with exposure to credit risk at the reporting date was as follows:

Basis for measurement of loss allowance	**Lifetime expected credit losses Shs '000**
As at 31 December 2024	
Trade receivables	83,498
Cash and cash equivalents	211,472
Gross carrying amount	294,970
Loss allowance	(36,802)
Exposure to credit risk	258,168
Basis for measurement of loss allowance	
As at 31 December 2023	
Trade receivables	149,695
Cash and cash equivalents	337,874
Gross carrying amount	487,568
Loss allowance	(13,218)
Exposure to credit risk	474,350

Financial assets for which the loss allowance has been measured at an amount equal to lifetime expected credit losses have been analysed above based on their credit risk ratings as follows:

a) financial assets for which credit risk has increased significantly since initial recognition but that are not credit impaired;
b) financial assets that are credit impaired at the reporting date; and
c) trade receivables for which the loss allowance is always measured at an amount equal to lifetime expected credit losses, based, as a practical expedient, on provision matrices.

20. **Risk management objectives and policies (continued)**

Financial risk management (continued)

b) **Credit risk (continued)**

The age analysis of the trade receivables at the end of each year was as follows:

	Not past Shs '000	31 - 60 Shs '000	61 - 90 Shs '000	>90 Shs '000	>120 Shs '000	Total Shs '000
As at 31 December 2024	40,540	6,130	-	-	36,828	83,498
As at 31 December 2023	110,573	10,648	19,788	1,677	7,315	150,001

The changes in the loss allowance during the year were as follows:

	Lifetime expected credit losses		
Basis for measurement of loss allowance	**Trade receivables**	**Cash and cash equivalents**	**Total**
Year ended 31 December 2024	**Shs '000**	**Shs '000**	**Shs**
At start of year	(13,218)	-	(13,218)
Changes relating to assets	(23,584)	-	(23,584)
At end of year	(36,802)	-	(36,802)
Year ended 31 December 2023			
At start of year	(8,410)	(1,760)	(10,170)
Changes relating to assets	(4,808)	1,760	(3,048)
At end of year	(13,218)	-	(13,218)

(c) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet obligations as they fall due. The company ensures its inflows and outflows are matched sufficiently to minimise its exposure on liquidity risk.

Notes 17 and 9 disclose the maturity analysis of trade and other payables and lease liabilities respectively.

The following table details the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The key assumptions made in the maturity profile are:

- changes in interest rates have not been accounted for as these cannot be predicted;
- changes in foreign exchange rates have not been accounted for as these cannot be predicted; and
- the borrowings will be repaid based on the repayment schedule agreed with the lenders.

NOTES (CONTINUED)

20. **Risk management objectives and policies (continued)**

Financial risk management (continued)

(c) **Liquidity risk (continued)**

Year ended 31 December 2023	**Interest rate %age**	**Within 1 year Shs '000**	**Between 1 - 5 years Shs '000**	**Total Shs '000**
Non interest bearing liabilities:				
- Trade and other payables	-	180,921	-	180,921
Interest bearing liabilities				
- Lease liabilities	11.5% - 14%	5,281	-	5,281
		186,202	-	186,202
Year ended 31 December 2023				
Non interest bearing liabilities:				
- Trade and other payables	-	361,127	-	361,127
Interest bearing liabilities				
- Lease liabilities	11.5% - 14%	10,236	5,281	15,516
		371,363	5,281	376,644

21. **Capital management**

The company's objectives when managing capital are:

- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk; and
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust directors bonuses or dividends paid.

22. **Commitments**

Contractual commitments for the acquisition of assets

At the reporting date these commitments were as follows:	**2024 Shs**	**2023 Shs**
Property and equipment	-	24,826

23. **Incorporation**

Private Safaris (East Africa) Limited is incorporated in Kenya under the Companies Act, 2015 as a private limited liability company and is domiciled in Kenya.

24. **Presentation currency**

The financial statements are presented in Kenya Shillings (Shs).

SCHEDULE OF DIRECT COSTS AND EXPENDITURE

1. DIRECT COSTS	2024 Shs '000	2023 Shs '000
Accommodation and meals expenses	1,016,007	1,245,760
Entrance and parking fees	158,963	165,778
Transport	248,953	338,533
Fuel	13,349	7,456
Repairs and maintenance	8,041	7,077
Drivers' allowance	4,333	4,271
Commission	8,367	16,882
Excursion and transport	6,542	12,092
Spare parts, tyres and tubes expenses	2,319	1,821
Other costs	7,011	3,833
Prior year safaris expenses	(15,986)	-
Total direct costs	1,457,899	1,803,503
2. ADMINISTRATIVE EXPENSES		
Employment:		
Salaries and wages	121,300	120,123
Staff medical	7,217	6,008
Staff training and recruitment	51	65
Other staff costs	8,783	10,627
Total employment costs	137,351	136,823
Other administrative expenses:		
Director's remuneration	17,966	18,719
Promotions and sales support	11,948	7,921
Printing and stationery	1,052	1,345
Postages and telephones	1,567	1,643
Travelling and entertainment	477	2,135
Audit fees:		
- current year	1,849	1,672
Computer expenses	16,003	13,585
Management fees	18,298	10,827
Legal and professional fees	2,883	1,919
Secretarial charges	149	149
Subscriptions	284	233
Bank charges	1,822	1,996
Gifts and donations	53	100
Sales agent fees	13,506	6,367
Miscellaneous expenses	1,319	1,280
Total other administrative expenses	89,176	69,891
Total employment and other administrative expenses	226,527	206,714
Foreign exchange differences:		
Realised exchange loss/(gain)	62,770	(15,894)
Unrealised foreign exchange loss/(gain)	8,221	(76,695)
Total foreign exchange differences	70,991	(92,589)
Total administrative expenses	297,518	114,125

SCHEDULE OF DIRECT COSTS AND EXPENDITURE (CONTINUED)

3. OTHER OPERATING EXPENSES	2024 Shs '000	2023 Shs '000
Establishment:		
Light and water	3,312	3,075
Service charge and parking	4,361	4,309
Licences	663	3,677
Security	291	290
Repairs and maintenance	156	360
Insurance	4,110	2,892
Amortisation of intangible assets	446	437
Depreciation on property and equipment	10,254	8,828
Depreciation on right of use assets	8,554	8,329
Total other operating expenses	32,147	32,196

4. FINANCE COSTS		
Interest expense on lease liabilities	1,447	1,518
Total finance costs	1,447	1,518

BDC Digiphoto Imaging Solutions Private Limited
Balance Sheet as at 31st March, 2025

Amount in Lakhs unless otherwise stated

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	263.36	301.12
Capital work-in-progress	3	-	2.04
Right-Of-Use Assets	3	44.12	111.40
Other intangible Assets	4	16.58	17.37
Financial assets:-			
- Trade receivables	7	-	-
- Other financial assets	5	84.47	50.35
Other non-current assets	9	1.49	0.1
Non Current Tax assets	11	0.72	0.2
Deferred tax assets (net)		-	-
Total non-current assets		**410.74**	**482.63**
Current assets:			
- Inventories	6	82.62	94.24
Financial assets:-			
- Trade receivables	7	850.06	647.01
- Cash and cash equivalents	8	73.52	55.45
- Bank balances other than cash and cash equivalents		-	-
- Other financial assets	5	22.57	54.49
Current Tax Assets (Net)	11	-	-
Other current assets	10	268.85	235.58
Total current assets		**1,297.62**	**1,086.77**
TOTAL ASSETS		**1,708.36**	**1,569.40**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12(a)	1.00	1.00
Other equity			
Reserve and surplus	12(b)	-2,116.84	-2,058.89
Total Equity		**-2,115.84**	**-2,057.89**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings		-	-
-Lease liabilities	13	-	49.75
- Other financial liabilities	17	8.17	8.17
Provisions	14	49.47	35.99
Deferred tax liabilities (net)		-	-
Other non-current liabilities		-	-
Total non-current liabilities		**57.64**	**93.91**
Current liabilities			
Financial liabilities			
- Borrowings	15	-	-
-Lease liabilities	13	49.75	69.63
- Trade payables	16	3,598.80	3,354.43
- Other financial liabilities	17	79.78	71.25
Provisions	14	1.70	1.58
Current Tax Liabilities		-	-
Other current liabilities	18	36.53	36.49
Total current liabilities		**3,766.56**	**3,533.37**
TOTAL LIABILITIES		**3,824.20**	**3,627.28**
TOTAL EQUITY AND LIABILITIES		**1,708.36**	**1,569.40**

BDC Digiphoto Imaging Solutions Private Limited
Statement of Profit And Loss for the year ended 31st March, 2025

Amount in Lakhs unless otherwise stated

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
Income			
Revenue from operations	19	1,293.38	1,314.04
Other income	20(a)	918.79	706.74
Other gains (net)	20(b)	-	-
Total income		**2,212.17**	**2,020.77**
Expenses			
Cost of services		156.91	164.80
Revenue share		478.49	499.31
Employee benefits expense	21	1,040.54	874.52
Finance Cost	22	21.71	27.30
Depreciation and amortisation expense	23	89.96	91.42
Depreciation - Right of Use Assets - Buildings	23	67.28	70.56
Other expenses	24	424.37	326.02
Total expenses		**2,279.26**	**2,053.94**
Profit before exceptional item		**-67.10**	**-33.17**
Add Exceptional items:			
Less Exceptional items:		-	-
(Loss)/Profit before tax		**-67.10**	**-33.17**
Less : Tax expense		-	
Current tax		-	-
Deferred tax		-	-
Total tax expenses		**-**	**-**
(Loss)/Profit for the year (A)		**-67.10**	**-33.17**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		9.15	2.45
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income / (Loss) for the year, net of taxes (B)		**9.15**	**2.45**
Total comprehensive income / (Loss) for the year (A+B)		**-57.95**	**-30.73**
Earnings/(Loss) per equity share (Face value of INR 1 each)	23		
- Basic earnings/(loss) per share		- 670.96	- 331.25
- Diluted earnings/(loss) per share		- 670.96	- 331.25

BDC Digiphoto Imaging Solutions Private Limited
Balance Sheet as at 31st March, 2025

STATEMENT OF CHANGES IN EQUITY:

Amount in Lakhs unless otherwise stated

(A) Share Capital	**Equity share**
Particulars	**Amount**
Balance as at 1st April 2022	**1.00**
Changes in share capital during the period	-
Balance as at 31st March, 2023	**1.00**
Changes in share capital during the period	-
Balance as at 31st March, 2024	**1.00**

Amount in Lakhs unless otherwise stated

(B) Other Equity		
Particulars	**Retained Earnings**	**Total Reserves and Surplus**
Balance as at 1st April 2022	**-2,028.16**	**-2,028.16**
Profit for the year	-33.17	-33.17
Other Comprehensive Income, net of tax	2.45	2.45
Balance as at 1st April, 2024	**-2,058.89**	**-2,058.89**
Profit for the year	-67.10	-67.10
Other Comprehensive Income, net of tax	9.15	9.15
Balance as at 31st March, 2025	**-2,116.84**	**-2,116.84**

BDC Digiphoto Imaging Solutions Private Limited
Statement of Cash Flows for the year ended 31st March, 2025

Amount in Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
A) Cash flow from operating activities		
Profit before income tax	**-67.10**	**-33.17**
Adjustments for		
Interest Income	-2.80	(2.6)
Unrealised foreign exchange (gain) / loss	127.83	340.40
Depreciation and Amortisation	157.24	161.98
Profit on sale of Property, Plant and Equipment (Net)	-	-
Finance Costs	21.71	27.3
Operating Profit before Working Capital changes	**236.88**	**493.94**
Change in operating assets and liabilities		
Increase/(Decrease) in Trade Payables	116.63	-662.35
Increase/(Decrease) in Provisions	22.76	14.01
Increase/(Decrease) in Other Liabilities	0.05	6.92
Increase/(Decrease) in Financial liabilities	8.53	12.93
Increase/(Decrease) in Inventories	11.62	-41.79
(Increase)/ Decrease in Trade Receivables	-203.14	360.21
(Increase)/Decrease in Other Financial Assets	0.60	-45.64
(Increase)/Decrease in Other Assets	-34.63	45.06
Cash generated from operations	**159.29**	**183.29**
Income taxes paid (Net of Refunds Received)	-0.49	0.63
Interest on Income Tax Refund	-	-
Net cash inflow from operating activities	**158.80**	**183.92**
B) Cash flow from investing activities:		
Proceeds from sale of Property, Plant and Equipment	-	-
Purchase of Property, Plant and Equipment & Intangible Assets	-49.37	-157.20
Interest Received	-	-
Net cash outflow from investing activities	**-49.37**	**-157.20**
C) Cash flow from financing activities		
Loan repaid to subsidiary company	-	-
Lease liabilities	-69.85	(65.6)
Finance Costs paid	-21.71	-27.34
Net cash inflow (outflow) from financing activities	**-91.56**	**-92.97**
Net increase/(decrease) in cash and cash equivalents	**17.87**	**-66.26**
Add: Cash and cash equivalents at the beginning of the financial year	55.65	121.9
Cash and cash equivalents at the end of the year	**73.52**	**55.65**
Reconciliation of Cash Flow statements as per the cash flow statement	**For the year ended 31st March, 2025**	**For the year ended 31st March, 2024**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	73.52	55.45
Bank Overdrafts	-	-
Balances as per statement of cash flows	**73.52**	**55.45**

BDC Digiphoto Imaging Solutions Private Limited
Statement of Cash Flows for the year ended 31st March, 2025

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
A) Cash flow from operating activities		
Profit before income tax	**-67.10**	**-33.17**
Adjustments for		
Interest Income	-2.80	(2.6)
Unrealised foreign exchange (gain) / loss	127.83	340.40
Depreciation and Amortisation	157.24	161.98
Loss / (Profit) on sale of Property, Plant and Equipment (Net)	-	-
Finance Costs	21.71	27.3
Operating Profit before Working Capital changes	**236.88**	**493.94**
Change in operating assets and liabilities		
Increase/(Decrease) in Trade Payables	116.63	-662.35
Increase/(Decrease) in Provisions	22.76	14.01
Increase/(Decrease) in Other Liabilities	0.05	6.92
Increase/(Decrease) in Financial liabilities	8.53	12.93
(Increase)/Decrease in Inventories	11.62	-41.79
(Increase)/ Decrease in Trade Receivables	-203.14	360.21
(Increase)/Decrease in Other Financial Assets	0.60	-45.64
(Increase)/Decrease in Other Assets	-34.63	45.06
Cash generated from operations	**159.29**	**183.29**
Income taxes paid (Net of Refunds Received)	-0.49	0.63
Net cash inflow from operating activities	**158.80**	**183.92**
B) Cash flow from investing activities:		
Proceeds from sale of Property, Plant and Equipment	-	-
Purchase of Property, Plant and Equipment & Intangible Assets	-49.37	-157.20
Interest Received	-	-
Net cash outflow from investing activities	**-49.37**	**-157.20**
C) Cash flow from financing activities		
Loan repaid to subsidiary company	-	-
Lease liabilities	-69.63	(65.6)
Finance Costs paid	-21.71	-27.34
Net cash inflow (outflow) from financing activities	**-91.34**	**-92.97**
Net increase/(decrease) in cash and cash equivalents	**18.09**	**-66.26**
Add: Cash and cash equivalents at the beginning of the financial year	55.65	121.9
Cash and cash equivalents at the end of the year	**73.74**	**55.65**
Reconciliation of Cash Flow statements as per the cash flow statement	**For the year ended 31st March, 2025**	**For the year ended 31st March, 2024**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	73.52	55.45
Bank Overdrafts	-	-
Balances as per statement of cash flows	**73.52**	**55.45**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025
Note 3: Property, plant and equipment:

Amount in Lakhs unless otherwise stated

Particulars	Furniture and Fixtures	Computers	Office equipments	Vehicles	Total	Capital work in progress
Gross carrying amount						
Opening as at 1st April, 2023	**51.76**	**510.12**	**83.99**	**0.57**	**646.44**	**-**
Additions for the year ended as on March 31,2024	12.82	142.28	-	0.06	**155.17**	2.04
Disposals/transfer	-	-	-	-	**-**	-
Closing gross carrying amount as on 31st March,2024	**64.58**	**652.40**	**83.99**	**0.63**	**801.61**	**2.04**
Additions for the year ended as on March 31,2025	9.04	34.54			**43.58**	5.64
Disposals/transfer	-	30.87			**30.87**	-7.68
Closing gross carrying amount 31st march 2025	**73.62**	**717.81**	**83.99**	**0.63**	**876.06**	**-**
					-	
Accumulated depreciation					**-**	
Opening as at1st April, 2023	**38.25**	**300.87**	**75.35**	**0.57**	**415.04**	**-**
Depreciation charge during the year ended as on March 31,2024	6.76	70.03	8.65	0.01	**85.45**	-
Disposals	-	-	-	-	**-**	-
Closing accumulated depreciation as at 31st March 2024	**45.01**	**370.90**	**83.99**	**0.58**	**500.49**	**-**
Depreciation charge during the year ended as on March 31,2025	7.08	82.08	-	0.01	**89.17**	
Disposals	-	23.04	-	-	**23.04**	
Closing accumulated depreciation as at 31st March 2025	**52.09**	**476.02**	**83.99**	**0.59**	**612.69**	**-**
Net carrying amount as at 31st March, 2025	**21.53**	**241.79**	**-**	**0.04**	**263.36**	**-**
Net carrying amount as at 31st March, 2024	**19.57**	**281.50**	**-**	**0.05**	**301.12**	**2.04**

3.1 Capital work in progress (CWIP) ageing
As at 31 March 2025:

Amount in Lakhs unless otherwise stated

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Projects in process	-					-
Projects temporarily suspended						-
Total	**-**	**-**	**-**	**-**	**-**	**-**

As at 31 March 2025:

Amount in Lakhs unless otherwise stated

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Projects in process	-					-
Projects temporarily suspended						-
Total	**-**	**-**	**-**	**-**	**-**	**-**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025
3.2 Leased Assets
Propoerty, Plant and Equipments includes the following amounts where the company is a lessee;

Amount in Lakhs unless otherwise stated

Particulars	Office Building
Gross carrying amount	
Opening as at 1st April, 2023	212.78
Additions for the year ended as on March 31,2024	
Disposals/transfer	
Closing gross carrying amount as on 31st March,2024	**212.78**
Additions for the year ended as on March 31,2025	
Disposals/transfer	
Closing gross carrying amount 31st march 2025	**212.78**
Accumulated depreciation	
Opening as at1st April, 2023	**83.74**
Amortisation for the year	17.64
Disposals	
Closing accumulated depreciation as at 31st March 2024	**101.38**
Depreciation charge during the year ended as on March 31,2025	67.28
Disposals	
Closing accumulated depreciation as at 31st March 2025	**168.66**
Net carrying amount as at 31st March, 2025	**44.12**
Net carrying amount as at 31st March, 2024	**111.40**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 4: Intangible Assets:

Amount in Lakhs unless otherwise stated

Particulars	Computer Software
Gross carrying amount	
Opening as at 1st April, 2024	**112.58**
Additions during the year	-
Disposals during the year	-
Closing gross carrying amount as at 31st march 2025	**112.58**
Additions during the year	-
Disposals during the year	-
Closing gross carrying amount as at 31st march 2025	**112.58**
Accumulated amortisation	
Opening as at 1st April, 2024	**89.24**
Amortisation charge for the year	5.97
Disposals	-
Closing gross carrying amount as at 31st march 2025	**95.21**
Amortisation charge for the year	0.79
Disposals	-
Closing gross carrying amount as at 31st march 2025	**96.00**
Net carrying amount as at 31st March, 2025	**16.58**
Net carrying amount as at 31st March, 2024	**17.37**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 5 : Other financial Assets

Amount in Lakhs unless otherwise stated

Particulars	Non-current	Current	Non-current	Current
	31st March, 2025	31st March, 2025	31st March, 2024	31st March, 2024
Fixed deposits with maturity for more than 12 months	18.15	12.82	18.15	12.82
Security Deposits	66.32	-	32.20	34.47
Interest receivables from Bank Deposits	-	9.7	-	7.2
Total Other Financial Assets	**84.47**	**22.57**	**50.35**	**54.49**

Note 6 : Inventories

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Finished goods	82.62	94.24
	82.62	**94.24**

Note 7 : Trade receivables

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Secured, considered good	-	-
Unsecured, considered good	850.06	647.01
Unsecured, considered doubtful	-	-
Total	**850.06**	**647.01**
Less : Allowance for doubtful debts	-	-
Total Trade Receivables	**850.06**	**647.01**

For related party balances refer Note 30

Note 8 : Cash and cash equivalents

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Balances with banks :		
In current accounts	64.32	49.34
Fixed Deposits with original maturity of less than three months	-	-
Cash on hand (including foreign currencies- Notes and paid documents)	9.21	6.12
Total Cash and cash equivalents	**73.52**	**55.45**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 9 : Other Non Current Assets:

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Balances receivables from Govt. authorities-Non Current	1.49	
Prepaid expenses	-	0
Total	**1.49**	**0.1**

Note 10 : Other Current Assets:

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Advance to Suppliers		
Unsecured, considered good	3.51	7.17
Unsecured ,considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
Advance to Employees	-	-
Unsecured, considered good	0.49	0.49
Unsecured, considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
Prepaid expenses	3.73	5.69
Balances receivables from Govt. authorities	261.12	222.24
Total	**268.85**	**235.58**

Note 11 : Non- Current Tax Assets / Current Tax Liabilities:

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Non-Current Tax Assets (as per Balance sheet)	0.72	0.23
Current Tax Liability (as per Balance sheet)	-	-

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 12(a) : Share Capital and Other Equity:

Amount in Lakhs unless otherwise stated

Particulars	Equity Share Capital#	
	No of Shares (In lakhs)	Amount
AUTHORISED/ISSUED/SUBSCRIBED/PAID UP		
As at 1st April, 2022	0.10	**1.00**
Increase/(Decrease) during the period	-	-
As at 31st March, 2023	0.10	**1.00**
Increase/(Decrease) during the period	-	-
As at 31st March, 2024	**0.10**	**1.00**

#Consists of following:
10,000 (Previous Year:10,000) Face Value of Equity Shares of Rs. 10/- each (Previous year: Rs. 10/- each.)

(i) Movement in Equity Share Capital and other capital during the Year

Amount in Lakhs unless otherwise stated

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares (In lakhs)	Amount	No of Shares (In lakhs)	Amount
Opening balance	0.10	1.00	0.10	1.00
Changes during the year	-	-	-	-
Closing balance	**0.10**	**1.00**	**0.10**	**1.00**

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of INR 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution to preference shareholders of all preferential amounts, in proportion to their shareholding.

(iii) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Shares (In lakhs)	% of Holding	No of Shares (In lakhs)	% of Holding
Equity Shares				
Travel Corporation (India) Limited	0.0510	51.00%	0.0510	51.00%
A Evolution Leisure Holdings INC	0.0489	48.90%	0.0489	48.90%

(iv) Promoters shareholding as at the year end along with percentage change of shareholding during the year

Shares held by promoters at the end of 31st March 2025

Promoters Name	No. of shares at commencement of period (in lakhs)	Change during the year	No. of Shares at end of the period (in lakhs)	% of total shares	% change during the year
Equity Shares					
Travel Corporation (India) Limited	0.0510	-	0.0510	51.00%	0.00%
A Evolution Leisure Holdings INC	0.0489	-	0.0489	48.90%	0.00%
Ramkrishnan Kalapathy Shankaar	0.0001	-	0.0001	0.10%	0.00%

Shares held by promoters at the end of 31st March 2024

Promoters Name	No. of shares at commencement of period (in lakhs)	Change during the year	No. of Shares at end of the period (in lakhs)	% of total shares	% change during the year
Equity Shares					
Travel Corporation (India) Limited	0.0510	-	0.0510	51.00%	0.00%
A Evolution Leisure Holdings INC	0.0489	-	0.0489	48.90%	0.00%
Ramkrishnan Kalapathy Shankaar	0.0001	-	0.0001	0.10%	0.00%

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 12(b) : Reserves and surplus

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Retained Earnings	-2,116.84	-2,058.89
Total reserves and surplus	**-2,116.84**	**-2,058.89**

Retained Earnings

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	*31st March, 2024*
Opening Balance	-2,058.89	-2,028.16
Net Profit For the period	-67.10	-33.17
OCI during the year	9.15	2.45
Closing Balance	**-2,116.84**	**-2,058.89**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 13 : Lease liabilties

Amount in Lakhs unless otherwise stated

Particulars	Non-Current	Current	Non-Current	Current
	31st March, 2025	31st March, 2025	31st March, 2024	31st March, 2024
Lease liabilites	-	49.75	49.8	69.63
Total	**-**	**49.75**	**49.8**	**69.63**

Note 14 : Provision

Amount in Lakhs unless otherwise stated

Particulars	Non-Current	Current	Non-Current	Current
	31st March, 2025	31st March, 2025	31st March, 2024	31st March, 2024
Gratuity	49.47	1.69	35.99	1.6
Total	**49.47**	**1.69**	**35.99**	**1.6**

Note 15 : Borrowings

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Loan from related party	-	-
Total	**-**	**-**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 16 : Trade Payables

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
-Dues of micro enterprises and small enterprises *	-	-
-Dues of creditors other than micro enterprises and small enterprises	3,598.80	3,354.43
(i) Acceptances		
(ii) Trade pyable to Related Parties	-	-
(iii) Trade pyable to Inter companies	-	-
Trade Payables	3,598.80	3,354.43
Preacquisition Impact on Retained Earning		-
Total Trade Payables	**3,598.80**	**3,354.43**

16.1 Disclosure for Trade payable - Micro enterprises and small enterprises.

Particulars	31st March, 2025	31st March, 2024
Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March,

Note 17 : Other Financial Liabilities

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025		31st March, 2024	
	Non-Current	Current	Non-Current	Current
Liabilities against expense	-	74.67	-	61.33
Others	8.17	-	8.17	-
Employees benefit payable		5.11		9.92
Total Other Financial Liabilities	**8.17**	**79.78**	**8.17**	**71.25**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 18 : Other Current Liabilities

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Advance receipts from Customers for which value is still to be given	0.10	0.10
Statutory Dues	36.43	36.39
Total	**36.53**	**36.50**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 19 : Revenue from Operations

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Sale of Services	1,293.38	1,314.04
Total	**1,293.38**	**1,314.04**

Note 20 : Other Income and other gains
(a) Other Income

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Interest Income		
-On Bank Deposits	2.80	2.57
Group Resource Income [GRC]	911.34	703.68
Consultancy income	-	-
Liabilities no longer required written back		
Miscellaneous Income	4.64	0.48
Total	**918.79**	**706.74**

(b) Other gains (net)

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Profit on sale of property, plant and equipment (Net)	-	-
Exchange gain other than in the normal course of business as an authorised foreign exchange dealer	-	-
Total	**-**	**-**

Note 21 : Employee Benefit Expense

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Salaries Wages and Bonus	906.24	762.52
Contribution to Provident and Other Funds	70.28	61.65
Gratuity	22.75	17.21
Staff Welfare Expenses	20.36	15.35
Staff Training, Recruitment and Other Costs	10.74	11.77
Incentives to Staff	10.17	6.03
Total	**1,040.54**	**874.52**

Note 22 : Finance Costs

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Interest and finance charges on financial liabilities not at fair value through profit and loss	-	-
Other Finance Charges	15.28	15.59
Interest Expenses ROU Liabilitiy	6.43	11.71
Total	**21.71**	**27.30**

Note 23 : Depreciation and Amortisation Expense

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Depreciation & amortisation	89.96	91.42
Depreciation and amortisation expense (Right of Use Assets)	67.28	70.56
Total	**157.24**	**161.98**

BDC Digiphoto Imaging Solutions Private Limited
Notes forming part of the Financial Statements as at and for the year ended 31st March, 2025

Note 24 : Other Expenses

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
Rent	6.80	1.24
Advertisrment & Business pramotions	7.62	39.16
Stores and tools consumed	32.32	17.72
Electricity	8.48	8.41
Repairs to Others	10.90	5.74
Insurance	3.66	1.56
Rates and Taxes	1.52	0.47
Licence Fees	67.71	27.58
Travelling Expenses	48.46	57.07
Vehicle Running and Maintenance Expenses	0.01	0.03
Legal and Professional Charges	78.46	87.18
Payment to Auditor*	0.88	3.09
Printing and Stationery	0.87	0.85
Communication expenses	13.51	13.38
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer (Net)	124.22	45.53
Loss on sale of property, plant and equipment (Net)	-	-
Miscellaneous Expenses	18.98	17.00
Total	**424.37**	**326.02**

***Payment to auditor**

Amount in Lakhs unless otherwise stated

Particulars	31st March, 2025	31st March, 2024
As auditor:		
-Statutory Audit	0.49	1.55
-Tax audit	-	0.50
In other capacities		
-Re-imbursement of expenses	0.38	1.04
Total	**0.88**	**3.09**

DEI USA LLC
Management Accounts as at 31.12.2024

Comment -USA Only

Currency - USD

Particulars	Notes	As at 31st December, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	85,358	350,937
Development			
Capital work-in-progress	3	0	0
Right-Of-Use Assets		-	28,963
Goodwill	4	-	-
Other Intangible Assets	4	6,732	9,821
Intangible assets under development		-	-
Investment accounted for using equity method	5	-	-
Investment in subsidiaries	5	-	-
Financial assets:-			
- Non current investments	5	-	-
- Loans		-	-
- Other financial assets	6(e)	-	-
Other non-current assets	7	-	-
Non Current Tax assets	9	-	-
Deferred tax assets (net)	16	-	-
Total non-current assets		92,090	389,722
Current assets:			
Inventories		243,364	459,439
Financial assets:-			
- Investments	6(a)	-	-
- Trade receivables	6(b)	2,103,631	1,325,453
- Cash and cash equivalents	6(c)	36,384	322,071
- Bank balances other than cash and cash equivalents	6(d)	-	-
- Loans		124,232	131,197
- Other financial assets	6(e)	-	-
Current Tax Assets (Net)		50	50
Other current assets	8	1,763,033	1,926,390
Total current assets		4,270,693	4,164,601
TOTAL ASSETS		4,362,783	4,554,323
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10(a)	-	-
Preference share capital	10(a)	-	-
Other equity			
Share application money pending allotment		-	-
Reserve and surplus	10(b)	-10,792,048	-8,956,225
Total Equity		-10,792,048	-8,956,225
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	11(a)	-	-
Finance lease liabilities- Non Current		-	-
- Other financial liabilities	11(c)	-	-
Provisions	14	-	-
Employee Benefit Obligations	15	-	-
Deferred tax liabilities (net)	16	-	-
Other non-current liabilities	12	-	-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
- Borrowings	11(b)	7,102,109	5,728,107
Finance lease liabilities- Current		-3	31,860
- Trade payables	11(d)	6,129,836	6,162,035
- Other financial liabilities	11(c)	1,822,520	1,588,546
Provisions	14	-	-
Employee Benefit Payable	15	100,367	-
Current Tax Liabilities	9	-	-
Other current liabilities	13	-	-
Total current liabilities		15,154,830	13,510,548
TOTAL LIABILITIES		15,154,830	13,510,548
TOTAL EQUITY AND LIABILITIES		4,362,782	4,554,323

DEI USA LLC
Management Accounts for the period ended 31.12.2024

Particulars	Notes	Currency - USD 12 months ended 31st December, 2024	Currency - USD Op. Bal. ended 31st Dec, 2023
Income			
Revenue from operations	17	4,790,988	12,307,161
Other income	18(a)	1,305	1,600,798
Other gains (net)	18(b)	2,732	-612
Total income		**4,795,025**	**13,907,347**
Expenses			
Cost of services		3,010,144	6,261,220
Employee benefits expense	19	2,327,958	5,922,442
Finance Cost	22	299,073	431,991
Advertisement Expenses		3,856	2,051
Depreciation and amortisation expense	20	145,437	229,514
Depreciation - Right of Use Assets - Buildings		28,960	43,442
Other expenses	21	814,580	2,671,779
Total expenses		**6,630,009**	**15,562,439**
Profit before exceptional item		**-1,834,984**	**-1,655,093**
Add Exceptional items:			
Less Exceptional items:		-	
(Loss)/Profit before tax		**-1,834,984**	**-1,655,093**
Less : Tax expense			
Current tax	23	839	-
Deferred tax	23	-	-
Total tax expenses		**839**	**-**
(Loss)/Profit for the year (A)		**-1,835,823**	**-1,655,093**
Other comprehensive income		-	
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations			
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**-1,835,823**	**-1,655,093**
Earnings/(Loss) per equity share (Face value of INR 1 each)	34		
- Basic earnings/(loss) per share		-37	-33
- Diluted earnings/(loss) per share		-37	-33

Note 6: Loans Current

Particulars	31st December, 2024	As at 31st Dec, 2023
	-	-
	-	-
Security deposits [Loans] - Current - Unsecured	124,232	131,197
	-	-
	-	-
Aggregate Amount of Impairment in the value of investments	124,232	131,197

6(b)Trade receivables

Particulars	31st December, 2024	As at 31st Dec, 2023
Trade receivables	2,103,631	1,325,453
Less : Allowance for doubtful debts	-	-
Total receivables	**2,103,631**	**1,325,453**
Break up of Security Details		
Secured, considered good	-	-
Unsecured, considered good	2,103,631	1,325,453
Unsecured, considered doubtful	-	-
Total	**2,103,631**	**1,325,453**
Less : Allowance for doubtful debts	-	-
Total Trade Receivables	**2,103,631**	**1,325,453**
Trade recievables from Related Parties		
Trade recievables From Inter companies	-	

6(c) Cash and cash equivalents

Particulars	31st December, 2024	As at 31st Dec, 2023
Balances with banks :		
In current accounts	28,146	297,015
Fixed Deposits with **original maturity** of less than three months*	-	-
Balance in EEFC accounts	-	
Remittance in Transit (including foreign currencies- Notes and paid documents)	-	
Cheques on hand	-	
Cash on hand (including foreign currencies- Notes and paid documents)	8,238	25,056
Total Cash and cash equivalents	**36,384**	**322,071**

DEI USA LLC
Notes forming part of the Financial Statements as at and for the 12 months ended 31st December, 2024

Note 7: Other Non-Current Assets:

	Currency - USD	
Particulars	**31st December, 2024**	**31st Dec, 2023**
Capital advances		
Prepaid expenses	-	-
Total	-	-

Note 8: Other Current Assets:

Particulars	**31st December, 2024**	**31st Dec, 2023**
Advance to Suppliers		
Unsecured, considered good	9,910	157,396
Unsecured ,considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
Advance to Employees	-	-
Unsecured, considered good	1,955	1,955
Unsecured, considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
Prepaid expenses	703	12,409
Balances receivables from Govt. authorities	1,750,465	1,754,630
Total	**1,763,033**	**1,926,390**

Note 9: Non- Current Tax Assets / Current Tax Liabilities:

Particulars	**31st December, 2024**	**31st Dec, 2023**
Opening Balance	50	50
Less: Current Tax payable for the year		
Add: Taxes Paid		
Closing Balances	**50**	**50**
Disclosed as:		
Non-Current Tax Assets (as per Balance sheet)	-	-
Current Tax Liability (as per Balance sheet)	-	-

Inventories

Particulars	**31st December, 2024**	**31st Dec, 2023**
Raw material, consumables and other supplies	243,364	459,439
Raw material, consumables and other supplies	-	-
Finished goods (mention types of goods)		
Stock-in-trade (in respect of goods acquired for trading);		
Stores and spares		
Other inventories		
	243,364	**459,439**

Particulars	Building	Leasehold Improv	F & F	Computers	Software	Vehicles	Office	Total
Gross carrying amount								
Opening as at 1st Jan, 2024	-	**57,744**	**158,193**	**983,512**	**21,008**	**-**	**31,322**	1,251,779
Additions	-	-	22,637	142,393	9,053	-	10,135	184,218
Disposals/transfer	-	-	-140,633	-943,498	-21,008	-	-30,021	-1,135,160
FX								
Closing gross carrying amount	-	57,744	40,197	182,407	9,053	-	11,437	**300,837**
Accumulated depreciation								
Opening as at 1st Jan, 2024	-	57,744	119,766	686,679	11,186	-	15,646	891,021
Depreciation charge during the year	-	-	36,808	100,379	2,829	-	5,421	145,437
Disposals	-	-	-119,119	-680,493	-11,695	-	-16,405	-827,712
	-	-	-	-	-	-	-	
FX								
Closing accumulated depreciation		**57,744**	**37,455**	**106,565**	**2,321**	**-**	**4,662**	**208,747**
Net carrying amount as at 31st Dec, 2024		**-0**	**2,741**	**75,842**	**6,732**	**-**	**6,775**	**92,090**

DEI USA LLC
Notes forming part of the Financial Statements as at and for the
12 months ended 31st December, 2024

Note 11: Financial Liabilities: USD

11(b) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	31st December, 2024	31st March, 2023
Unsecured					
Bank Overdrafts					
Term Loan from Bank - Short term					
Loans to Related Parties- Current - Secured				7,102,109	5,728,107
Inter Company Loan - Short Term					
Total Current Borrowings				**7,102,109**	**5,728,107**
Less: Interest Accrued (included in note 11(c))	-	-	-		
Current Borrowings (As per Balance Sheet)				**7,102,109**	**5,728,107**

11(c) Other Financial Liabilities

Particulars	31st December, 2024		31st December, 2023	
	Non-Current	Current	Non-Current	Current
Current				
Current maturities of Redeemable long term debentures / Term Loan (Refer 11(a))	-	-	-	-
Current maturities of Long term Inter Company Loan	-		-	
Current maturities of finance lease obligations (Refer 11(a))	-	-	-	-
ROU Lease Liability	-	-3	-	31,860
Deposits received from vendor				
Dividend Payable		-		-
Unpaid Dividend @				
Interest accrued		-		-
Liabilities against expense		6,073		6,002
Liabilities against Fixed Assets [Capital Creditors]				
Interest payable to Related parties		1,816,447		1,582,543
Derivative financial liabilities				
Guarantees given to bank and others on behalf of subsidiaries				
Other financial liabilities - Inter Company - Current		-		-
Other financial liabilities - Related Parties - Current		-		-
Others				
Total Other Financial Liabilities	**-**	**1,822,518**	**-**	**1,620,406**

11(d)Trade Payables

Particulars	31st December, 2024	31st March, 2023
-Dues of micro enterprises and small enterprises	-	
-Dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances		
(ii) Trade payable to Related Parties		
(iii) Trade payable to Inter companies	-	
(iv) Other Trade Payable	6,129,836	6,162,035
Total Trade Payables	**6,129,836**	**6,162,034.8**

Note 17: Revenue from Operations

Particulars	31st December, 2024	31st Dec, 2023
Sale of Services	4,790,988	12,307,161
Other Operating Revenue	-	
-Liabilities no longer required written back		
-Education and Training Revenue		
-Miscellaneous Receipts	-	
Total	**4,790,988**	**12,307,161**

Note 18: Other Income and other gains/(losses)

(a) Other Income

Particulars	31st December, 2024	31st Dec, 2023
Interest Income		
-On Bank Deposits	-	
-On Others		
-On Loan to related party	-	
-On Income Tax Refund	-	-
Dividend Income		
-From Subsidiaries		
-From Mutual Fund Investments		
Rental Income		
Facilities and Support Services fees	-	
Consultancy Income		
Liabilities no longer required written back		
Miscellaneous Income	1,305	1,600,798
Total	**1,305**	**1,600,798**

(b) Other gains (net)

Particulars	31st December, 2024	31st Dec, 2023
Profit on sale of property, plant and equipment (Net)	-	
Exchange gain other than in the normal course of business as an authorised foreign exchange dealer	2,732	-612
Total	**2,732**	**-612**

Note 19: Employee Benefit Expense

Particulars	31st December, 2024	31st Dec, 2023
Salaries Wages and Bonus	2,211,558	5,525,913
Contribution to Provident and Other Funds	-	
Gratuity	2,504	
Employees Share based payment expense	-	
Staff Welfare Expenses	41,764	215,847
Compensated absences	21,895	30,228
Staff Training, Recruitment and Other Costs	50,238	150,453
Incentives to Staff	-	
Total	**2,327,958**	**5,922,442**

Note 20: Depreciation and Amortisation Expense

Particulars	31st December, 2024	31st Dec, 2023
Depreciation on Tangible Assets	142,608	226,624
Amortisation on Intangible Assets	2,829	2,890
Depreciation and amortisation expense	28,960	43,442
Total	**174,397**	**229,514**

Note 21: Other Expenses

Particulars	31st December, 2024	31st Dec, 2023
Rent	5,636	11,042
Stores and tools consumed	19,008	47,244
Electricity	1,654	7,077
Repairs to Building	-	-
Repairs to Plant and machinery	-	-
Repairs to Others	12,657	18,171
Insurance	75,304	99,867
Rates and Taxes	9,682	14,893
Licence Fees	73,403	344,589
Security Services	-	
Travelling Expenses	64,378	390,376
Vehicle Running and Maintenance Expenses	-	
Directors Sitting Fees		
Commission to Directors	-	
Legal and Professional Charges (refer note 21 (a))	119,581	139,969
Payment to Auditors - As Auditors Statutory and limited review	19,036	14,483
Group Resource Cost [GRC]Expenses	184,006	1,381,285
Printing and Stationery	7,035	10,085
Equipment hire charges	3,318	1,475
Water charges	-	-
Communication expenses	34,910	83,819
Lease expenses - Others	-	-
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	-	-
Freight Currency Shipment	-	-
Bad Debts and Advances Written Off	-	-
Provisions for doubtful debts and Advances (net off bad debt written off)	-	-
Expenditure towards CSR (refer note 21 (b))	-	-
Donations	-	-12,873
Loss on sale of property, plant and equipment (Net)	-	-
Inter Compnay Management Fee (Expenses)	184,972	119,976
Miscellaneous Expenses	814,580	2,671,479
Total		

Legal and professional charges includes payment to auditors

Note 21 (a): Details of payments to auditors included in Row 75 -"Legal and Professional Charges" above

Particulars	31st December, 2024	31st Dec, 2023
Payment to auditors		
As auditor:		
-Statutory Audit		
-Tax audit		
-Miscellaneous Reports		
In other capacities		
-Re-imbursement of expenses		
Total payments to auditors	-	-

Note 21 (b): Corporate social responsibility expenditure

Particulars	31st December, 2024	31st Dec, 2023
(a) Gross amount required to be spent by the Company during the year		
(b) Amount spent and paid during the year on		
Eradicating Hunger, Poverty & Malnutrition, Promoting Health-Care Including Preventive Health-Care And Sanitation		

Note 22: Finance Costs

Particulars	31st December, 2024	31st Dec, 2023
Interest and finance charges on financial liabilities not at fair value through profit and loss	233,904	257,337
Other Finance Charges	64,640	171,673
Interest Expenses ROU Liabilitiy	529	2,980
Total	**299,073**	**429,011**

Note 23: Income Tax Expense

Particulars	31st December, 2024	31st Dec, 2023
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	
Adjustments for current tax of prior periods	839	
Total current tax expense	839	-
Deferred tax		
Decrease (increase) in deferred tax assets		
(Decrease) increase in deferred tax liabilities		
Total deferred tax expense/(benefit)	-	-
Income tax expense	839	-

(b) The reconciliation of tax expense and the accounting profit multiplied by Local's tax rate :

Particulars	31st December, 2024	31st Dec, 2023
(Loss)/Profit from continuing operations before income tax expense	-1,834,984	-1,655,093
Tax at the Local tax rate of 21 %		
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Non Deductible expenses		
Tax exempt income		
Unrecognised tax losses		
Deferred tax for earlier periods		
Difference in enacted tax rates		
Reversal of goodwill		
Employee share based payment expense as per Ind AS		
Other Items - Please mention nature		
Other Items - Please mention nature		
Other Items - Please mention nature		
Income tax expense	-	-

Digiphoto Entertainment Imagining LLC
Management Accounts for the year ended as on Dec 31, 2024

Particulars	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS:			
Non-current assets:			
Property,Plant & Equipment		8,448,086	11,375,568
Right-Of-Use Assets		7,495,388	9,093,605
Intangible assets under development		23,074,212	11,235,901
Financial assets at amortised cost	1	27,760,342	22,528,252
Total non-current assets		66,778,028	54,233,326
Current assets:			
Inventories	2	4,011,639	4,929,583
Trade receivables	3	18,264,248	22,195,031
Cash and cash equivalents	4	5,896,762	2,868,809
Other financial assets	1	122,423,363	100,599,878
Other current assets	5	2,517,870	2,226,895
Total current assets		153,113,882	132,820,196
TOTAL ASSETS		**219,891,911**	**187,053,522**
LIABILITIES			
Non-current liabilities			
Lease liabilities	6	-	1,850,539
Employee end of service benefits		4,362,848	4,092,170
Term Loan From Bank		8,047,147	-1
Total non-current liabilities		12,409,995	5,942,709
Current liabilities			
Lease liabilities	6	8,287,495	7,734,966
Trade and other payables	7	24,245,822	23,918,972
Other current liabilities	8	918	918
Financial liabilities at amortised cost	9	139,218,175	129,622,631
Total current liabilities		171,752,409	161,277,486
Total liabilities		**184,162,404**	**167,220,195**
NET ASSETS/(LIABILITIES)		**35,729,507**	**19,833,327**
EQUITY			
Shareholder's loan			
Share capital		300,000	300,000
Statutory reserve		150,000	150,000
Fair Value Reserve		-128,491	-128,491
Retained earnings		35,407,997	19,511,818
EQUITY		**35,729,506**	**19,833,327**

Digiphoto Entertainment Imagining LLC
Management of Statement of Profit And Loss for theperiod ended Dec 31, 2024

Particulars	Notes	Year ended as on Dec 31, 2024	Year ended as on Dec 31, 2023
Revenue from operations	15	166,513,367	176,186,054
Cost of services	16	(113,524,706)	(117,066,594)
Gross profit		**52,988,661**	**59,119,460**
Other Income	17	17,618,780	14,497,978
Distribution cost	18	(930,944)	(551,247)
Other administrative expenses	19	(45,071,771)	(52,468,810)
Operating Profit		**24,604,726**	**20,597,381**
Finance cost	20	(8,053,525)	(8,418,139)
Finance income	21	827,503	991,280
Profit from continuing operations		**17,378,704**	**13,170,522**
Profit for the year before Tax		**17,378,704**	**13,170,522**
Less : Tax expense			
Current tax	-	1,482,525	-
Deferred tax	-		
Total tax expenses	-	**1,482,525**	-
(Loss)/Profit for the year (A)	-	**15,896,179**	**13,170,522**
Attributable to,			
Partners of the Company		15,896,179	13,170,522
Non controlling interest			
Profit for the year		15,896,179	13,170,522
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		**15,896,179**	**13,170,522**
Attributable to,			
Partners of the Company		15,896,179	13,170,522
Non controlling interest		-	-
		15,896,179	**13,170,522**

6 Lease liabilities

Particulars	As at December 31, 2024	As at December 31, 2023
Long term lease liabilities	-	1,850,539
Short term Lease liability	8,287,495	7,734,966
Total	**8,287,495**	**9,585,505**

7 Trade and Other Payables

Particulars	As at December 31, 2024	As at December 31, 2023
Account payables	14,559,868	11,362,759
Accruals	9,064,171	11,860,640
VAT payable	621,783	695,573
Total	**24,245,821.9**	**23,918,971.5**

8 Other Liabilities

Particulars	As at December 31, 2024	As at December 31, 2023
Advance from customers	918	918
Total	**918**	**918**

9 Financial Liabilites at Amortised Cost

Particulars	As at December 31, 2024	As at December 31, 2023
Due to related parties	37,057,854	34,123,067
Due to manager	10,713,577	10,713,577
Interest Payables	21,283,456	14,192,759
Loan from related parties	65,877,287	70,593,227
Term Loan from Bank - Short term	4,286,000	-
Total	**139,218,175**	**129,622,631**

Digiphoto Entertainment Imagining LLC
Notes forming part of the Financial Statements as at and for the year ended Dec 31, 2024

1 Financial Assets at Amortised Cost

Long term financial assets at amortised cost

Particulars	As at December 31, 2024	As at December 31, 2023
Margin Deposit	979,930	976,930
Deposit	1,189,089	1,326,898
Loan to related party	25,591,323	20,224,424
Total	**27,760,342.1**	**22,528,252.4**

Short term financial assets at amortised cost

Particulars	As at December 31, 2024	As at December 31, 2023
Due from related parties	119,425,387	96,959,899
Interest Receivable	2,667,155	1,845,032
Other receivable	330,821	1,794,946
Total	**122,423,363**	**100,599,878**

2 Inventories

Particulars	As at December 31, 2024	As at December 31, 2023
Goods in trade	4,011,639	4,929,583
Goods in transit	-	-
Total	**4,011,639**	**4,929,583**

3 Trade Receivables

Particulars	As at December 31, 2024	As at December 31, 2023
Trade Receivables	18,264,248	22,195,031
Total	**18,264,248**	**22,195,031**

4 Cash and Bank Balances

Particulars	As at December 31, 2024	As at December 31, 2023
Cash in hand	372,370	304,428
Balance with banks in:		
Current account	5,524,392	2,564,381
Total	**5,896,762**	**2,868,809**

5 Other Assets

Particulars	As at December 31, 2024	As at December 31, 2023
Advance to Supplier	1,092,088	537,726
Prepayments	1,386,584	1,669,369
Advances to employees	39,198	19,800
Total	**2,517,870**	**2,226,895**

15 Revenue from Operations

Particulars	Year ended as on December 2024	Year ended as on December 2023
Sales	166,513,367	176,186,054
Total	**166,513,367**	**176,186,054**

16 Cost of revenue

Particulars	Year ended as on December 2024	Year ended as on December 2023
Inventory as at beginning of the year	-	-
Purchase	10,097,637	11,190,467
Direct Staff Salary	9,090,840	8,372,655
Commission paid (note)	94,336,230	97,503,472
Inventory as at end of year	-	-
Total	**113,524,706**	**117,066,594**

17 Other Income

Particulars	Year ended as on December 2024	Year ended as on December 2023
Central service fee received	17,595,443	14,576,185
Other Income	23,337	-78,207
Profit on sale of fixed assets	-	-
Total	**17,618,780**	**14,497,978**

18 Distribution cost

Particulars	Year ended as on December 2024	Year ended as on December 2023
Selling expenses	326,643	358,737
Marketing	604,301	192,510
Total	**930,944**	**551,247**

19 Other administrative expenses

Particulars	Year ended as on December 2024	Year ended as on December 2023
Rent	1,105,838	1,025,133
Payroll and related expenses	19,000,079	22,390,698
Depreciation on property, plant and equipment	3,037,026	2,487,302
Depreciation on right-of-use asset	2,301,812	1,447,700
Amortisation of intangible assets	1,539,928	1,656,547
Other expenses	18,087,088	23,461,430
Total	**45,071,771**	**52,468,810**

20 Finance Costs

Particulars	Year ended as on December 2024	Year ended as on December 2023
Finance cost	7,290,137	7,989,564
Interest Expenses ROU Liabilitiy	763,388	428,575
Total	**8,053,525**	**8,418,139**

21 Finance Income

Particulars	Year ended as on December 2024	Year ended as on December 2023
Interest income	827,503	991,280
Foreign exchange gain		
Total	**827,503**	**991,280**

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

Registration No. 200801015899 (817189-P)
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

SFAI MALAYSIA PLT
202206000021 (LLP0031758-LCA) & AF 002216
Chartered Accountants

Registration No. 200801015899 (817189-P)

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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Registration No. 200801015899 (817189-P)

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

CORPORATE INFORMATION

Board of Directors	:	Kalapathy Shankar Ramakrishnan Wong Kat Hoong
Secretary	:	Wong Kat Hoong (MIA 23525)
Registered Office	:	Unit 10 & 10-1, Level 1 Wisma Academy No. 4A, Jalan 19/1 46300 Petaling Jaya Selangor
Business Address	:	Unit 10 & 10-1, Level 1 Wisma Academy No. 4A, Jalan 19/1 46300 Petaling Jaya Selangor
Auditors	:	SFAI MALAYSIA PLT 202206000021 (LLP0031758-LCA) & AF002216 Chartered Accountants

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is provision of customised imaging solutions to theme parks, resorts and entertainment arenas.

There have been no significant changes in this activity during the financial year.

FINANCIAL RESULTS

	RM
Loss for the financial year	**(2,217,153)**

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year and the directors do not recommend any dividend for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

There were no issues of shares in or debentures of the Company during the financial year.

SHARE OPTIONS

There were no share options granted to any person to take up unissued shares in the Company during the financial year.

DIRECTORS

The directors of the Company in office at any time during the financial year and since the end of the financial year up to the date of this report are:

Kalapathy Shankar Ramakrishnan
Wong Kat Hoong

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REMUNERATIONS

None of the directors or past directors of the Company have received any remunerations from the Company during the financial year.

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company during the financial year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the directors or past directors of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

No indemnity was given to or insurance effected for any directors or auditors of the Company.

DIRECTORS' INTERESTS

None of the directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements were made out, the directors took reasonable steps:

I. to ascertain that action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written-off and that adequate provision had been made for doubtful debts; and

II. to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION (CONT'D)

I. which would render the amount written-off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; or

II. which would render the values attributed to current assets in the financial statements misleading; or

III. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

IV. not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

I. any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

II. any contingent liability which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company to meet its obligations when they fall due.

In the opinion of the directors:

I. the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

II. there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

HOLDING COMPANY

The Company is a wholly-owned subsidiary of DEI Holdings Limited, a company incorporated in United Arab Emiratwes, which is also regarded by the directors as the holding company.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

DIRECTORS' REPORT (CONT'D)

AUDITORS' REMUNERATIONS

The total amount paid to or receivable by the auditors as remuneration for their services for the current financial year as auditors of the Company is RM15,000.

DIRECTORS' REPORT (CONT'D)

AUDITORS

The auditors, Messrs. SFAI MALAYSIA PLT have expressed their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors.

WONG KAT HOONG
Director

KALAPATHY SHANKAR RAMAKRISHNAN
Director

Puchong, Selangor
Dated: 26 JUN 2025

Registration No. 200801015899 (817189-P)

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

Pursuant to Section 251 (2) of the Companies Act 2016

In the opinion of the directors, the financial statements are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the directors.

WONG KAT HOONG
Director

KALAPATHY SHANKAR RAMAKRISHNAN
Director

Puchong, Selangor
Dated: 26 JUN 2025

STATUTORY DECLARATION

Pursuant to Section 251 (1) (b) of the Companies Act 2016

I, **WONG KAT HOONG** (NRIC No. 770619-14-5221), the director primarily responsible for the financial management of **DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.**, do solemnly and sincerely declare that the financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed, **WONG KAT HOONG** at Puchong, Selangor)

on this date of 26 JUN 2025

Before me,

PESURUHJAYA SUMPAH MALAYSIA
No. PJS: B 888
Nama: Tan Shang Wei
No. Sijil Amalan Peguam: BC/T/1800
Tempoh Lantikan: 1.8.2024-31.12.2026

COMMISSIONER FOR OATHS

TETUAN FOO LEONG TAN & CHAN
25B, Jalan TK 1/11A,
Taman Kinrara Seksyen 1,
47180 Puchong, Selangor.

WONG KAT HOONG

SFAI MALAYSIA PLT

202206000021 (LLP0031758-LCA) & (AF 002216) Chartered Accountants

Office Address : Level 5, Tower 7, Avenue 5, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

Telephone Number : 03-9779 0559

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

Registration No. 200801015899 (817189-P)

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD., which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 37.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBER OF DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

Registration No. 200801015899 (817189-P)

(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBER OF DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

Registration No. 200801015899 (817189-P)

(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SFAI MALAYSIA PLT

202206000021 (LLP0031758-LCA) & (AF 002216) Chartered Accountants

Office Address : Level 5, Tower 7, Avenue 5, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

Telephone Number : 03-9779 0559

Other Matter

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

SFAI MALAYSIA PLT
202206000021 (LLP0031758-LCA) & AF002216
Chartered Accountants

ONG HAN CHENG
3895/05/2027 J
Chartered Accountant

Dated: 26 JUN 2025

Kuala Lumpur, Wilayah Persekutuan

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 RM	(Restated) 2023 RM
NON-CURRENT ASSETS			
Property, plant and equipment	6	**2,125,498**	1,971,018
Total non-current assets		**2,125,498**	1,971,018
CURRENT ASSETS			
Inventories	7	**3,186,224**	2,888,274
Trade and other receivables	8	**14,021,083**	17,316,090
Current tax assets		**689,234**	-
Fixed deposits	9	**46,150**	44,145
Cash and bank balances	9	**1,258,851**	1,090,106
Total current assets		**19,201,542**	21,338,615
TOTAL ASSETS		**21,327,040**	23,309,633
EQUITY			
Share capital	10	**1,000,000**	1,000,000
Retained earnings	11	**8,453,738**	10,670,891
TOTAL EQUITY		**9,453,738**	11,670,891
CURRENT LIABILITIES			
Trade and other payables	12	**11,873,302**	11,269,851
Current tax liabilities		**-**	368,891
Total current liabilities		**11,873,302**	11,638,742
TOTAL LIABILITIES		**11,873,302**	11,638,742
TOTAL EQUITY AND LIABILITIES		**21,327,040**	23,309,633

The accompanying notes form an integral part of the financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	**2024** **RM**	2023 RM
Revenue	13	**36,893,331**	36,040,082
Cost of sales		**(20,465,069)**	(18,760,274)
Gross profit		**16,428,262**	17,279,808
Other operating income		**268,367**	2,628,609
Administrative expenses		**(17,708,672)**	(12,507,709)
Selling and distribution expenses		**(456,482)**	(469,888)
Other operating expenses		**(708,417)**	(789,519)
(Loss)/Profit before tax	14	**(2,176,942)**	6,141,301
Tax expense	16	**(40,211)**	(1,136,891)
(Loss)/Profit for the financial year representing total comprehensive (expense)/income for the financial year		**(2,217,153)**	5,004,410

The accompanying notes form an integral part of the financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share Capital RM	Retained Profits RM	Total RM
At 01 January 2023	1,000,000	5,666,481	6,666,481
Profit for the financial year	-	5,004,410	5,004,410
At 31 December 2023 / 01 January 2024	**1,000,000**	**10,670,891**	**11,670,891**
Loss for the financial year	**-**	**(2,217,153)**	**(2,217,153)**
At 31 December 2024	**1,000,000**	**8,453,738**	**9,453,738**

The accompanying notes form an integral part of the financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	(Restated) 2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit before tax		**(2,176,942)**	6,141,301
Adjustment for:			
Depreciation of property, plant and equipment		**672,052**	577,228
Reversal of impairment loss on receivables		**-**	(2,272,222)
Impairment loss on receivables		**-**	78,291
Unrealised loss on foreign exchange		**-**	464
Unrealised gain on foreign exchange		**(266,361)**	-
Interest income		**(2,006)**	-
Operating (loss)/profit before working capital changes		**(1,773,257)**	4,525,062
Changes in inventories		**(297,950)**	(473,840)
Changes in receivables		**3,295,007**	(2,634,914)
Changes in payables		**603,451**	391,923
Net change in operations		**1,827,251**	1,808,231
Tax paid		**(1,098,336)**	(696,837)
Net change in operating activities		**728,915**	1,111,394
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(826,532)**	(1,116,573)
Interest received		**2,006**	-
Net change in investing activities		**(824,526)**	(1,116,573)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(95,611)**	(5,179)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		**266,361**	-
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		**1,134,251**	1,139,430
CASH AND CASH EQUIVALENTS CARRIED FORWARD	I	**1,305,001**	1,134,251

The accompanying notes form an integral part of the financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

NOTE

I. Cash and cash equivalents

Cash and cash equivalents included in the statement above comprise the following amounts:

	2024	2023
	RM	RM
Cash and bank balances	**1,258,851**	1,090,106
Fixed deposits with licensed bank	**46,150**	44,145
	1,305,001	1,134,251

The accompanying notes form an integral part of the financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office and its principal place of business is located at Unit 10 & 10-1, Level 1, Wisma Academy, No. 4A, Jalan 19/1, 46300 Petaling Jaya, Selangor.

The principal activity of the Company is provision of customised imaging solutions to theme parks, resorts and entertainment arenas. There have been no significant changes in this activity during the financial year.

The holding company of the Company is DEI Holdings Limited, a company registered and domiciled in United Arab Emiratwes.

The financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency. All financial information is presented in RM unless otherwise stated.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE COMPANIES ACT 2016

The financial statements of the Company have been prepared in compliance with the Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standards Board ("MASB") and the requirements of the Companies Act 2016 in Malaysia.

3. BASIS OF PREPARATION

The financial statements of the Company have been prepared on the historical cost basis except as otherwise stated in the financial statements.

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reported period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgements and estimation uncertainties are disclosed in Note 5 to the financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below:

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 Property, Plant and Equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes are recognised as property, plant and equipment when the Company obtains control of the asset. These assets are measured on the cost model. The assets, including major spares, stand-by equipment and servicing equipment, are classified into appropriate classes based on their nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self-constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspection) but excludes internal profits. For an exchange of non-monetary asset that has a commercial substance, cost is measured by reference to the fair value of the asset received. For an asset transferred from a customer or a grantor, cost is measured by reference to the fair value of the asset.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

All property, plant and equipment are depreciated by allocating the depreciable amount of a significant component or of an item over the remaining useful life. The depreciation is provided on straight-line method so as to write off the depreciation amount of the following assets based on the depreciation rates as follows:

	Rate
Computer and printer	20 %
Furniture and fittings	20 %

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

4.2 Impairment of Non-Financial Assets

An impairment loss arises when the carrying amount of a Company's asset exceeds its recoverable amount.

At the end of each reporting date, the Company assesses whether there is any indication that a stand-alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Company estimates the recoverable amount of the asset or cash-generating unit.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 Impairment of Non-Financial Assets (Cont'd)

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset. If an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a binding sale agreement; (ii) market price traded in an active market; and (iii) estimate of market price using the best information available. The value in use is estimated by discounting the net cash inflows (by an appropriate discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecasts of five years and extrapolation of cash inflows for periods beyond the five-year forecast or budget.

For an asset measured on a cost-based model, any impairment loss is recognised in profit or loss.

For a cash-generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

The Company reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at a cost-based model is recognised in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised previously.

4.3 Inventories

All inventories are measured at the lower of cost and net realisable value (which is the estimated selling price less costs to complete and sell). Cost comprises purchase price and directly attributable costs of bringing the inventories to their present location and condition. Cost is determined on the first in first out basis. Net realisable value is determined on an item-by-item basis or on group of similar items basis.

4.4 Financial Instruments

I. Initial Recognition and Measurement

The Company recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, an entity in the Company becomes a party to the contractual provisions of the instrument.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Financial Instruments (Cont'd)

I. Initial Recognition and Measurement (Cont'd)

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

II. Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Company acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Company considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

III. Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised cost.

After initial recognition, the Company measures investments in preference shares, ordinary shares and derivatives that are assets at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 4.4(VII).

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Financial Instruments (Cont'd)

IV. Subsequent Measurement of Financial Liabilities

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

V. Fair Value Measurement of Financial Instruments

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

VI. Recognition of Gains and Losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

VII. Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include: (i) significant difficulty of the issuer or obligor; (ii) a breach of contract, such as a default or delinquency in interest or principal payment; (iii) granting exceptional concession to a customer, (iv) it is probable that a customer will enter bankruptcy or other financial reorganisation, (v) the disappearance of an active market for that financial asset because of financial difficulties; or (vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in an allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Financial Instruments (Cont'd)

VII. Impairment and Uncollectibility of Financial Assets (Cont'd)

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experience of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company expects to receive for the asset if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

4.5 Share Capital and Distributions

I. Share Capital

Ordinary shares issued that carry no put option and no mandatory contractual obligation: (i) to deliver cash or another financial asset; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, are classified as equity instruments.

When ordinary shares and other equity instruments are issued in private placement or in a rights issue to existing shareholder, they are recorded at the issue price. For ordinary shares and other equity instruments issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at fair value at the date of the exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

II. Distributions

Distributions to holders of an equity instrument are debited directly in equity, net of any related income tax effect.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Share Capital and Distributions (Cont'd)

II. Distributions (Cont'd)

A dividend declared is recognised as a liability only after it has been appropriately authorised, which is the date when the Board of Directors declares an interim dividend, or in the case of a proposed final dividend, the date the shareholder of the Company approve the proposed final dividend in an annual general meeting of shareholder. For a distribution of non-cash assets to owners, the Company measures the dividend payable at the fair value of the assets to be distributed.

4.6 Provisions

The Company recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing or amount.

A provision for warranty costs, restoration costs, restructuring costs, onerous contracts or lawsuit claims is recognised when the Company has a present legal or constructive obligation as a result of a past event, and of which the outflows of resources on settlement are probable and a reliable estimate of the amount can be made. No provision is recognised if these conditions are not met.

Any reimbursement attributable to a recognised provision from a counter-party (such as an insurer) is not off-set against the provision but recognised separately as an asset when, and only when, the reimbursement is virtually certain.

A provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. For a warranty provision, a probability-weighted expected outcome of the resources required to settle the obligation is applied, taking into account the Company's experience of similar transactions and supplemented with current facts and circumstances. For a restoration provision, where a single obligation is being measured, the Company uses the individual most likely outcome as the best estimate of the liability by reference to current prices that contractors would charge to undertake such obligations, and taking into account likely future events that may affect the amount required to settle an obligation. For an onerous contract, a provision is measured based on the amount by which costs to fulfil the contract exceed the benefits. For a lawsuit provision, a probability-weighted expected outcome is applied in the measurement, taking into account past court judgements made in similar cases and advice of legal experts.

A provision is measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects the time value of money and the risk that the actual outcome might differ from the estimate made. The unwinding of the discount is recognised as an interest expense.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 Income Recognition

The Company measures revenue from sale of goods or service transactions at the fair value of the consideration received or receivable, which is usually the invoice price, net of any trade discounts and volume rebates given to the customer.

I. Revenue from a sale of goods is recognised when:
(a) the Company has transferred to the buyer the significant risks and rewards of the ownership of the goods;
(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control the goods sold;
(c) the amount of revenue can be measured reliably;
(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

II. Revenue from a service transaction is recognised upon performance of services and customer acceptance, when
(a) the amount of the revenue can be measured reliably;
(b) it is probable the economics benefits associated with the transaction will flow to the Company; and
(c) the costs incurred or to be incurred in respect of the transaction can be measured reliably

Other income items of the Company are recognised using the following bases:

I. Interest income from a debt instrument is recognised using the effective interest method.

4.8 Employment Benefits

The Company recognises a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Company consumes the economic benefits, arising from service provided by an employee in exchange for employee benefits.

I. Short-Term Employee Benefits

Wages and salaries are usually accrued and paid on a monthly basis and are recognised as expenses, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 Employment Benefits (Cont'd)

I. Short-Term Employee Benefits (Cont'd)

Profit sharing and bonus payments are recognised when, and only when, the Company has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

II. Post-Employment Benefits - Defined Contribution Plans

The Company makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Company has no further payment obligations.

4.9 Cash and Cash Equivalents

Cash and cash equivalents consist of cash and bank balances.

4.10 Tax Assets and Tax Liabilities

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as a current tax asset. A current tax liability (asset) is measured at the amount the entity expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affect neither accounting profit nor tax taxable profit (or tax loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying property, plant and equipment.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 Tax Assets and Tax Liabilities (Cont'd)

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Unused tax credits do not include unabsorbed reinvestment allowances and unabsorbed investment tax allowances because the Company treats these as part of initial recognition differences.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which an entity in the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities. For an investment property measured at fair value, the Company does not have a business model to hold the property solely for rental income, and hence, the deferred liability on the fair value gain is measured based on the presumption that the property is recovered through sale at the end of the reporting period.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A current or deferred tax is recognised as income or expense in profit or loss for the period. For items recognised directly in equity, the related tax effect is also recognised directly in equity.

4.11 Finance and Operating Lease

The Company recognises a lease whenever there is an agreement, whether explicitly stated as a lease or otherwise, whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred. All other leases that do not meet this criterion are classified as operating leases.

If an entity in the Company is a lessee, it capitalises the underlying asset and the related lease liability in a finance lease. The amount recognised at the commencement date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate is used. Any initial direct costs of the lease are added to the amount recognised as an asset.

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4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 Finance and Operating Lease (Cont'd)

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are classified by nature and accounted for in accordance with applicable Standard in MPERS. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

For operating lease, a lessee in the Company does not capitalise the underlying leased asset or recognise a lease liability. Instead, lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

4.12 Foreign Currency

I. Foreign Currency ~ Foreign Currency Transactions

The Company determines its functional currency (a currency of the primary economic environment in which the entity operates) and measures its results and financial position in that functional currency.

Translation of Foreign Currency Transactions

The transactions denominated in foreign currencies are translated and recorded at the rates of exchange prevailing at the respective dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the period (i.e. the closing rates). Non-monetary items carried at fair values that are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items that are measured at their historical cost amounts continue to be translated at their respective historical rated and are not retranslated.

All exchange differences arising on settled transactions and on unsettled monetary items are recognised in profit or loss in the period except for: (i) loans and advances that form part of the net investment in a foreign operation; and (ii) transactions entered into in order to hedge foreign currency risks of net investments in foreign operations.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

5.1 Judgements and Assumptions Applied

In the selection of accounting policies for the Company, the areas that require significant judgements and assumptions are as follows:

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (CONT'D)

5.1 Judgements and Assumptions Applied (Cont'd)

I. Classification of Finance and Operating Lease

The Company classifies a lease as a finance lease or an operating lease based on the criterion of the extent to which significant risks and rewards incident to ownership of the underlying asset lie. As a lessee, the Company recognises a lease as a finance lease if it is exposed to significant risks and rewards incident to ownership of the underlying asset. In applying judgements, the Company considers whether there is significant economic incentive to exercise a purchase option and any optional renewal periods. A lease is classified as a finance lease if the lease term is for at least 75% of the remaining economic life of the underlying asset, the present value of lease payments is at least 90% of the fair value of the underlying asset, or the identified asset in the lease is a specialised asset which can only be used substantially by the lessee. All other leases that do not result in a significant transfer of risks and rewards are classified as operating leases. The Company classifies a lease of land as a finance lease if the fair value of the leasehold land is 90% or more of the fair value of an equivalent freehold land or if the lease period, determined at the inception of the lease, is 50 years or more. Leases of land that do not meet any of these criteria are classified as operating leases.

5.2 Sources of Estimation Uncertainties

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Company are as follows:

I. Measurement of a Provision

The Company uses a "best estimate" as the basis for measuring a provision. Management evaluates the estimates based on the Company's historical experiences and other inputs or assumptions, current developments and future events that are reasonably possible under the particular circumstances. In the case when a provision relates to large population of customers (such as a warranty provision), a probability-weighted estimate of the outflows required to settle the obligation is used. In the case of a single estimate (such as a provision for environmental restoration costs), a referenced contractor's price or market price is used as the best estimate. If an obligation is to be settled over time, the expected outflows are discounted at a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the Company's financial position and results.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (CONT'D)

5.2 Sources of Estimation Uncertainties (Cont'd)

II. Determining the Value-in-Use

In determining the value-in-use of a stand-alone asset or cash-generating unit, management uses reasonable and supportable inputs about sales, cost of sales and other expenses based upon past experience, current events and reasonably possible future developments. Cash flows are projected based on those inputs and discounted at an appropriate discount rate(s). The actual outcome or event may not coincide with the inputs or assumptions and the discount rate applied in the measurement, and this may have a significant effect on the Company's financial position and results.

III. Impairment or Write-Down of Slow-Moving and Obsolete Inventories

The Company writes down its slow-moving and obsolete inventories based on assessment of their fair value less costs to sell. Inventories are written down when events and circumstances indicate that the carrying amounts may not recoverable. Management uses its judgement to analyse past sales trend and current economic trends to evaluate the adequacy of the impairment loss for slow-moving and obsolete inventories. The actual impairment loss can only be confirmed in any subsequent sales of those inventories and this may differ from the estimates made earlier. This may affect the Company's financial position and results.

IV. Loss Allowances of Financial Assets

The Company recognises impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All other loans and receivables are categorised into credit risk classes and tested for impairment collectively, using the Company's past experience of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Company's financial position and results.

V. Depreciation of Property, Plant and Equipment

The cost of an item of property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

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5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (CONT'D)

5.2 Sources of Estimation Uncertainties (Cont'd)

VI. Measurement of Income Taxes

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amounts might be different for the initial estimates of the taxes payables. Such differences may impact the current and deferred taxes in the period when such determination is made. The Company will adjust for the differences as over or under-provision of current or deferred taxes in the current period in which those differences arise.

6. PROPERTY, PLANT AND EQUIPMENT

	At 01.01.2024 RM	Additions RM	Disposals RM	At 31.12.2024 RM
Cost				
Computer and printer	3,931,426	655,464	-	**4,586,890**
Furniture and fittings	1,127,253	171,068	-	**1,298,321**
	5,058,679	826,532	-	**5,885,211**

	At 01.01.2024 RM	Current Charge RM	Disposals RM	At 31.12.2024 RM
Accumulated Depreciation				
Computer and printer	2,493,942	517,908	-	**3,011,850**
Furniture and fittings	593,719	154,144	-	**747,863**
	3,087,661	672,052	-	**3,759,713**

	2024 RM	2023 RM
Carrying Amount		
Computer and printer	**1,575,040**	1,437,484
Furniture and fittings	**550,458**	533,534
	2,125,498	1,971,018

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7. INVENTORIES

	2024 RM	2023 RM
At cost:		
- Trading goods	**5,424,403**	3,349,337
- Less: Provision for impairment loss	**(2,238,179)**	(461,063)
	3,186,224	2,888,274
Inventories recognised as an expense	**20,465,069**	18,760,274

8. TRADE AND OTHER RECEIVABLES

	2024 RM	(Restated) 2023 RM
Trade receivables	**2,756,380**	2,643,218
Non-trade receivables	**10,593,700**	14,013,343
Deposits	**732,795**	693,354
Prepayments	**16,499**	44,466
	14,099,374	17,394,381
Allowance for impairment	**(78,291)**	(78,291)
	14,021,083	17,316,090

Included in the above are the following related party balances:

	2024 RM	(Restated) 2023 RM
Non-trade receivables		
- Owing by related companies	**10,379,928**	13,360,048

The related party balances are unsecured, interest-free and repayable on demand.

The normal trade credit terms granted to the customers range from 30 to 90 (2023: 30 to 90) days. Other credit term is assessed and approved on a case-by-case basis. The Company has no significant concentration of credit risk that arises from exposure to a single debtor or to groups of debtors.

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9. CASH AND BANK BALANCES

The Company's cash management policy is to use cash and bank balances and short-term trade financing to manage cash flows to ensure sufficient liquidity to meet the Company's obligations.

	2024	2023
	RM	RM
Cash and bank balances	**1,258,851**	1,090,106
Fixed deposits with licensed banks	**46,150**	44,145
	1,305,001	1,134,251

10. SHARE CAPITAL

	2024		2023	
	Number of Shares	**Amount of Shares**	Number of Shares	Amount of Shares
	Unit	**RM**	Unit	RM
Issued and fully paid ordinary shares:				
At beginning and end of the financial year	**1,000,000**	**1,000,000**	1,000,000	1,000,000

11. RETAINED PROFITS

The retained profits of the Company are available for distributions by way of cash dividends or dividends in specie. Under the single-tier system of taxation, dividends payable to shareholder are deemed net of income taxes. There are no potential income tax consequences that would result from the payment of dividends to shareholder.

12. TRADE AND OTHER PAYABLES

	2024	2023
	RM	RM
Trade payables	**1,281,282**	635,361
Non-trade payables	**9,063,230**	10,612,490
Accruals	**1,528,790**	22,000
	11,873,302	11,269,851

12. TRADE AND OTHER PAYABLES (CONT'D)

Included in the above are the following related party balances:

	2024	2023
	RM	RM
Non-trade payables		
- Owing to related companies	**8,874,867**	7,992,508

The related party balances are unsecured, interest-free and repayable on demand.

The normal trade credit terms granted to the Company range from 30 to 90 (2023: 30 to 90) days.

Trade payables, which is denominated in foreign currency, are converted into Ringgit Malaysia as follows:

	2024	2023
	RM	RM
United States Dollar	**736,253**	532,763

Non-trade payables, which is denominated in foreign currency, are converted into Ringgit Malaysia as follows:

	2024	2023
	RM	RM
United Arab Emirates Dirham	637,155	236,563
Indian Rupee	83,999	-
Hong Kong Dollar	8,544	17
Singapore Dollar	7,521,574	7,364,194
Thai Baht	4,136	4,136
Indonesian Rupiah	19,626	14,604
United States Dollar	429,846	26,486

13. REVENUE

Revenue represents the net invoiced value of goods sold and services rendered less returns and discounts allowed.

	2024	2023
	RM	RM
Sales	**37,152,774**	36,829,880
Sales discount and return	**(259,443)**	(789,798)
	36,893,331	36,040,082

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

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14. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is arrived at:

	2024	2023
	RM	RM
After charging:		
- Auditors' remuneration	**15,000**	19,000
- Depreciation of property, plant and equipment	**672,052**	577,228
- Employee benefits expenses (Note 15)	**7,209,160**	6,438,083
- Impairment loss on receivables	**-**	78,291
- Realised loss on foreign exchange	**708,417**	638,091
- Rental	**128,538**	169,947
and crediting:		
- Interest income	**(2,006)**	-
- Other income	**-**	(356,387)
- Reversal of impairment loss on receivables	**-**	(2,272,222)
- Unrealised gain on foreign exchange	**(266,361)**	-

15. EMPLOYEE BENEFITS EXPENSES

	2024	2023
	RM	RM
Staff EPF, SOCSO and EIS contributions	**668,649**	533,406
Staff short-term benefits	**6,540,511**	5,904,677
	7,209,160	6,438,083

16. TAX EXPENSE

	2024	2023
	RM	RM
Income tax:		
- Current year	**-**	1,058,125
- Under provision in prior year	**40,211**	78,766
	40,211	1,136,891

16. TAX EXPENSE (CONT'D)

The significant differences between the tax expense and accounting (loss)/profit multiplied by the statutory tax rate are due to the tax effects arising from the following items:

	2024	2023
	RM	RM
(Loss)/Profit before tax	**(2,176,942)**	6,141,301
Tax at Malaysian statutory tax rate of 24%	**(522,466)**	1,473,912
Non-deductible expenses	**167,587**	(415,787)
Income not subject to tax	**(63,927)**	-
Deferred tax asset not recognised	**418,806**	-
Under provision of income tax in prior year	**40,211**	78,766
	40,211	1,136,891

Under the amendment of Income Tax Act 1967 by the Finance Act 2023 and with effect from year of assessment 2023, companies with paid-up capital of RM2.5 million or less, and with annual business income of not more than RM50 million are subject to Small and Medium Enterprise Corporate Tax at 15% on first chargeable income of RM150,000 and 17% on remaining chargeable income up to RM600,000. However, 24% corporate tax rate shall be applicable on an excess of RM600,000.

Furthermore, with effect from year of assessment 2024, the Small and Medium Enterprise Corporate Tax shall not be applicable to a company if more than 20% of its paid-up capital in respect of ordinary shares is directly or indirectly owned by one or more companies incorporated outside Malaysia or owned by one or more individuals who are not citizens of Malaysia.

17. UNRECOGNISED DEFERRED TAX ASSETS

The following deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Company can utilise the benefits there from.

	2024	2023
	RM	RM
Unabsorbed business losses	**419,000**	-
Unutilised capital allowance	**182,000**	-
	601,000	-

17. UNRECOGNISED DEFERRED TAX ASSETS (CONT'D)

The unabsorbed business losses are only allowed to be carried forward for a maximum period of ten (10) consecutive years of assessment. The breakdown of the unabsorbed business losses accumulated as at end of the year are disclosed as follows:

	2024	2023
	RM	RM
Unabsorbed business losses to be expired:		
Year of assessment 2024 (Provision)	**1,745,000**	-
	1,745,000	-

These amounts are subject to the confirmation from the Inland Revenue Board.

18. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:

(a) Financial assets and financial liabilities measured at amortised cost (AC).

	AC	**Carrying Amount**
	RM	**RM**
2024		
Financial Assets		
Trade and other receivables	**14,021,083**	**14,021,083**
Cash and bank balances	**1,305,001**	**1,305,001**
Total financial assets	**15,326,084**	**15,326,084**
Financial Liabilities		
Trade and other payables	**11,873,302**	**11,873,302**
Total financial liabilities	**11,873,302**	**11,873,302**
2023		
Financial Assets		
Trade and other receivables	17,316,090	17,316,090
Cash and bank balances	1,134,251	1,134,251
Total financial assets	18,450,341	18,450,341
Financial Liabilities		
Trade and other payables	11,269,851	11,269,851
Total financial liabilities	11,269,851	11,269,851

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

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19. RELATED PARTY DISCLOSURES

I. Control Relationships

As disclosed in Note 1, the Company's parent is DEI Holdings Limited (registered and domiciled in United Arab Emiratwes), which owns 100.00% of the Company's ordinary shares.

II. Related Party Transaction

	2024	2023
	RM	RM
Related companies		
- Central service fee	**3,951,630**	2,641,908
- Regional overhead allocation	**3,310,468**	688,095
	7,262,098	3,330,003

20. COMPARATIVE FIGURES

In previous financial year, the following balance were erroneously classified on the Statement of Cash Flows, Statement of Financial Position. The effects of correction of errors are disclosed below:

	As Previously Reported	**Restatement**	**As Restated**
	RM	**RM**	**RM**
Statement of Financial Position			
Trade and other receivables	17,360,235	(44,145)	17,316,090
Fixed deposits	-	44,145	44,145
Statement of Cash Flows			
Changes in receivables	(2,679,059)	44,145	(2,634,914)

The restatement was mainly arising from wrong classification of above items in the prior years. The above restatements do not have any impact to the retained earnings as at 01 January 2024.

21. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements have been authorised for issue by the Board of Directors in accordance with a Directors' Resolution dated 26 June 2025.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	2024 RM	2023 RM
REVENUE		
Sales	**37,152,774**	36,829,880
Sales discount and return	**(259,443)**	(789,798)
	36,893,331	36,040,082
COST OF SALES		
Opening inventories	**(2,888,274)**	(2,414,434)
Purchases	**(6,791,559)**	(4,105,424)
Revenue sharing	**(16,209,639)**	(15,128,690)
	(25,889,472)	(21,648,548)
Closing inventories	**5,424,403**	2,888,274
	(20,465,069)	(18,760,274)
GROSS PROFIT	**16,428,262**	17,279,808
OTHER OPERATING INCOME		
Interest income	**2,006**	-
Other income	**-**	356,387
Reversal of impairment loss on receivables	**-**	2,272,222
Unrealised gain on foreign exchange	**266,361**	-
	268,367	2,628,609
OPERATING EXPENSES		
Administrative expenses	**(17,708,672)**	(12,507,709)
Selling and distribution expenses	**(456,482)**	(469,888)
Other operating expenses	**(708,417)**	(789,519)
	(18,873,571)	(13,767,116)
(LOSS)/PROFIT BEFORE TAX	**(2,176,942)**	6,141,301

This Statement is prepared for the purpose of the Management's use only and does not form part of the statutory audited financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING SDN. BHD.

(Incorporated in Malaysia)

SCHEDULE TO DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	2024 RM	2023 RM
ADMINISTRATIVE EXPENSES		
Accommodation charges	**189,698**	134,095
Advertisement and marketing expenses	**47,663**	41,169
Auditors' remuneration	**15,000**	19,000
Bank charges	**24,368**	46,465
Central service fee	**3,951,630**	2,641,908
Consultancy fees	**133,477**	156,518
Credit card charges	**117,474**	102,196
Depreciation of property, plant and equipment	**672,052**	577,228
Food and beverage	**41,218**	25,180
Gift and sponsorship	**24,158**	-
Impairment loss on receivables	**-**	78,291
Insurance	**24,724**	29,591
IT consumables	**3,744**	30,475
IT outsource fee	**-**	2,390
Legal and professional fees	**139,959**	5,746
Licence fee	**16,606**	11,278
Medical fee	**13,016**	-
Office printer	**-**	4,258
Penalty	**2,069**	-
Postage and courier	**4,750**	4,377
Printing and stationery	**24,105**	5,664
Regional overhead allocation	**3,310,468**	688,095
Relocation expense	**-**	3,407
Rental	**128,538**	169,947
Sales and service tax	**1,476**	-
Site expense	**107,951**	107,113
Software expenses	**487,131**	30,051
Staff EPF, SOCSO and EIS contributions	**668,649**	533,406
Staff incentive	**275,378**	229,878
Staff short-term benefits	**6,540,511**	5,904,677
Staff welfare and refreshment	**184,140**	54,098
Sundry expenses	**7,608**	-
Tax agent fee	**-**	3,000
Telephone and internet charges	**27,955**	30,435
Training and recruitment fees	**50,304**	305,185
Travelling and entertainment expense	**289,294**	338,660

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SCHEDULE TO DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	2024 RM	2023 RM
ADMINISTRATIVE EXPENSES (CONT'D)		
Uniform	**68,170**	65,546
Upkeep of furniture and fittings	**44,275**	10,500
Upkeep of IT equipment and software	**8,329**	1,490
Upkeep of motor vehicle	**-**	572
Upkeep of office and office equipment	**26,202**	60,726
Visa charges	**4,459**	29,483
Water and electricity	**32,123**	25,611
	17,708,672	12,507,709
SELLING AND DISTRIBUTION EXPENSES		
Advertisement and marketing expenses	**5,331**	29,615
IT consumables	**124,754**	194,963
Postage and courier	**-**	10,902
Service agreement IT	**14,781**	54,105
Sponsorship	**-**	11,000
Telephone and internet charges	**138,684**	49,898
Transportation charges	**117,278**	78,663
Upkeep of IT equipment and software	**55,654**	40,742
	456,482	469,888
OTHER OPERATING EXPENSES		
Other expense	**-**	150,964
Realised loss on foreign exchange	**708,417**	638,091
Unrealised loss on foreign exchange	**-**	464
	708,417	789,519

This Statement is prepared for the purpose of the Management's use only and does not form part of the statutory audited financial statements.

Digiohoto Entertainment Imaging PTE LTD
Management Accounts as on 31st Dec, 2024

Particulars	Notes	Amt in SGD As at 31st Dec, 2024	Amt in SGD As at 31st Dec, 2023
ASSETS:			
Non-current assets:			
Property, plant and equipment	1(a)	5,70,629	6,34,542
Right-Of-Use Assets	1(b)	1,02,614	1,69,238
Financial assets:			
- Other financial assets	2	3,25,590	3,28,638
Total non-current assets		**9,98,834**	**11,32,418**
Current assets:			
Inventories	3	6,97,813	7,68,483
Financial assets:			
- Trade receivables	4	1,64,97,713	1,93,01,807
- Cash and cash equivalents	5	6,55,059	2,33,770
- Bank balances other than cash and cash equivalents	6	-	-
- Other financial assets	2	50,000	-
Other current assets	7	90,411	1,49,948
Total current assets		**1,79,90,997**	**2,04,54,008**
TOTAL ASSETS		**1,89,89,830**	**2,15,86,426**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	11,00,000	11,00,000
Other equity			
Reserve and surplus	9	13,18,399	14,95,592
Total Equity		**24,18,399**	**25,95,592**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Lease liabilities	10	1,08,525	1,72,455
Total non-current liabilities		**1,08,525**	**1,72,455**
Current liabilities			
Financial liabilities			
- Trade payables	11	1,62,52,705	1,29,33,518
Employee Benefit Payable	12	235	50
Current Tax Liabilities	13	39,112	39,112
Other current liabilities	14	1,70,854	58,45,700
Total current liabilities		**1,64,62,906**	**1,88,18,380**
TOTAL LIABILITIES		**1,65,71,431**	**1,89,90,834**
TOTAL EQUITY AND LIABILITIES		**1,89,89,830**	**2,15,86,426**

Digiohoto Entertainment Imaging PTE LTD
Management Statement of Profit And Loss for the year months ended 31st Dec, 2024

Particulars	Notes	Amt in SGD For the year ended Dec 31. 2024	Amt in SGD For the year ended Dec 31. 2023
Income			
Revenue from operations	15	1,62,72,096	1,49,42,668
Other income	16(a)	-10,74,717	-2,76,765
Other gains (net)	16(b)	-2,79,086	2,25,127
Total income		**1,49,18,293**	**1,48,91,030**
Expenses			
Cost of services		85,05,001	75,52,863
Employee benefits expense	17	52,86,440	44,98,247
Finance Cost	18	2,97,122	2,87,428
Advertisement Expenses		14,272	83,392
Depreciation and amortisation expense	19	2,21,176	1,75,576
Depreciation - Right of Use Assets - Buildings	19	66,624	59,596
Other expenses	20	6,64,056	7,99,730
Total expenses		**1,50,54,690**	**1,34,56,832**
Profit before exceptional item		**-1,36,398**	**14,34,198**
Add Exceptional items:			
Less Exceptional items:		-	
(Loss)/Profit before tax		**-1,36,398**	**14,34,198**
Less : Tax expense			
Current tax		40,795	-1,24,225
Deferred tax		-	-
Total tax expenses		**40,795**	**-1,24,225**
(Loss)/Profit for the year (A)		**-1,77,193**	**15,58,423**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		**-1,77,193**	**15,58,423**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 1(a): Property, plant and equipment:

Particulars	Furniture and Fixtures	Computers	Vehicles	Total
Gross carrying amount				
Opening as at 1st January, 2024	3,78,170	14,44,900	98,800	19,21,870
Additions	14,555	1,47,232	-	1,61,787
Disposals		-609		-609
Closing gross carrying amount	**3,92,725**	**15,91,523**	**98,800**	**20,83,047**
Accumulated depreciation				
Opening as at 1st January, 2024	2,36,669	9,51,859	98,800	12,87,328
Depreciation charge during the year	43,072	1,76,442	-	2,19,514
Disposals		-7,714		-7,714
Change in Dep Policy	1,661	11,629		13,290
Closing accumulated depreciation	**2,81,402**	**11,32,217**	**98,800**	**15,12,419**
Net carrying amount as at 31st December, 2023	1,41,501	4,93,041	-	6,34,542
Net carrying amount as at 31st December, 2024	**1,11,323**	**4,59,306**	**-**	**5,70,629**

Note 1(b): Leased Assets

Particulars	31st Dec, 2024	
	Office Building	Total
Cost/Deemed Cost - Opening	2,03,348	2,03,348
Addition	-	-
Disposals/transfer		-
FCTR		-
Closing gross carrying amount	**2,03,348**	**2,03,348**
Accumulated Depreciation -Opening	34,110	34,110
Depreciation charge during the year	66,624	66,624
Disposals		-
FCTR		-
Closing accumulated depreciation	**1,00,734**	**1,00,734**
Net Carrying Amount as at Dec 31, 2024	**1,02,614**	**1,02,614**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 2: Other financial Assets

Particulars	Non-current	Current	Non-current	Current
	31st Dec, 2024	31st Dec, 2023	31st Dec, 2024	31st Dec, 2023
Fixed deposits with maturity for more than 12 months*	2,61,659	50,000	2,61,659	-
Security Deposits	63,648		66,696	
Interest receivables from Bank Deposits	284	-	284	-
Total Other Financial Assets	**3,25,590**	**50,000**	**3,28,638**	**-**

Note 3: Inventories

Particulars	31st Dec, 2024	31st Dec, 2023
Raw material, consumables and other supplies	7,07,324	7,68,483
Raw material, consumables and other supplies [in transit]	-9,511	-
Total	**6,97,813**	**7,68,483**

Note 4: Trade receivables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade receivables	1,64,97,713	1,93,01,807
Less : Allowance for doubtful debts	-	
Total receivables	**1,64,97,713**	**1,93,01,807**

Note 5: Cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Balances with banks :		
In current accounts	6,09,721	1,57,016
Cash on hand (including foreign currencies- Notes and paid documents)	45,338	76,754
Total Cash and cash equivalents	**6,55,059**	**2,33,770**

Note 6: Bank balances other than cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Fixed Deposits with original maturity of more than three months but less than 12 months*	-	-
Total Cash and cash equivalents	**-**	**-**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 7: Other Current Assets

Particulars	31st Dec, 2024	31st Dec, 2023
Advance to Suppliers		
Unsecured, considered good	11,401	1,29,191
Advance for Capital Expenditure [Capital Advance]	1,788	-
Prepaid expenses	55,667	20,757
Balances receivables from Govt. authorities	21,556	-
Total	**90,411**	**1,49,948**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 8: Share Capital

	Equity Share Capital	
Particulars	**No of Shares (In lakhs)**	**Amount**
As at 1st Jan, 2022	**1,10,000**	11,00,000
Increase/(Decrease) during the period		
As at 31st Dec, 2023	**1,10,000**	**11,00,000**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 9: Reserves and surplus

Particulars	31st Dec, 2024	31st Dec, 2023
Retained Earnings	13,18,399	14,95,592
Total reserves and surplus	**13,18,399**	**14,95,592**

Particulars	31st Dec, 2024	31st Dec, 2023
Opening balance starting of the year	14,95,592	-62,832
Net Profit For the period	-1,77,193	15,58,423
Closing Balance	**13,18,399**	**14,95,592**

Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 10: Financial Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Lease liabilities	1,08,525	1,72,455
Total	**1,08,525**	**1,72,455**

Note 11: Trade Payables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade Payable	1,62,52,705	1,29,33,518
Total	**1,62,52,705**	**1,29,33,518**

Note 12: Employee Benefit Payable

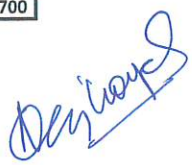
Particulars	31st Dec, 2024	31st Dec, 2023
Employee benefit obligation	235	50
Total	**235**	**50**

Note 13: Current Tax Liabilities:

Particulars	31st Dec, 2024	31st Dec, 2023
Current Tax Liability (as per Balance sheet)	39,112	39,112
Total	**39,112**	**39,112**

Note 14: Other Current Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Statutory Dues	1,64,327	1,61,699
Others	6,527	56,84,002
Total	**1,70,854**	**58,45,700**



Digiohoto Entertainment Imaging PTE LTD
Notes forming part of the Management Accounts as at year ended 31st Dec, 2024

Note 15: Revenue from Operations

Particulars	31st Dec, 2024	31st Dec, 2023
Sale of Services	1,62,72,096	1,49,42,668
Total	**1,62,72,096**	**1,49,42,668**

Note 16: Other Income and other gains/(losses)

(a) Other Income

Particulars	31st Dec, 2024	31st Dec, 2023
Facilities and Support Services fees	-12,33,777	-3,61,537
Miscellaneous other Income	1,59,059	84,771
Total	**-10,74,717**	**-2,76,765**

(b) Other gains (net)

Particulars	31st Dec, 2024	31st Dec, 2023
Exchange gain other than in the normal course of business as an authorised foreign exchange dealer	-2,79,086	2,25,127
Total	**-2,79,086**	**2,25,127**

Note 17: Employee Benefit Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Salaries Wages and Bonus	45,33,190	37,70,631
Contribution to Provident and Other Funds	3,36,578	3,51,214
Gratuity	-	-
Staff Welfare Expenses	2,45,948	1,28,377
Staff Training, Recruitment and Other Costs	26,160	93,370
Incentives to Staff	1,44,564	1,54,655
Total	**52,86,440**	**44,98,247**

Note 18: Finance Costs

Particulars	31st Dec, 2024	31st Dec, 2023
Other Finance Charges	2,85,776	2,79,010
Interest Expenses ROU Liabilitiy	11,346	8,418
Total	**2,97,122**	**2,87,428**

Note 19: Depreciation and Amortisation Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Depreciation on Tangible Assets	2,21,176	1,75,576
Depreciation on Right of Use assets	66,624	59,596
Total	**2,87,800**	**2,35,172**

Note 20: Other Expenses

Particulars	31st Dec, 2024	31st Dec, 2023
Rent	1,361	5,251
Stores and tools consumed	30,361	45,735
Electricity	11,066	9,941
Repairs to Others	22,649	25,991
Insurance	9,434	10,220
Licence Fees	1,51,473	1,11,504
Travelling Expenses	69,981	1,74,543
Vehicle Running and Maintenance Expenses	8,197	9,400
Legal and Professional Charges (refer note 21 (a))	1,02,835	1,06,478
Payment to Auditors - As Auditors Statutory and limited review	18,050	12,002
Out of pocket expenses	4,358	4,753
Printing and Stationery	7,227	5,776
Equipment hire charges	10,773	1,281
Communication expenses	74,184	84,856
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	87,166	1,03,953
Miscellaneous Expenses	54,942	88,047
Total	**6,64,056**	**7,99,730**

PT DIGIPHOTO IMAGING INDONESIA

Laporan Keuangan
Untuk Tahun Yang Berakhir Pada Tanggal-Tanggal
31 Desember 2024 dan 2023
Dan
Laporan Auditor Independen/
Financial Statements
For The Years Ended
December 31, 2024 and 2023
And
Independent Auditor's Report

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN KEUANGAN
UNTUK TAHUN YANG BERAKHIR PADA
TANGGAL-TANGGAL 31 DESEMBER 2024 DAN 2023

PT DIGIPHOTO IMAGING INDONESIA
FINANCIAL STATEMENTS
AND FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023

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DEI
A FAIRFAX Compan

SURAT PERNYATAAN DIREKSI TENTANG TANGGUNG JAWAB ATAS LAPORAN KEUANGAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2024 PT DIGIPHOTO IMAGING INDONESIA

DIRECTOR'S STATEMENT LETTER RELATING TO THE RESPONSIBILITY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024 PT DIGIPHOTO IMAGING INDONESIA

Saya yang bertandatangan di bawah ini:

Nama	:	Kalapathy Shankar Ramakrishnan
Alamat Kantor	:	Soho Capital - Podomoro City Lt 16, Suite SC-1606A Jl. Letjen S. Parman Kavling 28, Tanjung Duren Selatan, Grogol Petamburan, Jakarta Barat, Indonesia 11470
Alamat domisili sesuai KTP	:	Tata Housing Colony, Type II/16A, Chembur Mumbai 400 074, India
No. Telepon	:	0361-731246
Jabatan	:	Direktur Utama

Menyatakan bahwa:

1. Saya bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Digiphoto Imaging Indonesia (Entitas).
2. Laporan keuangan Entitas telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia.
3. a. Semua informasi dalam laporan keuangan Entitas telah dimuat secara lengkap dan benar.
   b. Laporan keuangan Entitas tidak mengandung informasi atau fakta material yang tidak benar dan tidak menghilangkan informasi atau fakta material.
4. Saya bertanggung jawab atas sistem pengendalian intern dalam Entitas.

Demikian pernyataan ini dibuat dengan sebenarnya.

I, the undersigned:

Name	:	*Kalapathy Shankar Ramakrishnan*
Office Address	:	*Soho Capital - Podomoro City Lt 16, Suite SC-1606A Jl. Letjen S. Parman Kavling 28, Tanjung Duren Selatan, Grogol Petamburan, Jakarta Barat, Indonesia 11470*
Domicile address as stated in ID	:	*Tata Housing Colony, Type II/16A, Chembur Mumbai 400 074, India*
Phone Number	:	*0361-731246*
Position	:	*President Director*

State that:

1. *I am responsible for the preparation and presentation of the financial statements of PT Digiphoto Imaging Indonesia (the Entity).*
2. *The financial statements of the Entity have been prepared and presented in accordance with Indonesian Financial Accounting Standards.*
3. *a. All information contained in the financial statements of the Entity is complete and correct.*
   b. The financial statements of the Entity do not contain misleading material information or facts and do not omit material information or facts.
4. *I am responsible for the internal control system of the Entity.*

This statement letter is made truthfully.

Dubai, 10 Ju[illegible] *10, 2025*

Kalapathy Shankar Ramakrishnan
Direktur Utama/*President Director*

HADORI SUGIARTO ADI & REKAN

LAPORAN AUDITOR INDEPENDEN

Laporan No. 00189/3.0428/AU.1/05/0221-2/1/VII/2025

Pemegang Saham, Dewan Komisaris dan Direksi
PT Digiphoto Imaging Indonesia

Opini

Kami telah mengaudit laporan keuangan PT Digiphoto Imaging Indonesia ("Entitas") terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2024, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, serta catatan atas laporan keuangan, termasuk informasi kebijakan akuntansi material.

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Digiphoto Imaging Indonesia tanggal 31 Desember 2024, serta kinerja keuangan dan arus kasnya untuk untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Basis Opini

Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Tanggung jawab kami menurut standar tersebut diuraikan lebih lanjut dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami. Kami independen terhadap Entitas berdasarkan ketentuan etika yang relevan dalam audit kami atas laporan keuangan di Indonesia, dan kami telah memenuhi tanggung jawab etika lainnya berdasarkan ketentuan tersebut. Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Tanggung Jawab Manajemen dan Pihak yang Bertanggung Jawab atas Tata Kelola terhadap Laporan Keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

INDEPENDENT AUDITOR'S REPORT

Report No. 00189/3.0428/AU.1/05/0221-2/1/VII/2025

The Stockholders, Commissioners and Directors
PT Digiphoto Imaging Indonesia

Opinion

We have audited the accompanying financial statements of PT Digiphoto Imaging Indonesia ("the Entity"), which comprise the statement of financial position as of December 31, 2024, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Digiphoto Imaging Indonesia as of December 31, 2024, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audits of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

HADORI SUGIARTO ADI & REKAN

Dalam penyusunan laporan keuangan, manajemen bertanggung jawab untuk menilai kemampuan Entitas dalam mempertahankan kelangsungan usahanya, mengungkapkan, sesuai dengan kondisinya, hal-hal yang berkaitan dengan kelangsungan usaha, dan menggunakan basis akuntansi kelangsungan usaha, kecuali manajemen memiliki intensi untuk melikuidasi Entitas atau menghentikan operasi, atau tidak memiliki alternatif yang realistis selain melaksanakannya.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity to cease operations, or has no realistic alternative but to do so.

Pihak yang bertanggung jawab atas tata kelola bertanggung jawab untuk mengawasi proses pelaporan keuangan Entitas.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan

Auditor's Responsibilities for the Audit of the Financial Statements

Tujuan kami adalah untuk memperoleh keyakinan memadai tentang apakah laporan keuangan secara keseluruhan bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan, dan untuk menerbitkan laporan auditor yang mencakup opini kami. Keyakinan memadai merupakan suatu tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit akan selalu mendeteksi kesalahan penyajian material ketika hal tersebut ada. Kesalahan penyajian dapat disebabkan oleh kecurangan maupun kesalahan dan dianggap material jika, baik secara individual maupun secara agregat, dapat diekspektasikan secara wajar akan mempengaruhi keputusan ekonomi yang diambil oleh pengguna berdasarkan laporan keuangan tersebut.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Sebagai bagian dari suatu audit berdasarkan Standar Audit, kami menerapkan pertimbangan profesional dan mempertahankan skeptisisme profesional selama audit. Kami juga:

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan, mendesain dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memperoleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami. Risiko tidak terdeteksinya kesalahan penyajian material yang disebabkan oleh kecurangan lebih tinggi dari yang disebabkan oleh kesalahan, karena kecurangan dapat melibatkan kolusi, pemalsuan, penghilangan secara sengaja, pernyataan salah, atau pengabaian pengendalian internal.
- Memperoleh suatu pemahaman tentang pengendalian internal yang relevan dengan audit untuk mendesain prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal Entitas.
- Mengevaluasi ketepatan kebijakan akuntansi yang digunakan serta kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen.

- *Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*

HADORI SUGIARTO ADI & REKAN

- Menyimpulkan ketepatan penggunaan basis akuntansi kelangsungan usaha oleh manajemen dan, berdasarkan bukti audit yang diperoleh, apakah terdapat suatu ketidakpastian material yang terkait dengan peristiwa atau kondisi yang dapat menyebabkan keraguan signifikan atas kemampuan Entitas untuk mempertahankan kelangsungan usahanya. Ketika kami menyimpulkan bahwa terdapat suatu ketidakpastian material, kami diharuskan untuk menarik perhatian dalam laporan auditor kami ke pengungkapan terkait dalam laporan keuangan atau, jika pengungkapan tersebut tidak memadai, harus menentukan apakah perlu untuk memodifikasi opini kami. Kesimpulan kami didasarkan pada bukti audit yang diperoleh hingga tanggal laporan auditor kami. Namun, peristiwa atau kondisi masa depan dapat menyebabkan Entitas tidak dapat mempertahankan kelangsungan usaha.
- Mengevaluasi penyajian, struktur, dan isi laporan keuangan secara keseluruhan, termasuk pengungkapannya, dan apakah laporan keuangan mencerminkan transaksi dan peristiwa yang mendasarinya dengan suatu cara yang mencapai penyajian wajar.

Kami mengkomunikasikan kepada pihak yang bertanggung jawab atas tata kelola mengenai, antara lain, ruang lingkup dan saat yang direncanakan atas audit, serta temuan audit signifikan, termasuk setiap defisiensi signifikan dalam pengendalian internal yang teridentifikasi oleh kami selama audit.

- *Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HADORI SUGIARTO ADI & REKAN

00189

Wahyu Wibowo
Nomor Registrasi Akuntan Publik AP. 0221 */Public Accountant Registered Number AP. 0221*
10 Juli 2025/*July 10, 2025*

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN POSISI KEUANGAN
31 DESEMBER 2024 DAN 2023
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT DIGIPHOTO IMAGING INDONESIA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2024	2023	
ASET				***ASSETS***
ASET LANCAR				***CURRENT ASSETS***
Kas dan bank	2, 4	5.249.131.157	4.255.757.575	*Cash on hand and in banks*
Piutang usaha				*Trade receivables*
Pihak berelasi	2, 5, 24	-	15.818.251	*Related party*
Pihak ketiga – neto	2, 5	4.795.488.893	3.206.099.991	*Third parties – net*
Piutang lain-lain – pihak berelasi	2, 6, 24	4.878.569.955	16.083.560.791	*Other receivables – related parties*
Persediaan	2, 7	5.363.755.173	5.070.238.464	*Inventories*
Pajak dibayar di muka	2, 25	1.250.173.308	-	*Prepaid taxes*
Biaya dibayar di muka	2	89.942.673	77.161.034	*Prepaid expenses*
Uang muka	8	186.920.424	810.345.512	*Advances*
Piutang pihak berelasi	2, 24	23.926.910.741	14.285.096.135	*Due from related parties*
Jumlah Aset Lancar		45.740.892.324	43.804.077.753	*Total Current Assets*
ASET TIDAK LANCAR				***NON-CURRENT ASSETS***
Aset pajak tangguhan	2, 25	67.077.903	212.981.350	*Deferred tax assets*
Aset tetap – neto	2, 9	11.046.317.755	8.146.948.691	*Fixed assets – net*
Jaminan	2	11.000.000	11.000.000	*Security deposits*
Jumlah Aset Tidak Lancar		11.124.395.658	8.370.930.041	*Total Non-Current Assets*
JUMLAH ASET		56.865.287.982	52.175.007.794	***TOTAL ASSETS***

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN POSISI KEUANGAN
(Lanjutan)
31 DESEMBER 2024 DAN 2023
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT DIGIPHOTO IMAGING INDONESIA
STATEMENTS OF FINANCIAL POSITION
(Continued)
DECEMBER 31, 2024 AND 2023
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2024	2023	
LIABILITAS DAN EKUITAS				***LIABILITIES AND EQUITY***
LIABILITAS JANGKA PENDEK				***CURRENT LIABILITIES***
Utang usaha				*Trade payables*
Pihak berelasi	2, 10, 24	410.840.701	366.695.837	*Related party*
Pihak ketiga	2, 10	1.089.690.871	1.255.413.564	*Third parties*
Utang lain-lain				*Other payables*
Pihak berelasi	2, 11, 24	25.692.963.197	24.223.517.185	*Related parties*
Pihak ketiga	2, 11	-	7.348.535	*Third party*
Beban masih harus dibayar	2, 12	4.119.354.040	3.706.439.359	*Accrued expenses*
Utang pajak	2, 25	2.705.157.391	3.066.460.589	*Taxes payable*
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:				*Current portion of long-term liabilities:*
Liabilitas sewa	2, 14	102.883.588	141.363.199	*Lease liabilities*
Jumlah Liabilitas Jangka Pendek		34.120.889.788	32.767.238.268	*Total Current Liabilities*
LIABILITAS JANGKA PANJANG				***NON-CURRENT LIABILITIES***
Liabilitas diestimasi atas imbalan kerja	2, 13	818.052.562	601.667.442	*Estimated liabilities for employee benefits*
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:				*Long-term liabilities – less current portion:*
Liabilitas sewa	2, 14	148.160.224	74.807.287	*Lease liabilities*
Jumlah Liabilitas Jangka Panjang		966.212.786	676.474.729	*Total Non-Current Liabilities*
JUMLAH LIABILITAS		35.087.102.574	33.443.712.997	***TOTAL LIABILITIES***
EKUITAS				***EQUITY***
Modal saham – nilai nominal Rp 877.100 per saham				*Capital stock – par value Rp 877,100 per share*
Modal dasar, modal ditempatkan dan disetor penuh – 6.000 saham	2, 15	5.262.600.000	5.262.600.000	*Authorized, issued and fully paid capital – 6,000 shares*
Tambahan modal disetor	16	409.706.900	409.706.900	*Additional paid-in capital*
Saldo laba		16.144.333.974	13.137.890.226	*Retained earnings*
Komponen ekuitas lainnya	17	(38.455.466)	(78.902.329)	*Other equity component*
JUMLAH EKUITAS		21.778.185.408	18.731.294.797	***TOTAL EQUITY***
JUMLAH LIABILITAS DAN EKUITAS		56.865.287.982	52.175.007.794	***TOTAL LIABILITIES AND EQUITY***

Lihat Catatan atas Laporan Keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompanying Notes to the Financial Statements which are an integral part of the financial statements.

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL-TANGGAL 31 DESEMBER 2024 DAN 2023
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT DIGIPHOTO IMAGING INDONESIA
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2024	2023	
PENJUALAN	2, 18	97.290.329.739	74.960.471.214	***SALES***
BEBAN POKOK PENJUALAN	2, 19	(66.630.440.312)	(50.625.136.406)	***COSTS OF SALES***
LABA KOTOR		30.659.889.427	24.335.334.808	***GROSS PROFIT***
Pendapatan lain-lain	2, 20	2.878.402.461	622.295.570	*Other income*
Beban penjualan	2, 21	(1.479.571.657)	(1.254.995.638)	*Selling expenses*
Beban umum dan administrasi	2, 22	(27.482.381.215)	(11.574.928.358)	*General and administrative expenses*
Beban lain-lain	2, 23	(940.723.309)	(963.989.495)	*Other expenses*
LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN		3.635.615.707	11.163.716.887	***INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)***
MANFAAT (BEBAN) PAJAK PENGHASILAN				***INCOME TAX BENEFIT (EXPENSE)***
Kini	2, 25	(494.676.600)	(1.949.560.352)	*Current*
Tangguhan	2, 25	(134.495.359)	35.959.398	*Deferred*
Jumlah beban pajak penghasilan		(629.171.959)	(1.913.600.954)	*Total income tax expenses*
LABA TAHUN BERJALAN		3.006.443.748	9.250.115.933	***INCOME FOR THE YEAR***
PENGHASILAN KOMPREHENSIF LAIN				***OTHER COMPREHENSIVE INCOME***
Pos-pos yang tidak akan direklasifikasi ke laba rugi:				***Items not to be reclassified to profit and loss:***
Pengukuran kembali atas liabilitas imbalan kerja	2, 13	51.854.953	(96.555.028)	*Remeasurement of defined benefits obligation*
Pajak penghasilan terkait pos yang tidak akan direklasifikasi ke laba rugi	2, 25	(11.408.090)	21.242.106	*Income tax related to item not to be reclassified to profit or loss*
Jumlah penghasilan (rugi) komprehensif lain tahun berjalan – setelah pajak		40.446.863	(75.312.922)	*Total other comprehensive income (loss) for the year – net of tax*
LABA KOMPREHENSIF TAHUN BERJALAN		3.046.890.611	9.174.803.011	***COMPREHENSIVE INCOME FOR THE YEAR***

Lihat Catatan atas Laporan Keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompanying Notes to the Financial Statements which are an integral part of the financial statements.

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN PERUBAHAN EKUITAS
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL-TANGGAL
31 DESEMBER 2024 DAN 2023
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT DIGIPHOTO IMAGING INDONESIA
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023
(Expressed in Rupiah, unless otherwise stated)

	Modal Disetor/ *Share Capital*	Tambahan Modal Disetor/ *Additional Paid-in Capital*	Saldo Laba/ *Retained Earnings*	Komponen Ekuitas Lainnya/ *Other Equity Components*	Jumlah Ekuitas/ *Total Equity*	
Saldo 1 Januari 2023	5.262.600.000	409.706.900	3.887.774.293	(3.589.407)	9.556.491.786	*Balance as of January 1, 2023*
Laba komprehensif tahun berjalan	-	-	9.250.115.933	(75.312.922)	9.174.803.011	*Comprehensive income for the year*
Saldo 31 Desember 2023	5.262.600.000	409.706.900	13.137.890.226	(78.902.329)	18.731.294.797	*Balance as of December 31, 2023*
Laba komprehensif tahun berjalan	-	-	3.006.443.748	40.446.863	3.046.890.611	*Comprehensive income for the year*
Saldo 31 Desember 2024	5.262.600.000	409.706.900	16.144.333.974	(38.455.466)	21.778.185.408	*Balance as of December 31, 2024*

Lihat Catatan atas Laporan Keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompanying Notes to the Financial Statements which are an integral part of the financial statements.

PT DIGIPHOTO IMAGING INDONESIA
LAPORAN ARUS KAS UNTUK TAHUN YANG BERAKHIR PADA TANGGAL-TANGGAL 31 DESEMBER 2024 DAN 2023
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT DIGIPHOTO IMAGING INDONESIA
STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Rupiah, unless otherwise stated)

	2024	2023	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan dari pelanggan	96.467.882.811	73.350.667.274	*Cash received from customers*
Pembayaran kepada pemasok, karyawan, dan operasional	(93.336.105.075)	(62.400.573.198)	*Cash paid to suppliers, employees and operational*
Penerimaan bunga	859.163.414	407.075.051	*Interest received*
Kas yang diperoleh dari operasional	3.990.941.150	11.357.169.127	*Cash generated provided by operations*
Pembayaran pajak penghasilan	(361.303.198)	(198.033.983)	*Payment of taxes*
Kas Bersih Diperoleh dari Aktivitas Operasi	3.629.637.952	11.159.135.144	*Net Cash Flows Provided by Operating Activities*
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITY***
Perolehan aset tetap	(5.567.391.298)	(7.696.725.175)	*Acquisitions of fixed assets*
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Penambahan piutang lain-lain – pihak berelasi	11.204.990.836	(9.333.976.181)	*Addition of other receivables – related parties*
Penambahan piutang pihak berelasi	(9.641.814.606)	(136.729.085)	*Addition of due from related parties*
Penambahan utang lain-lain – pihak berelasi	1.374.422.451	6.203.914.380	*Addition of other payables – related parties*
Pembayaran liabilitas sewa	(6.471.753)	(75.408.427)	*Payment of lease liabilities*
Kas Bersih Diperoleh (Digunakan) untuk Aktivitas Pendanaan	2.931.126.928	(3.342.199.313)	*Net Cash Provided (Used) in Financing Activities*
KENAIKAN KAS DAN BANK	993.373.582	120.210.656	***NET INCREASE IN CASH ON HAND AND IN BANKS***
KAS DAN BANK AWAL TAHUN	4.255.757.575	4.135.546.919	***CASH ON HAND AND IN BANKS AT BEGINNING OF THE YEAR***
KAS DAN BANK AKHIR TAHUN	5.249.131.157	4.255.757.575	***CASH ON HAND AND IN BANKS AT END OF THE YEAR***

Lihat Catatan atas Laporan Keuangan yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See accompanying Notes to the Financial Statements which are an integral part of the financial statements.

1. UMUM

a. Pendirian Entitas dan Informasi Umum

PT Digiphoto Imaging Indonesia (Entitas) didirikan berdasarkan Akta Notaris No. 7, tanggal 23 Maret 2011 dari Notaris Hartono, S.H., Notaris di Bali. Akta pendirian ini telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0028883.01.09 Tahun 2011, tanggal 12 April 2011 dan Pemberitahuan Persetujuan Presiden dari Badan Koordinasi Penanaman Modal (BKPM) No. 00723/I/PPM/PMA/2011, tanggal 15 Maret 2011.

Anggaran Dasar Perseroan telah mengalami beberapa kali perubahan, terakhir dengan Akta Notaris Hamidah Meutiasari, S.H., M.Kn. No. 5 tanggal 22 September 2015 tentang Perubahan Anggaran Dasar Perseroan. Perubahan ini telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-AH.01.03-0967421. Tahun 2015 tanggal 25 September 2015.

Sesuai dengan pasal 3 Anggaran Dasar Perseroan, ruang lingkup kegiatan Perseroan terutama bergerak dalam bidang perdagangan dan jasa.

Perusahaan berdomisili di Jakarta Barat dan berlokasi di kantor Soho Capital - Podomoro City Lt 16, Suite SC-1606A, Jl. S. Parman Kavling 28, Tanjung Duren Selatan, Grogol Petamburan, Jakarta Barat, Indonesia 11470. Operasional utama Entitas di Bali dan Jakarta.

Entitas beroperasi secara komersial sejak 2011.

b. Komisaris, Dewan Direksi, dan Karyawan

Anggota Komisaris dan Direktur Entitas pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

Komisaris				
Komisaris	:	Kalapathy Sanghamitra R.	:	
Dewan Direksi				
Direktur Utama	:	Kalapathy Shankar R.	:	
Direktur	:	Yufendy	:	

Entitas memiliki 186 dan 129 karyawan tetap masing-masing pada tanggal 31 Desember 2024 dan 2023.

1. GENERAL

a. The Entity's Establishment and General Information

PT Digiphoto Imaging Indonesia (the Entity) was established on March 23, 2011 based on Notarial Deed No. 7 of Hartono, S.H., Notary in Bali. This deed was approved by Minister of law of the Republic of Indonesia under Decision Letter No. AHU-0028883.01.09 Tahun 2011, dated April 12, 2011 and Notifications of Presidential Approval from Capital Investment Coordinating Board (BKPM) No. 00723/I/PPM/PMA/2011, dated March 15, 2011.

The Articles of Association have been amended several times, most recently by Notarial Deed No. 5, dated September 22, 2015 of Hamidah Meutiasari, S.H., M.Kn., concerning the changes in the Entity's Articles of Association. This amendement was approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-AH.01.03-0967421. Tahun 2015, dated September 25, 2015.

In accordance with article 3 of the Entity's Articles of Association, the scope of its activities is to engage mainly in trading and services.

The Entity is domiciled in Jakarta Barat and its office is located at Soho Capital - Podomoro City Floor 16, Suite SC-1606A, Jl. S. Parman Kavling 28, Tanjung Duren Selatan, Grogol Petamburan, Jakarta Barat, Indonesia 11470. The Entity's operational is mainly in Bali and Jakarta.

The Entity is operating commercially since 2011.

b. Commissioners, Board of Director, and Employees

The members of the Entity's Commissioner and Director as of December 31, 2024 and 2023 are as follows:

Commissioner				
Commissioner	:	Kalapathy Sanghamitra R.	:	
Board of Directors				
President Director	:	Kalapathy Shankar R.	:	
Director	:	Yufendy	:	

The Entity has 186 and 129 permanent employees as of December 31, 2024 and 2023, respectively.

2. IKHTISAR KEBIJAKAN AKUNTANSI MATERIAL

a. Pernyataan Kepatuhan

Manajemen bertanggung jawab atas penyusunan dan penyajian laporan keuangan. Laporan keuangan telah disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia yang mencakup Pernyataan Standar Akuntansi Keuangan (PSAK) dan Interpretasi Standar Akuntansi Keuangan (ISAK) yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia.

b. Dasar Penyusunan Laporan Keuangan

Laporan keuangan, kecuali untuk laporan arus kas, disusun berdasarkan pada saat terjadinya *(accrual basis)* dengan konsep biaya perolehan *(historical cost)*, kecuali beberapa akun tertentu disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Biaya historis umumnya didasarkan pada nilai wajar dari imbalan yang diberikan dalam pertukaran barang dan jasa.

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam suatu transaksi teratur antara pelaku pasar pada tanggal pengukuran.

Laporan arus kas disajikan dengan metode langsung *(direct method)* dengan mengelompokkan arus kas dalam aktivitas operasi, investasi dan pendanaan.

Mata uang fungsional dan pelaporan yang digunakan dalam laporan keuangan adalah Rupiah (Rp).

Penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan penggunaan estimasi dan asumsi. Standar tersebut juga mengharuskan manajemen untuk membuat pertimbangan dalam proses penerapan kebijakan akuntansi Entitas. Area yang kompleks atau memerlukan tingkat pertimbangan yang lebih tinggi atau area di mana asumsi dan estimasi dapat berdampak material terhadap laporan keuangan diungkapkan di Catatan 3.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Statement of Compliance

Management is responsible for the preparation and presentation of the financial statements, and have been prepared in accordance with the Indonesian Financial Accounting Standards (PSAK) which include Statements and Interpretations of Financial Accounting Standards (ISAK) issued by Financial Accounting Standards Board of the Indonesian Accountant Institute.

b. Basis of Preparation of Financial Statements

The financial statements except for the statements of cash flows, have been prepared on the accrual basis using historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The statements of cash flows are prepared using direct method by classifying cash flows into operating, investing and financing activities.

The functional and presentation currency used in the financial statements is Indonesian Rupiah (Rp).

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed in Note 3.

Mulai tanggal 1 Januari 2024, referensi terhadap masing-masing PSAK dan ISAK telah diubah sebagaimana diumumkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Akuntan Indonesia:

Beginning January 1, 2024, reference to the individual PSAK and ISAK have been changed as published by Financial Accounting Standards Board of the Indonesian Accountant Institute.

Penerapan dari amendemen dan revisi standar berikut yang berlaku pada tanggal 1 Januari 2024, tidak menimbulkan perubahan material terhadap kebijakan akuntansi Entitas dan efek material terhadap laporan keuangan:

The implementation of the amendment and revised standards which are effective on January 1, 2024 did not result in material changes to the accounting policies of the Entity and no material effect on the financial statements:

- PSAK No. 116, mengenai "Sewa".

  Amendemen PSAK No. 116 menambahkan persyaratan pengukuran selanjutnya untuk transaksi jual dan sewabalik yang memenuhi persyaratan dalam PSAK No. 115 Pendapatan dari Kontrak dengan Pelanggan untuk dicatat sebagai penjualan. Amendemen tersebut mengharuskan penjual-penyewa untuk menentukan 'pembayaran sewa' atau 'pembayaran sewa yang direvisi' sehingga penjual-penyewa tidak mengakui keuntungan atau kerugian yang terkait dengan hak penggunaan yang dimiliki oleh penjual penyewa, setelah tanggal dimulainya.

  Amendemen tersebut tidak memengaruhi keuntungan atau kerugian yang diakui oleh penjual-penyewa terkait dengan penghentian sebagian atau seluruh sewa. Tanpa persyaratan baru ini, penjual-penyewa bisa mengakui keuntungan atas hak penggunaan yang dimilikinya semata-mata karena pengukuran ulang liabilitas sewa (misalnya, setelah modifikasi sewa atau perubahan jangka waktu sewa) dengan menerapkan persyaratan umum dalam PSAK No. 116. Hal ini khususnya dapat terjadi dalam sewa-balik yang mencakup pembayaran sewa variabel yang tidak bergantung pada indeks atau suku bunga.

  Sebagai bagian dari amendemen, DSAK-IAI mengubah Contoh Ilustrasi dalam PSAK No. 116 dan menambahkan contoh baru untuk mengilustrasikan pengukuran selanjutnya atas aset hak-guna dan liabilitias sewa dalam transaksi jual dan sewa-balik dengan pembayaran sewa variabel yang tidak bergantung pada indeks atau suku bunga. Contoh ilustrasi tersebut juga mengklarifikasi bahwa liabilitas yang timbul dari transaksi jual dan sewa-balik yang memenuhi syarat sebagai penjualan dengan menerapkan PSAK No. 115 adalah liabilitas sewa.

- *PSAK No. 116, regarding "Leases".*

  The amendments to PSAK No. 116 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in PSAK No. 115 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller lessee to determine 'lease payments' or 'revised lease payments' such that the seller lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

  The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in PSAK No. 116. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

  As part of the amendments, the DSAK-IAI amended an Illustrative Example in PSAK No. 116 and added a new example to illustrate the subsequent measurement of a right-of use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying PSAK No. 115 is a lease liability.

- PSAK No. 201, mengenai "Penyajian Laporan Keuangan: Klasifikasi Liabilitas Sebagai Jangka Pendek atau Jangka Panjang".

  Amendemen ini hanya mempengaruhi penyajian liabilitas sebagai lancar atau tidak lancar dalam laporan posisi keuangan dan bukan jumlah atau waktu pengakuan aset, liabilitas, penghasilan atau beban, atau informasi yang diungkapkan mengenai pos-pos tersebut.

  Amendemen tersebut mengklarifikasi bahwa klasifikasi liabilitas sebagai lancar atau tidak lancar didasarkan pada hak yang ada pada akhir periode pelaporan, menetapkan bahwa klasifikasi tersebut tidak dipengaruhi oleh ekspektasi apakah entitas akan menggunakan haknya untuk menunda penyelesaian suatu liabilitas, menjelaskan bahwa hak tersebut ada jika kovenan dipatuhi pada akhir periode pelaporan, dan memperkenalkan definisi "penyelesaian" untuk memperjelas bahwa penyelesaian mengacu pada pengalihan ke pihak lain atas kas, instrumen ekuitas, aset dan jasa lainnya.

- *PSAK No. 201 regarding "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current.*

  The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about these items.

  The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of "settlement" to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

- PSAK No. 201, mengenai "Penyajian Laporan Keuangan: Liabilitas Jangka Panjang dengan Kovenan".

  Amendemen tersebut menetapkan bahwa hanya perjanjian yang harus dipatuhi entitas pada atau sebelum akhir periode pelapora yang memengaruhi hak entitas untuk menunda penyelesaian liabilitas setidaknya selama dua belas bulan setelah tanggal pelaporan (dan karenanya harus dipertimbangkan dalam menilai klasifikasi liabilitas sebagai lancar atau tidak lancar). Perjanjian tersebut memengaruhi apakah hak tersebut ada pada akhir periode pelaporan, bahkan jika kepatuhan terhadap perjanjian dinilai hanya setelah tanggal pelaporan (misalnya perjanjian berdasarkan posisi keuangan entitas pada tanggal pelaporan yang dinilai kepatuhannya hanya setelah tanggal pelaporan).

  DSAK-IAI juga menetapkan bahwa hak untuk menunda penyelesaian liabilitas setidaknya selama dua belas bulan setelah tanggal pelaporan tidak terpengaruh jika entitas hanya harus mematuhi perjanjian setelah periode pelaporan.

- *PSAK No. 201, regarding "Presentation of Financial Statements: Non-current Liabilities with Covenants".*

  The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

  DSAK-IAI also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period.

Namun, jika hak entitas untuk menunda penyelesaian liabilitas bergantung pada kepatuhan entitas terhadap perjanjian dalam waktu dua belas bulan setelah periode pelaporan, entitas mengungkapkan informasi yang memungkinkan pengguna laporan keuangan memahami risiko liabilitas yang harus dibayar kembali dalam waktu dua belas bulan setelah periode pelaporan. Ini akan mencakup informasi tentang perjanjian (termasuk sifat perjanjian dan kapan entitas diharuskan untuk mematuhinya), jumlah tercatat liabilitas terkait dan fakta serta keadaan, jika ada, yang menunjukkan bahwa entitas mungkin mengalami kesulitan dalam mematuhi perjanjian.

However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of finansial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

- PSAK No. 207, mengenai "Laporan Arus Kas" dan PSAK No. 107, mengenai "Instrumen Keuangan: Pengungkapan".

  Amendemen tersebut menambahkan tujuan pengungkapan pada PSAK No. 207 yang menyatakan bahwa suatu entitas diharuskan untuk mengungkapkan informasi tentang pengaturan keuangan pemasoknya yang memungkinkan pengguna laporan keuangan untuk menilai dampak pengaturan tersebut terhadap liabilitas dan arus kas entitas. Selain itu, PSAK No. 107 diamendemen untuk menambahkan pengaturan keuangan pemasok sebagai contoh dalam persyaratan untuk mengungkapkan informasi tentang paparan entitas terhadap konsentrasi risiko likuiditas.

  Amendemen tersebut berisi ketentuan transisi khusus untuk periode pelaporan tahunan pertama di mana Entitas menerapkan amendemen tersebut. Berdasarkan ketentuan transisi, suatu entitas tidak diwajibkan untuk mengungkapkan:
  - informasi komparatif untuk setiap periode pelaporan yang disajikan sebelum awal periode pelaporan tahunan di mana entitas pertama kali menerapkan amendemen tersebut.
  - informasi yang diwajibkan oleh PSAK No. 207:44H(b)(ii)-(iii) pada awal periode pelaporan tahunan di mana entitas pertama kali menerapkan amendemen tersebut.

- *PSAK No. 207, regarding "Statement of Cash Flows" and PSAK No. 107, regarding "Financial instruments: Disclosures".*

  The amendments add a disclosure objective to PSAK No. 207 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PSAK No. 107 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

  The amendments contain specific transition provisions for the first annual reporting period in which the Entity apply the amendments. Under the transitional provisions an entity is not required to disclose:
  - *comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments.*
  - *the information otherwise required by PSAK No. 207:44H(b)(ii)-(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.*

- PSAK No. 409, mengenai "Akuntansi Zakat, Infak, dan Sedekah" dan PSAK No. 401, mengenai "Penyajian Laporan Keuangan Syariah".

  Revisi PSAK No. 409 terkait dengan pengukuran selanjutnya untuk aset zakat, infak dan sedekah yang terpapar fluktuasi nilai wajar signifikan, serta menambahkan pengaturan baru seperti sedekah jasa dan diskon atau potongan atas pembelian aset atau jasa.

  Revisi PSAK No. 401 menghilangkan penyajian laporan perubahan aset kelolaan sebagai salah satu komponen laporan keuangan.

- *PSAK No. 409, regarding "Accounting for Zakat, Infaq and Alms" and PSAK No. 401, regarding "Presentation of Sharia Financial Reports".*

  Revision of PSAK No. 409 relates to further measurement of zakat, infaq and alms assets that are exposed to significant fair value fluctuations, as well as adding new arrangements such as alms services and discounts or discounts on the purchase of assets or services.

  Revision of PSAK No. 401 eliminates the presentation of reports on changes in assets under management as a component of the financial statements.

c. Instrumen Keuangan

Entitas melakukan penerapan PSAK No. 109, mengenai "Instrumen Keuangan".

Instrumen keuangan adalah setiap kontrak yang memberikan kenaikan nilai aset keuangan dari satu entitas dan liabilitas keuangan atau instrumen ekuitas dari entitas lainnya.

Aset Keuangan

Pengakuan Awal

Klasifikasi dan pengukuran aset keuangan harus didasarkan pada bisnis model dan arus kas kontraktual - apakah semata dari pembayaran pokok dan bunga (SPPI).

Aset keuangan diklasifikasikan dalam tiga kategori sebagai berikut:

1. Aset keuangan yang diukur pada biaya perolehan diamortisasi;
2. Aset keuangan yang diukur pada nilai wajar melalui laba rugi; dan
3. Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain.

Pengujian SPPI

Sebagai langkah pertama dari proses klasifikasi, Entitas menilai persyaratan kontraktual keuangan untuk mengidentifikasi apakah mereka memenuhi pengujian SPPI.

c. Financial Instruments

The Entity has applied PSAK No. 109 regarding "Financial Instruments".

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition

Classification and measurement of financial assets are based on business model and contractual cash flows - whether from solely payment of principal and interest (SPPI).

Financial assets are classified in the three categories as follows:

1. *Financial assets measured at amortized cost;*
2. *Financial assets measured at Fair Value Through Profit or Loss (FVTPL); and*
3. *Financial assets measured at Fair Value Through Other Comprehensive Income (FVOCI).*

SPPI Test

As a first step of its classification process, the Entity assesses the contractual terms of financial to identify whether they meet the SPPI test.

Nilai pokok untuk tujuan pengujian ini didefinisikan sebagai nilai wajar dari aset keuangan pada pengakuan awal dan dapat berubah selama umur aset keuangan (misalnya, jika ada pembayaran pokok atau amortisasi premi/diskon).

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

Elemen bunga yang paling signifikan dalam perjanjian biasanya adalah pertimbangan atas nilai waktu dari uang dan risiko kredit.

The most significant elements of interest within an arrangement are typically the consideration for the time value of money and credit risk.

Untuk membuat penilaian SPPI, Entitas menerapkan pertimbangan dan memperhatikan faktor-faktor yang relevan seperti mata uang dimana aset keuangan didenominasikan dan periode pada saat suku bunga ditetapkan.

To make the SPPI assessment, the Entity applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Sebaliknya, persyaratan kontraktual yang memberikan eksposur lebih dari *de minimis* atas risiko atau volatilitas dalam arus kas kontraktual yang tidak terkait dengan dasar pengaturan pinjaman, tidak menimbulkan arus kas kontraktual SPPI atas jumlah saldo. Dalam kasus seperti itu, aset keuangan diharuskan untuk diukur pada nilai wajar melalui laba rugi.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured as FVTPL.

Penilaian Model Bisnis

Business Model Assessment

Entitas menentukan model bisnisnya berdasarkan tingkat yang paling mencerminkan bagaimana Entitas mengelola aset keuangannya untuk mencapai tujuan bisnisnya.

The Entity determines its business model at the level that best reflects how it manages the Entity's financial assets to achieve its business objective.

Model bisnis Entitas tidak dinilai berdasarkan masing-masing instrumennya, tetapi pada tingkat portofolio secara agregat yang lebih tinggi dan didasarkan pada faktor-faktor yang dapat diamati seperti:

The Entity's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Bagaimana kinerja model bisnis dan aset keuangan yang dimiliki dalam model bisnis tersebut dievaluasi dan dilaporkan kepada personel manajemen kunci;
- Risiko yang mempengaruhi kinerja model bisnis (dan aset keuangan yang dimiliki dalam model bisnis tersebut) dan, khususnya, bagaimana cara risiko tersebut dikelola;
- Frekuensi, nilai, dan waktu penjualan yang diharapkan, juga merupakan aspek penting dari penilaian Entitas.

- *How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;*
- *The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular the way those risks are managed;*
- *The expected frequency, value, and timing of sales are also important aspects of the Entity assessment.*

Penilaian model bisnis didasarkan pada skenario yang diharapkan secara wajar tanpa mempertimbangkan skenario *"worst case"* atau *"stress case"*. Jika arus kas setelah pengakuan awal direalisasikan dengan cara yang berbeda dari yang awal diharapkan, Entitas tidak mengubah klasifikasi aset keuangan dimiliki yang tersisa dalam model bisnis tersebut, tetapi memasukkan informasi tersebut dalam melakukan penilaian atas aset keuangan yang baru atau yang baru dibeli selanjutnya.

The business model assessment is based on reasonably expected scenarios without taking "worst case" or "stress case" scenarios into account. If cash flows after initial recognition are realised in a way that is different from original expectations, the Entity does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Aset keuangan yang diukur pada biaya perolehan diamortisasi jika aset keuangan dikelola dalam model bisnis yang bertujuan untuk memiliki aset keuangan dalam rangka mendapatkan arus kas kontraktual dan persyaratan kontraktual dari aset keuangan yang pada tanggal tertentu meningkatkan arus kas yang semata dari pembayaran pokok dan bunga (SPPI) dari jumlah pokok terutang.

Financial assets are measured at amortized cost if the financial asset is managed in a business model aimed at owning a financial asset in order to obtain a contractual cash flow and the contractual requirements of a financial asset that on a given date increases the cash flow solely from the principal and interest payments (SPPI) of the amount owed.

Pada saat pengakuan awal, aset keuangan yang diukur pada biaya perolehan diamortisasi diakui pada nilai wajarnya ditambah biaya transaksi dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan suku bunga efektif.

At initial recognition, the financial assets measured at amortized cost are recognized at the fair value plus the transaction fee and subsequently measured at amortized cost by using the effective interest rate.

Pendapatan bunga dari aset keuangan yang diukur pada biaya perolehan diamortisasi dicatat dalam laporan laba rugi dan penghasilan komprehensif lain dan diakui sebagai "Pendapatan Keuangan". Ketika penurunan nilai terjadi, kerugian penurunan nilai diakui sebagai pengurang dari nilai tercatat aset keuangan dan diakui didalam laporan keuangan sebagai "Rugi Penurunan Nilai".

Interest income from financial assets measured at amortized cost is recorded in the statement of profit and loss and other comprehensive income and is recognized as "Finance Income". When a decline in value occurs, the impairment loss is recognized as a deduction of the recorded value of the financial asset and is recognized in the financial statements as "Impairment Loss".

Kecuali piutang usaha yang tidak mengandung komponen pembiayaan yang signifikan atau yang diterapkan oleh Entitas secara praktis. Semua aset keuangan pada awalnya diakui sebesar nilai wajarnya ditambah dengan biaya-biaya transaksi, kecuali aset keuangan dicatat pada nilai wajar melalui laba rugi.

With the exception of trade receivables that do not contain a significant financing component or for which the Entity has applied the practical expedient. All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets which are recorded at fair value through profit or loss.

Piutang usaha yang tidak mengandung komponen pembiayaan yang signifikan atau dimana Entitas menerapkan kebijaksanaan praktisnya diukur pada harga transaksi sebagaimana diungkapkan dalam "Pendapatan dari Kontrak dengan Pelanggan".

Trade receivables that do not contain a significant financing component or for which the Entity has applied the practical expedient are measured at the transaction price as disclosed in "Revenue from Contracts with Customers".

Aset keuangan diklasifikasikan sebagai aset lancar, jika jatuh tempo dalam waktu 12 bulan dari akhir periode pelaporan, jika tidak maka aset keuangan ini diklasifikasikan sebagai aset tidak lancar.

Financial assets in this category are classified as current assets if expected to be settled within 12 months from end of reporting period, otherwise they are classified as non-current.

Pengukuran Setelah Pengakuan Awal

Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya sebagai berikut:

(i) Aset keuangan yang diukur pada biaya perolehan diamortisasi

Aset keuangan yang diukur dengan biaya diamortiasi selanjutnya diukur dengan menggunakan metode suku bunga efektif *(Effective Interest Rate)* ("EIR"), setelah dikurangi dengan penurunan nilai. Biaya perolehan yang diamortisasi dihitung dengan memperhitungkan diskonto atau premi atas biaya akuisisi atau biaya yang merupakan bagian integral dari EIR tersebut. Amortisasi EIR dicatat dalam laporan laba rugi dan penghasilan komprehensif lain. Kerugian yang timbul dari penurunan nilai juga diakui pada laporan laba rugi dan penghasilan komprehensif lain.

Metode suku bunga efektif

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari instrumen keuangan dan metode untuk mengalokasikan pendapatan bunga atau biaya selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi penerimaan atau pembayaran kas masa depan (mencakup seluruh komisi dan bentuk lain yang dibayarkan dan diterima oleh para pihak dalam kontrak yang merupakan bagian yang tak terpisahkan dari suku bunga efektif, biaya transaksi dan premium dan diskonto lainnya) selama perkiraan umur instrumen keuangan, atau, jika lebih tepat, digunakan periode yang lebih singkat untuk memperoleh nilai tercatat bersih dari aset keuangan pada saat pengakuan awal.

Pendapatan diakui berdasarkan suku bunga efektif untuk instrumen keuangan selain dari instrumen keuangan yang diukur pada nilai wajar melalui laba rugi.

Pada tanggal 31 Desember 2024 dan 2023, aset keuangan yang diukur pada biaya perolehan diamortisasi meliputi kas dan bank, piutang usaha, piutang lain-lain – pihak berelasi, piutang pihak berelasi dan jaminan.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets measured at amortized cost

Financial assets measured at amortized cost are subsequently measured using the effective interest rate ("EIR"), method less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition fees or costs that are an integral part of the EIR. The EIR amortization is included in the statements of profit or loss and other comprehensive income. The losses arising from impairment are also recognized in the statements of profit or loss and other comprehensive income.

Effective interest rate method

The effective interest rate method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial instruments other than those financial instruments measured at FVTPL.

As of December 31, 2024 and 2023, financial assets measured at amortized cost consist of cash on hand and in banks, trade receivables, other receivables – related parties, due from related parties and security deposits.

(ii) Aset keuangan yang diukur pada nilai wajar melalui laba rugi

Aset keuangan yang diukur pada nilai wajar melalui laba rugi selanjutnya disajikan dalam laporan posisi keuangan sebesar nilai wajar, dengan perubahan nilai wajar yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

Dividen atas investasi diakui sebagai "Pendapatan Operasional Lain-lain" dalam laporan laba rugi dan penghasilan komprehensif lain ketika hak pembayaran telah ditetapkan.

Pada tanggal 31 Desember 2024 dan 2023, Entitas tidak memiliki aset keuangan yang diukur pada nilai wajar melalui laba rugi.

(iii) Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain

Keuntungan dan kerugian dari nilai wajar diakui dalam penghasilan komprehensif lain. Pendapatan bunga, kerugian penurunan nilai atau pembalikan, dan keuntungan dan kerugian selisih kurs diakui dalam laba rugi. Bunga yang diperoleh dari investasi dihitung menggunakan metode EIR. Ketika instrumen hutang dihentikan pengakuannya, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam pendapatan komprehensif lain direklasifikasi dari ekuitas ke laba rugi sebagai penyesuaian reklasifikasi.

Pada tanggal 31 Desember 2024 dan 2023, Entitas tidak memiliki aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain.

(ii) Financial assets measured at FVTPL

Financial assets measured at FVTPL are subsequently carried in the statements of financial position at fair value, with changes in fair value recognized in the statement of profit or loss and other comprehensive income.

Dividends on investments are recognized as "Other Operating Income" in the statements of profit or loss and other comprehensive income when the right of payment has been established.

As of December 31, 2024 and 2023, the Entity has no financial assets measured at FVTPL.

(iii) Financial assets measured at FVOCI

Fair value gains and losses are recognized in other comprehensive income. Interest income, impairment losses or reversals, and foreign exchange gains and losses are recognised in profit or loss. Interest earned on investments is calculated using the EIR method. When debt instrument is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

As of December 31, 2024 and 2023, the Entity has no financial assets measured at FVOCI.

Liabilitas Keuangan

Pengakuan Awal

Liabilitas keuangan dalam lingkup PSAK No. 109 diklasifikasikan sebagai berikut:

1. Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi; dan
2. Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi.

Entitas menentukan klasifikasi liabilitas keuangan mereka pada saat pengakuan awal.

Financial Liabilities

Initial Recognition

Financial liabilities within the scope of PSAK No. 109 are classified as follows:

1. *Financial liabilities measured at amortized cost; and*
2. *Financial liabilities measured at Fair Value Through Profit or Loss (FVTPL).*

The Entity determines the classification of its financial liabilities at initial recognition.

Liabilitas keuangan awalnya diukur sebesar nilai wajarnya. Biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan liabilitas keuangan (selain liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi) ditambahkan atau dikurangkan dari nilai wajar liabilitas keuangan, yang sesuai, pada pengakuan awal.

Biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi langsung diakui dalam laba rugi.

Entitas mengklasifikasikan sebagai liabilitas jangka pendek jika:
a. entitas memperkirakan akan menyelesaikan liabilitas tersebut dalam siklus operasi normal;
b. entitas memiliki liabilitas tersebut untuk tujuan diperdagangkan;
c. liabilitas tersebut jatuh tempo untuk diselesaikan dalam jangka waktu dua belas bulan setelah periode pelaporan; atau
d. entitas tidak memiliki hak tanpa syarat untuk menangguhkan penyelesaian liabilitas selama sekurang-kurangnya dua belas bulan setelah periode pelaporan.

Entitas mengklasifikasikan liabilitas yang tidak termasuk dalam kriteria diatas sebagai liabilitas jangka panjang.

Entitas mengklasifikasikan suatu liabilitas sebagai liabilitas jangka panjang jika Entitas mempunyai hak untuk menunda penyelesaian liabilitas tersebut setidaknya selama 12 bulan setelah periode pelaporan. Hal ini berlaku terlepas dari apakah Entitas bermaksud menyelesaikan liabilitasnya dalam waktu 12 bulan ke depan, dan meskipun Entitas menyelesaikan liabilitas sebelum laporan keuangan diotorisasi untuk diterbitkan. Namun, dalam kasus ini, Entitas mengungkapkan informasi mengenai waktu penyelesaian agar pengguna laporan keuangan dapat memahami dampak liabilitas terhadap posisi keuangan Entitas.

Pengukuran Setelah Pengakuan Awal

Pengukuran liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasinya sebagai berikut:

(i) Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi selanjutnya diukur dengan menggunakan metode EIR. Amortisasi EIR termasuk di dalam biaya keuangan dalam laporan laba rugi dan penghasilan komprehensif lain.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The Entity shall classify a liability as current when:

a. it expects to settle the liability in its operating cycle;
b. it holds the liability primarily for the purpose of trading;
c. the liability is due to be settled within twelve months after the reporting period; or
d. it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

The Entity classifies a liability as non-current if it has a right to defer settlement of the liability for at least 12 months after the reporting period. This applies regardless of whether the Entity intends to settle the liability within the next 12 months, and even if it settles the liability before the financial statements are authorized for issue. However, in these cases, the Entity discloses information about the timing of the settlement to enable the users of their financial statements to understand the impact of the liability on the Entity's financial position.

Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are subsequently measured using the EIR method. The EIR amortization is included in finance costs in the statements of profit or loss and other comprehensive income.

Keuntungan atau kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain pada saat liabilitas tersebut dihentikan pengakuannya serta melalui proses amortisasi EIR.

Gains or losses are recognized in the statements of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Pada tanggal 31 Desember 2024 dan 2023, liabilitas keuangan yang diukur pada biaya perolehan diamortisasi meliputi utang usaha, utang lain-lain, beban masih harus dibayar dan liabilitas sewa.

As of December 31, 2024 and 2023, financial liabilities measured at amortized cost consist of trade payables, other payables, accrued expenses and lease liabilities.

(ii) Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi

(ii) Financial liabilities measured at FVTPL

Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi termasuk liabilitas keuangan untuk diperdagangkan dan liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laba rugi.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition measured at fair value through profit or loss.

Liabilitas keuangan diklasifikasikan sebagai kelompok untuk diperdagangkan jika mereka diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Kategori ini termasuk instrumen keuangan derivatif yang diambil Entitas yang tidak ditujukan sebagai instrumen lindung nilai dalam hubungan lindung nilai sebagaimana didefinisikan dalam PSAK No. 109. Derivatif melekat yang dipisahkan juga diklasifikasikan sebagai kelompok diperdagangkan kecuali mereka ditetapkan sebagai instrumen lindung nilai efektif.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Entity that is not designated as hedging instruments in hedge relationships as defined by PSAK No. 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Keuntungan atau kerugian atas liabilitas yang dimiliki untuk diperdagangkan diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss and other comprehensive income.

Pada tanggal 31 Desember 2024 dan 2023, Entitas tidak memiliki liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi.

As of December 31, 2024 and 2023, the Entity has no financial liabilities measured at FVTPL.

Saling Hapus Instrumen Keuangan

Offsetting of Financial Instruments

Aset keuangan dan liabilitas keuangan saling hapus dan nilai bersih disajikan dalam laporan posisi keuangan jika, dan hanya jika, saat ini memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang telah diakui dan berniat untuk menyelesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan kewajibannya secara simultan.

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Hak yang berkekuatan hukum tersebut tidak harus bergantung pada kejadian masa depan dan harus dapat dilaksanakan dalam kegiatan usaha normal dan dalam hal gagal bayar, pailit atau kebangkrutan dari Entitas atau pihak lawan.

The legally enforceable right must not be contingent on future events and must be enforceable in the norma course of business and in the event of default, insolvency or bankruptcy of the Entity or the counterparty.

Penurunan Nilai dari Aset Keuangan

Impairment of Financial Assets

Pada setiap periode pelaporan, Entitas menilai apakah risiko kredit dari instrumen keuangan telah meningkat secara signifikan sejak pengakuan awal. Ketika melakukan penilaian, Entitas menggunakan perubahan atas risiko gagal bayar yang terjadi sepanjang perkiraan usia instrumen keuangan daripada perubahan atas jumlah kerugian kredit ekspektasian. Dalam melakukan penilaian, Entitas membandingkan antara risiko gagal bayar yang terjadi atas instrumen keuangan pada saat periode pelaporan dengan risiko gagal bayar yang terjadi atas instrumen keuangan pada saat pengakuan awal dan mempertimbangkan kewajaran serta ketersediaan informasi, yang tersedia tanpa biaya atau usaha pada saat tanggal pelaporan terkait dengan kejadian masa lalu, kondisi terkini dan perkiraan atas kondisi ekonomi di masa depan, yang mengindikasikan kenaikan risiko kredit sejak pengakuan awal.

At each reporting date, the Entity assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Entity uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Entity compares the risk of a default occurring on the financial instrument as of the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, that is indicative of significant increases in credit risk since initial recognition.

Untuk piutang usaha, Entitas menerapkan pendekatan yang disederhanakan dalam menghitung kerugian kredit ekspektasian. Entitas mengakui penyisihan kerugian berdasarkan kerugian kredit ekspektasian sepanjang umurnya pada setiap akhir periode pelaporan. Kerugian kredit ekspektasian dari aset keuangan ini diperkirakan menggunakan matriks provisi berdasarkan pengalaman kerugian kredit historis Entitas, disesuaikan dengan faktor masa depan yang spesifik untuk debitur dan lingkungan ekonomi, termasuk nilai waktu dari uang jika diperlukan.

For trade receivable, the Entity applies a simplified approach in calculating expected credit losses. The Entity recognizes a loss allowance based on lifetime expected credit losses at the end of each reporting period. The expected credit losses on these financial assets are estimated using a provision matrix based on the Entity's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, including time value of money where appropriate.

Ketika risiko kredit pada instrumen keuangan yang mana kerugian kredit ekspektasian sepanjang umurnya telah diakui pada periode setelah tanggal pelaporan mengalami peningkatan, dan persyaratan untuk mengakui kerugian kredit ekspektasian sepanjang umurnya tidak lagi terpenuhi, maka cadangan kerugian diukur pada jumlah yang sama dengan 12 bulan dari kerugian kredit ekspektasian pada periode pelaporan saat ini, kecuali untuk aset yang menggunakan pendekatan yang disederhanakan.

When the credit risks on financial instruments for which lifetime expected credit losses have been recognized subsequently improves, and the requirement for recognizing lifetime expected credit losses is no longer met, the loss allowance is measured at an amount equal to 12 months expected credit losses at the current reporting period, except for assets for which simplified approach was used.

Entitas mengakui rugi penurunan nilai (pemulihan) dalam laba rugi untuk semua aset keuangan dengan penyesuaian yang sesuai dengan jumlah tercatatnya melalui akun penyisihan kerugian, kecuali untuk investasi dalam instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain, di mana penyisihan kerugian diakui dalam penghasilan komprehensif lain dan tidak mengurangi jumlah tercatat aset keuangan dalam laporan posisi keuangan.

The Entity recognizes impairment loss (reversals) in profit or loss for all financial assets with corresponding adjustment to their carrying amount through a loss allowance account, except for investment in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset in the statements of financial position.

Penghentian Pengakuan Aset dan Liabilitas Keuangan

Derecognition of Financial Assets and Financial Liabilities

Aset keuangan

Financial assets

Aset keuangan (atau mana yang lebih tepat, bagian dari aset keuangan atau bagian dari kelompok aset keuangan serupa) dihentikan pengakuannya pada saat: (1) hak untuk menerima arus kas yang berasal dari aset tersebut telah berakhir; atau (2) Entitas telah mengalihkan hak mereka untuk menerima arus kas yang berasal dari aset atau berkewajiban untuk membayar arus kas yang diterima secara penuh tanpa penundaan material kepada pihak ketiga dalam perjanjian *"pass-through"*; dan baik (a) Entitas telah secara substansial, mengalihkan seluruh risiko dan manfaat dari aset, atau (b) Entitas secara substansial tidak mengalihkan atau tidak memiliki seluruh risiko dan manfaat suatu aset, namun telah mengalihkan kendali atas aset tersebut.

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when: (1) the rights to receive cash flows from the asset have expired; or (2) the Entity has transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Entity has transferred substantially all the risks and rewards of the asset, or (b) the Entity has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

Liabilitas keuangan

Financial liability

Liabilitas keuangan dihentikan pengakuannya pada saat liabilitas tersebut berakhir atau dibatalkan atau kadaluwarsa.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Dalam hal suatu liabilitas keuangan yang ada digantikan oleh liabilitas keuangan lain dari pemberi pinjaman yang sama dengan persyaratan yang berbeda secara substansial atau modifikasi secara substansial atas persyaratan dari suatu liabilitas yang ada, pertukaran atau penghentian pengakuan liabilitas awal dan pengakuan liabilitas baru, dan selisih antara nilai tercatat masing-masing liabilitas diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of profit or loss and other comprehensive income.

Nilai Wajar Instrumen Keuangan

Fair Value of Financial Instruments

Entitas menilai instrumen keuangan, termasuk derivatif, sebesar nilai wajar pada setiap tanggal laporan posisi keuangan.

The Entity measures financial instruments, including derivatives, at fair value at each statements of financial position date.

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran. Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

- Di pasar utama untuk aset dan liabilitas tersebut, atau
- Jika tidak terdapat pasar utama, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

Entitas harus memiliki akses ke pasar utama atau pasar yang paling menguntungkan.

Nilai wajar aset atau liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset atau liabilitas tersebut, dengan asumsi bahwa pelaku pasar utamanya bertindak untuk kepentingan ekonomi terbaik mereka.

Pengukuran nilai wajar atas aset nonkeuangan memperhitungkan kemampuan pelaku pasar dalam menghasilkan manfaat ekonomi tertinggi dalam penggunaan aset atau dengan menjualnya kepada pelaku pasar lain yang akan menggunakan aset tersebut secara maksimal.

Entitas menggunakan teknik penilaian yang sesuai dengan keadaan dan dimana data memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan *input* yang dapat diobservasi yang relevan dan meminimalkan penggunaan *input* relevan yang tidak dapat diobservasi.

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan dapat dikategorikan pada level hirarki nilai wajar, sebagaimana dijelaskan di bawah ini, berdasarkan tingkatan *input* terendah yang signifikan atas pengukuran nilai wajar secara keseluruhan:

- Level 1 - Harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik;
- Level 2 - Teknik penilaian dimana *input* level terendah yang signifikan terhadap pengukuran nilai wajar yang dapat diobservasi baik secara langsung atau tidak langsung;
- Level 3 - Teknik penilaian dimana *input* level terendah yang signifikan terhadap pengukuran yang tidak dapat diobservasi.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- *In the principal market for the asset and liability, or*
- *In the absence of a principal market, in the most advantageous market for the asset or liability.*

The principal or the most advantageous market must be accessible to by the Entity.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economi benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;*
- *Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;*
- *Level 3 - Valuation techniques fo which the lowest level input that is significant to the fair value measurement is unobservable.*

Untuk aset dan liabilitas yang diakui sebesar nilai wajar dalam laporan keuangan secara berulang, Entitas menentukan apakah terjadi transfer antara level di dalam hirarki dengan cara mengevaluasi kategori (berdasarkan *input* level terendah yang signifikan dalam pengukuran nilai wajar secara keseluruhan) pada setiap akhir periode pelaporan.

Untuk tujuan pengungkapan nilai wajar, Entitas telah menentukan kategori aset dan liabilitas berdasarkan sifat, karakteristik, dan risiko dari aset atau liabilitas tersebut, dan level hirarki nilai wajar seperti dijelaskan di atas.

Penyesuaian Risiko Kredit

Entitas melakukan penyesuaian harga dalam kondisi pasar yang lebih menguntungkan untuk mencerminkan adanya perbedaan risiko kredit di pihak lawan antara instrumen yang diperdagangkan di pasar tersebut dengan instrumen yang sedang dinilai untuk posisi aset keuangan. Dalam menentukan nilai wajar liabilitas keuangan, risiko kredit Entitas terkait dengan instrumen harus diperhitungkan.

d. Transaksi dengan Pihak-pihak Berelasi

Entitas melakukan transaksi dengan pihak-pihak berelasi seperti yang dinyatakan dalam PSAK No. 224, mengenai "Pengungkapan Pihak-pihak Berelasi".

Pihak-pihak berelasi adalah orang atau entitas yang terkait dengan entitas pelapor:

(a) Orang atau anggota keluarga terdekat mempunyai relasi dengan entitas pelapor jika orang tersebut:
  (i) memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
  (ii) memiliki pengaruh signifikan atas entitas pelapor; atau
  (iii) personil manajemen kunci entitas pelapor atau entitas induk entitas pelapor.

For assets and liabilities that ar recognized at fair value in the financial statements on recurring basis, the Entity determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Entity have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Credit Risk Adjustment

The Entity adjusts the price in the more advantageous market to reflect any differences in counterparty credit risk between instruments traded in that market and the ones being valued for financial asset positions. In determining the fair value of financial liability positions, the Entity's own credit risk associated with the instrument is taken into account.

d. Transaction with Related Parties

The Entity has transactions with entities that are regarded as having special relationship as defined by PSAK No. 224, regarding "Related Parties Disclosures".

Related party represents a person or an entity who is related to the reporting entity:

(a) A person or a close member of the person's family is related to a reporting entity if that person:
  (i) has control or joint control over the reporting entity;
  (ii) has significant influence over the reporting entity; or
  (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut:
   (i) entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, berikutnya terkait dengan entitas lain);
   (ii) satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain tersebut adalah anggotanya);
   (iii) kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;
   (iv) satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;
   (v) entitas tersebut adalah suatu program imbalan paskakerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor;
   (vi) entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf (a);
   (vii) orang yang diidentifikasi dalam huruf (a) (i) memiliki pengaruh signifikan atas entitas atau personil manajemen kunci entitas (atau entitas induk dari entitas);
   (viii) entitas, atau anggota dari kelompok yang mana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personil manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor.

Seluruh saldo dan transaksi yang signifikan dengan pihak-pihak berelasi, baik yang dilakukan ataupun tidak dilakukan dengan persyaratan dan kondisi normal sebagaimana yang dilakukan dengan pihak ketiga, diungkapkan dalam catatan atas laporan keuangan.

(b) An entity is related to a reporting entity if any of the following conditions applies:
   (i) the entity's and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
   (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
   (iii) both entities are joint ventures of the same third party;
   (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
   (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
   (vi) the entity is controlled or jointly controlled by a person identified in (a);
   (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
   (viii) the entity, or any member of a group of which it is a part, provided key management personnel services to the reporting entity or to the parent of the reporting entity.

All balances and significant transactions with related parties, whether it is done or not done with the terms and conditions as those with third parties, are disclosed in the notes to the financial statements.

e. Kas dan Bank

Sesuai dengan PSAK No. 207, mengenai "Laporan Arus Kas", kas dan bank terdiri dari kas dan bank. Kas dan bank tidak digunakan sebagai jaminan atas liabilitas dan pinjaman lainnya dan tidak dibatasi penggunaannya.

e. Cash on Hand and in Banks

According to PSAK No. 207, regarding "Statements of Cash Flows", cash on hand and in banks consist of cash on hand and cash in bank. Cash on hand and in banks are not pledged as collaterals for liabilities and other loans and not restricted.

f. Persediaan

Sesuai dengan PSAK No. 202, mengenai "Persediaan", persediaan dinyatakan sebesar nilai yang lebih rendah antara harga perolehan atau nilai realisasi neto (*the lower of cost or net realizable value)*. Biaya perolehan ditentukan dengan metode rata-rata tertimbang *(weighted-average method)*.

Nilai realisasi neto merupakan estimasi harga jual dalam kegiatan usaha normal dikurangi estimasi biaya penyelesaian dan estimasi biaya yang diperlukan untuk membuat penjualan.

f. Inventories

According to PSAK No. 202, regarding "Inventories", inventories are stated at the lower of cost or net realizable value. Cost is determined using the weighted-average method.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

g. Biaya Dibayar di Muka

Biaya dibayar di muka dibebankan pada laba rugi tahun berjalan sesuai masa manfaat masing-masing biaya dengan menggunakan metode garis lurus (*straight-line method*).

g. Prepaid Expenses

Prepaid expenses are amortized over their beneficial periods by using the straight-line method.

h. Aset Tetap

Sesuai dengan PSAK No. 216, mengenai "Aset Tetap", aset tetap yang dimiliki untuk digunakan dalam produksi atau penyediaan barang atau jasa atau untuk tujuan administratif dicatat berdasarkan biaya perolehan setelah dikurangi akumulasi penyusutan dan akumulasi kerugian penurunan nilai.

Penyusutan dihitung dengan menggunakan metode garis lurus *(straight-line method)*. Umur ekonomis aset tetap adalah sebagai berikut:

h. Fixed Assets

According with PSAK No. 216, regarding "Fixed Assets", fixed assets held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed using the straight-line method. The useful lives of the fixed assets are as follows:

	Umur Ekonomis/*Useful Lives*	
Peralatan dan komputer	5	*Computer and equipment*
Perlengkapan dan *furniture*	5	*Furniture and fixture*
Kendaraan	5	*Vehicles*

Biaya perbaikan dan perawatan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya biaya-biaya tersebut. Sedangkan biaya-biaya yang berjumlah besar dan sifatnya meningkatkan kondisi aset secara signifikan dikapitalisasi.

Cost of repairs and maintenance is charged to the statements of profit or loss and other comprehensive income as incurred, significant renewals and betterments are capitalized.

Aset tetap yang sudah tidak digunakan lagi atau dijual, biaya perolehan serta akumulasi penyusutan dan amortisasi dikeluarkan dari kelompok aset tetap yang bersangkutan dan laba atau rugi yang terjadi dibukukan dalam laporan laba rugi dan penghasilan komprehensif lain pada tahun yang bersangkutan.

When assets are retired or otherwise disposed of, their carrying value and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to current statements of profit or loss and other comprehensive income.

i. Sewa

Sesuai dengan PSAK No. 116, mengenai "Sewa", Entitas mengakui hak aset sewa dan liabilitas sewa.

Sebagai Penyewa

Pada tanggal permulaan kontrak, Entitas menilai apakah kontrak merupakan, atau mengandung, sewa. Suatu kontrak merupakan atau mengandung sewa jika kontrak tersebut memberikan hak untuk mengendalikan penggunaan aset identifikasian selama suatu jangka waktu untuk dipertukarkan dengan imbalan.

Untuk menilai apakah kontrak memberikan hak untuk mengendalikan penggunaan aset identifikasian, Entitas harus menilai apakah:

- Entitas memiliki hak untuk mendapatkan secara subtansial seluruh manfaat ekonomi dari penggunaan aset identifikasian; dan

- Entitas memiliki hak untuk mengarahkan penggunaan aset identifikasian. Entitas memiliki hak ini ketika mereka memiliki hak untuk pengambilan keputusan yang relevan tentang bagaimana dan untuk tujuan apa aset digunakan telah ditentukan sebelumnya dan:
  1. Entitas memiliki hak untuk mengoperasikan aset;
  2. Entitas telah mendesain aset dengan cara menetapkan sebelumnya bagaimana dan untuk tujuan apa aset akan digunakan selama periode penggunaan.

Pada tanggal insepsi atau pada penilaian kembali atas kontrak yang mengandung sebuah komponen sewa, Entitas mengalokasikan imbalan dalam kontrak ke masing-masing komponen sewa berdasarkan harga tersendiri relatif dari komponen sewa dan harga tersendiri agregat dari komponen nonsewa. Namun, untuk sewa penunjang dimana Entitas bertindak sebagai penyewa, Entitas memutuskan untuk tidak memisahkan komponen nonsewa dan mencatat komponen sewa dan nonsewa tersebut sebagai satu komponen sewa.

i. Leases

According with PSAK No. 116, regarding "Leases", the Entity recognize leased assets and leased liabilities.

As a Lessee

At the inception of a contract, the Entity assesses whether the contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Entity shall assess whether:

- *The Entity has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and*
- *The Entity has the right to direct the use of the asset. The Entity has this right when they have the decision-making rights that are the most relevant to changing how and for what purpose the asset is used are predetermined and:*
  1. *The Entity has the right to operate the asset;*
  2. *The Entity has designed the asset in a way that predetermined how and for what purpose it will be used.*

At the inception or on reassessment of a contract that contains a lease component, the Entity allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices and the aggregate stand-alone price of the nonlease components. However, for the leases of improvements in which the Entity is a lessee, the Entity has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

i) Aset hak guna

Pada tanggal permulaan sewa, Entitas mengakui aset hak-guna. Aset hak-guna diukur pada biaya perolehan, dimana meliputi jumlah pengukuran awal liabilitas sewa yang disesuaikan dengan pembayaran sewa yang dilakukan pada atau sebelum tanggal permulaan, ditambah dengan biaya langsung awal yang dikeluarkan dan estimasi biaya yang akan dikeluarkan untuk membongkar dan memindahkan aset pendasar atau untuk merestorasi aset pendasar ke kondisi yang disyaratkan dan ketentuan sewa, dikurangi dengan insentif sewa yang diterima.

Aset hak-guna aset selanjutnya diukur sebesar biaya dikurangi akumulasi penyusutan dan kerugian penuruan nilai.

Aset hak-guna kemudian disusutkan menggunakan metode garis lurus dari tanggal permulaan hingga tanggal yang lebih awal antara akhir umur manfaat aset hak-guna atau akhir masa sewa selama 2-3 tahun untuk bangunan kantor.

Jika sewa mengalihkan kepemilikan aset pendasar kepada Entitas pada akhir masa sewa atau jika biaya perolehan aset hak-guna merefleksikan Entitas akan mengeksekusi opsi beli, maka Entitas menyusutkan aset hak-guna dari tanggal permulaan hingga akhir umur manfaat aset pendasar. Jika tidak, maka Entitas menyusutkan aset hak-guna dari tanggal permulaan hingga tanggal yang lebih awal antara akhir umur manfaat aset hak-guna atau akhir masa sewa.

Entitas menerapkan PSAK No. 236 untuk menentukan apakah aset hak-guna mengalami penurunan nilai dan mencatat kerugian penurunan nilai yang teridentifikasi sebagaimana dijelaskan dalam kebijakan aset penurunan nilai

Ketika suatu kontrak mencakup komponen sewa dan non-sewa, Entitas menerapkan PSAK No. 115 untuk mengalokasikan imbalan berdasarkan kontrak bagi setiap komponen.

i) Right-of-use assets

The Entity recognizes a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial measurementof the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to be incurred in dismantling and removing the underlying asset or to restore the underlying asset to the conditions required by the terms and conditions of the lease, less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term which is 2-3 years for the office building.

If the lease transfers ownership of the underlying asset to the Entity by the end of the lease term or if the cost of the right-of-use asset reflects that the Entity will exercise a purchase option, the Entity depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Entity depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Entity applies PSAK No. 236 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the impairment of assets policy.

When a contract includes lease and non-lease components, the Entity applies PSAK No. 115 to allocate the consideration under the contract to each component.

ii) Liabilitas sewa

Liabilitas sewa diukur pada nilai kini pembayaran sewa yang belum dibayar pada tanggal permulaan, didiskontokan dengan menggunakan suku bunga implisit dalam sewa atau jika suku bunga tersebut tidak dapat ditentukan, maka menggunakan suku bunga pinjaman inkremental. Pada umumnya, Entitas menggunakan suku bunga pinjaman inkremental sebagai tingkat bunga diskonto.

Pembayaran sewa yang diperhitungkan dalam pengukuran liabilitas sewa meliputi:

- pembayaran tetap, termasuk pembayaran tetap secara substansi dikurangi dengan piutang insentif sewa;
- pembayaran sewa variabel yang bergantung pada indeks atau suku bunga yang pada awalnya diukur dengan menggunakan indeks atau suku bunga pada tanggal permulaan;
- jumlah yang diperkirakan akan dibayarkan oleh penyewa dengan jaminan nilai residual;
- harga eksekusi opsi beli jika Entitas cukup pasti untuk mengeksekusi opsi tersebut; dan
- pembayaran penalti karena penghentian sewa, jika masa sewa merefleksikan penyewa mengeksekusi opsi untuk menghentikan sewa.

Pembayaran sewa dialokasikan menjadi bagian pokok dan biaya keuangan. Biaya keuangan dibebankan pada laba rugi selama periode sewa sehingga menghasilkan tingkat suku bunga periodik yang konstan atas saldo liabilitas untuk setiap periode menggunakan metode suku bunga efektif.

Entitas menyajikan "Aset Hak-Guna" sebagai bagian dari aset tetap dan "Liabilitas Sewa" terpisah di dalam laporan posisi keuangan.

Sewa Jangka Pendek

Entitas memutuskan untuk tidak mengakui aset hak-guna dan liabilitas sewa untuk sewa jangka pendek yang memiliki masa sewa 12 bulan atau kurang dan sewa yang asset pendasarnya benilai-rendah.

ii) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if that rate cannot be readily determined, using incremental borrowing rate. Generally, the Entity uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise:

- *fixed payments (including in-substance fixed payments) less any lease incentives receivable;*
- *variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;*
- *amounts expected to be payable under a residual value guarantees;*
- *the exercise price of a purchase option if the Entity are reasonably certain to exercise that options; and*
- *payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.*

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period using the effective interest method.

The Entity presents "Right-of-Use Assets" as part of fixed assets and "Lease liabilities" are presented separately in the statements of financial position.

Short-term Leases

The Entity has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets.

Entitas mengakui pembayaran sewa atas sewa tersebut sebagai beban dengan dasar garis lurus selama masa sewa kecuali dasar sistematis lainnya lebih merepresentasikan pola konsumsi manfaat penyewa dari aset sewa.

Modifikasi Sewa

Entitas mencatat modifikasi sewa sebagai sewa terpisah jika:
- modifikasi meningkatkan ruang lingkup sewa dengan menambahkan hak untuk menggunakan satu aset pendasar atau lebih; dan
- imbalan sewa meningkat sebesar jumlah yang setara dengan harga tersendiri untuk peningkatan dalam ruang lingkup dan penyesuaian yang tepat pada harga tersendiri tersebut untuk merefleksikan kondisi kontrak tertentu.

Untuk modifikasi sewa yang tidak dicatat sebagai sewa terpisah, pada tanggal efektif modifikasi sewa, Entitas:
- mengukur kembali dan mengalokasikan imbalan kontrak modifikasian;
- menentukan masa sewa dari sewa modifikasian;
- mengukur kembali liabilitas sewa dengan mendiskontokan pembayaran sewa revisian menggunakan tingkat diskonto revisian berdasarkan sisa umur sewa dan sisa pembayaran sewa dengan melakukan penyesuaian terhadap aset hak-guna. Tingkat diskonto revisian ditentukan sebagai suku bunga pinjaman inkremental Entitas pada tanggal efektif modifikasi;
- menurunkan jumlah tercatat aset hak-guna untuk merefleksikan penghentian sebagian atau sepenuhnya sewa untuk modifikasi sewa yang menurunkan ruang lingkup sewa. Entitas mengakui dalam laba rugi setiap laba rugi yang terkait dengan penghentian sebagian atau sepenuhnya sewa tersebut; dan
- membuat penyesuaian terkait dengan aset hak-guna untuk seluruh modifikasi sewa lainnya.

Sewa variabel yang tidak bergantung pada indeks atau suku bunga tidak diperhitungkan dalam pengukuran liabilitas sewa dan aset hak guna. Pembayaran terkait diakui sebagai beban dalam periode di mana peristiwa atau kondisi yang memicu pembayaran tersebut terjadi dan dicatat dalam pos "Beban Umum dan Administrasi" dalam laporan laba rugi dan penghasilan komprehensif lain.

The Entity recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease Modification

The Entity accounts for a lease modification as a separate lease if both:
- *the modification increases the scope of the lease by adding the right to use one or more underlying assets; and*
- *the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.*

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Entity:
- *remeasures and allocates the consideration in the modified contract;*
- *determines the lease term of the modified lease;*
- *remeasures the lease liability by discounting the revised lease payments using a revised discount rate on the basis of the remaining lease term and the remaining lease payment with a corresponding adjustment to the right-of-use assets. The revised discount rate is determined as the Entity's incremental borrowing rate at the effective date of the modification;*
- *decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Entity recognizes any gain or loss relating to the partial or full termination of the lease in profit or loss; and*
- *make a corresponding adjustment to the right-of-use asset for all other lease modifications.*

Variable rents that do not depend on an index or rate are not included in the measurements of the lease liability and the right-of-use asset. The related payments are recognized as an expense inthe period in which the event or condition that triggers those payments occur and are included in the line "General and Administrative Expenses" in the statement of profit or loss and other comprehensive income.

j. Penurunan Nilai Aset Non-Keuangan, Kecuali *Goodwill*

Sesuai dengan PSAK No. 236, mengenai "Penurunan Nilai Aset", pada tanggal laporan posisi keuangan, Entitas menelaah nilai tercatat aset non-keuangan, kecuali *goodwill* untuk menentukan apakah terdapat indikasi bahwa aset tersebut telah mengalami penurunan nilai. Jika terdapat indikasi tersebut, nilai yang dapat dipulihkan kembali dari aset diestimasi untuk menentukan tingkat kerugian penurunan nilai (jika ada). Bila tidak memungkinkan untuk mengestimasi nilai yang dapat dipulihkan kembali atas suatu aset individu, Entitas mengestimasi nilai yang dapat diperoleh kembali dari unit penghasil kas atas aset.

Perkiraan jumlah yang dapat dipulihkan kembali adalah nilai tertinggi antara nilai wajar dikurangi biaya untuk menjual neto atau nilai pakai. Jika jumlah yang dapat dipulihkan kembali dari aset non-keuangan (unit penghasil kas) kurang dari nilai tercatatnya, nilai tercatat aset (unit penghasil kas) dikurangi menjadi sebesar nilai yang dapat dipulihkan kembali dan rugi penurunan nilai diakui langsung ke laporan laba rugi dan penghasilan komprehensif lain.

j. Impairment in Non-Financial Assets, Except Goodwill

According to PSAK No. 236, regarding "Impairment of Assets", at statement of financial position dates, the Entity reviews the carrying amount of non-financial assets, except goodwill to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash generating unit to which the asset belongs.

Estimated recoverable amount is the higher of fair value less costs to sell or value in use. If the recoverable amount of a non-financial asset (cash generating unit) is less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized immediately in the statements of profit or loss and other comprehensive income.

k. Liabilitas Diestimasi atas Imbalan Kerja

Entitas memiliki program imbalan pasti. Program imbalan pasti adalah program pensiun yang bukan merupakan program iuran pasti. Pada umumnya, program imbalan pasti ditentukan berdasarkan jumlah imbalan pensiun yang akan diterima seorang pekerja pada saat pensiun, biasanya tergantung oleh satu faktor atau lebih, sebagai contoh usia, masa bekerja dan kompensasi.

Sehubungan dengan program imbalan pasti, liabilitas diakui pada laporan posisi keuangan sebesar nilai kini kewajiban imbalan pasti pada akhir periode pelaporan dikurangi nilai wajar aset program. Kewajiban imbalan pasti dihitung setiap tahun oleh aktuaris independen dengan menggunakan metode *projected unit credit*. Nilai kini kewajiban imbalan pasti ditentukan dengan mendiskontokan arus kas keluar yang diestimasi dengan menggunakan tingkat bunga Obligasi Pemerintah (dikarenakan saat ini tidak ada pasar aktif untuk obligasi perusahaan yang berkualitas tinggi) yang didenominasikan dalam mata uang dimana imbalan akan dibayarkan dan memiliki jangka waktu jatuh tempo mendekati jangka waktu kewajiban pensiun.

k. Estimated Liabilities for Employee Benefits

The Entity have defined benefit plans. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government Bonds (considering currently there is no deep market for high-quality corporate bonds) that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Biaya bunga bersih dihitung dengan menerapkan tingkat diskonto terhadap saldo bersih kewajiban imbalan pasti dan nilai wajar aset program. Biaya ini termasuk dalam beban imbalan kerja dalam laporan laba rugi dan penghasilan komprehensif lain.

Keuntungan dan kerugian atas pengukuran kembali yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial langsung diakui seluruhnya melalui penghasilan komprehensif lain pada saat terjadinya. Keuntungan dan kerugian ini termasuk di dalam laba ditahan pada laporan perubahan ekuitas dan pada laporan posisi keuangan.

Perubahan nilai kini atas kewajiban imbalan pasti yang timbul dari amendemen rencana atau pembatasan langsung diakui dalam laporan laba rugi dan penghasilan komprehensif lain sebagai biaya jasa lalu.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss and other comprehensive income.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in in the statement of profit or loss and other comprehensive income as past service costs.

l. Pendapatan dari Kontrak dengan Pelanggan dan Beban

Entitas telah menerapkan PSAK No. 115 yang membutuhkan pengakuan pendapatan untuk memenuhi 5 langkah analisa sebagai berikut:

1. Identifikasi kontrak dengan pelanggan.
2. Identifikasi kewajiban pelaksanaan dalam kontrak. Kewajiban pelaksanaan merupakan janji-janji dalam kontrak untuk menyerahkan barang atau jasa yang memiliki karakteristik berbeda ke pelanggan.
3. Penetapan harga transaksi. Harga transaksi merupakan jumlah imbalan yang berhak diperoleh suatu entitas sebagai kompensasi atas diserahkannya barang atau jasa yang dijanjikan ke pelanggan. Jika imbalan yang dijanjikan di kontrak mengandung suatu jumlah yang bersifat variabel, maka Entitas membuat estimasi jumlah imbalan tersebut sebesar jumlah yang diharapkan berhak diterima atas diserahkannya barang atau jasa yang dijanjikan ke pelanggan dikurangi dengan estimasi jumlah jaminan kinerja jasa yang akan dibayarkan selama periode kontrak.
4. Alokasi harga transaksi ke setiap kewajiban pelaksanaan dengan menggunakan dasar harga jual berdiri sendiri relatif dari setiap barang atau jasa berbeda yang dijanjikan di kontrak. Ketika tidak dapat diamati secara langsung, harga jual berdiri sendiri relatif diperkirakan berdasarkan biaya yang diharapkan ditambah marjin.

l. Revenue from Contracts with Customer and Expenses

The Entity has applied PSAK No. 115 which requires revenue recognition to fulfill 5 steps of assessment:

1. *Identify contract(s) with a customer.*
2. *Identify the performance obligations in the contract. Performance obligations are promises in a contract that transfer to a customer goods or services that are distinct.*
3. *Determine the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, the Entity estimates the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer less the estimated amount of service level guarantee which will be paid during the contract period.*
4. *Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct goods or services promised in the contract. Where these are not directly observable, the relative standalone selling price are estimated based on expected cost plus margin.*

5. Pengakuan pendapatan ketika kewajiban pelaksanaan telah dipenuhi dengan menyerahkan barang atau jasa yang dijanjikan ke pelanggan (ketika pelanggan telah memiliki kendali atas barang atau jasa tersebut).

Kewajiban pelaksanaan dapat dipenuhi dengan cara sebagai berikut:

a. Suatu titik waktu (umumnya janji untuk menyerahkan barang ke pelanggan); atau
b. Suatu periode waktu (umumnya janji untuk menyerahkan jasa ke pelanggan). Untuk kewajiban pelaksanaan yang dipenuhi dalam suatu periode waktu, Entitas memilih ukuran penyelesaian yang sesuai untuk penentuan jumlah pendapatan yang harus diakui karena telah terpenuhinya kewajiban pelaksanaan.

Pembayaran harga transaksi berbeda untuk setiap kontrak. Aset kontrak diakui ketika jumlah penerimaan dari pelanggan kurang dari saldo kewajiban pelaksanaan yang telah dipenuhi. Kewajiban kontrak diakui ketika jumlah penerimaan dari pelanggan lebih dari saldo kewajiban pelaksanaan yang telah dipenuhi.

Penjualan Barang Dagang

Pendapatan dari kontrak atas penyediaan jasa diakui dengan acuan pada tingkat penyelesaian berdasarkan kontrak.

Pendapatan Bunga

Pendapatan bunga diakrual berdasarkan waktu terjadinya dengan acuan jumlah pokok terutang dan tingkat bunga yang berlaku.

Beban

Biaya dan beban adalah penurunan manfaat ekonomi selama periode akuntansi dalam bentuk arus keluar atau penurunan aset atau timbulnya kewajiban yang mengakibatkan penurunan ekuitas, selain yang berkaitan dengan distribusi kepada peserta ekuitas. Beban diakui pada saat terjadinya.

5. Recognize revenue when performance obligation is satisfied by transferring a promised goods or services to a customer (which is when the customer obtains control of that goods or services).

A performance obligation may be satisfied at the following:

a. A point in time (typically for promises to transfer goods to a customer); or
b. Over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, the Entity select an appropriate measure of progress to determine the amount of revenue that should be recognized as the performance obligation is satisfied.

Payment of the transaction price differs for each contracts. A contract asset is recognized once the consideration paid by customer is less than the balance of performance obligation which has been satisfied. A contract liability is recognized once the consideration paid by customer is more than the balance of performance obligation which has been satisfied.

Sale of Goods

Revenue from contract to provide services was recognized by reference to the percentage of completion of the contract.

Interest Income

Interest income is accrued on in time basis, by reference to the outstanding principal and at the applicable interest rate.

Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are recognized when incurred.

m. Transaksi dan Saldo dalam Mata Uang Asing

Transaksi-transaksi dalam mata uang asing dijabarkan dalam mata uang Rupiah dengan menggunakan kurs yang berlaku pada saat transaksi dilakukan, pada tanggal laporan posisi keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan dalam mata uang Rupiah dengan mempergunakan kurs tengah Bank Indonesia yang berlaku pada tanggal tersebut.

Keuntungan atau kerugian yang timbul sebagai akibat dari penjabaran aset dan liabilitas dalam mata uang asing dicatat pada laporan laba atau rugi dan penghasilan komprehensif lain pada tahun yang bersangkutan. Kurs tengah Bank Indonesia pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

m. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded in Rupiah amounts at the rates of exchange prevailing at the time the transactions are made, at statements of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to Rupiah to reflect the prevailing rates of exchange as published by Bank Indonesia.

Any resulting gains or losses are charged to current year statements of profit or loss and other comptrehensive income. The Bank Indonesia middle rates of exchange as of December 31, 2024 and 2023 are as follows:

	2024	2023	
US$, Dolar Amerika Serikat	16.162	15.416	*US$, United States Dollar*
SGD$, Dolar Singapura	11.919	11.712	*SGD$, Singapore Dollar*
AED 1, Uni Emirat Arab Dirham	4.386	4.195	*AED 1, Uni Emirat Arab Dirham*
MYR 1, Malaysian Ringgit	3.616	3.342	*MYR 1, Malaysian Ringgit*
THB 1, Thailand Baht	476	452	*THB 1, Thailand Baht*
INR 1, India Rupee	188	185	*INR 1, India Rupee*

n. Pajak Penghasilan

Entitas menerapkan PSAK No. 212, mengenai "Pajak Penghasilan", yang mengharuskan Entitas untuk memperhitungkan konsekuensi pajak kini dan pajak masa depan atas pemulihan di masa depan (penyelesaian) dari jumlah tercatat aset (liabilitas) yang diakui dalam laporan posisi keuangan, dan transaksi-transaksi serta peristiwa lain yang terjadi dalam tahun berjalan yang diakui dalam laporan keuangan.

Beban pajak kini ditetapkan berdasarkan taksiran penghasilan kena pajak tahun berjalan. Aset dan liabilitas pajak tangguhan diakui atas perbedaan temporer antara aset dan liabilitas untuk tujuan komersial dan untuk tujuan perpajakan setiap tanggal pelaporan. Manfaat pajak di masa mendatang, seperti nilai terbawa atas saldo rugi fiskal yang belum digunakan, jika ada, juga diakui sejauh realisasi atas manfaat pajak tersebut dimungkinkan.

Aset dan liabilitas pajak tangguhan diukur pada tarif pajak yang diharapkan akan digunakan pada tahun ketika aset direalisasi atau ketika liabilitas dilunasi berdasarkan tarif pajak (dan peraturan perpajakan) yang berlaku atau secara substansial telah diberlakukan pada tanggal laporan posisi keuangan.

n. Income Tax

The Entity adopted PSAK No. 212, regarding "Income Taxes", which requires the Entity to account for the tax consequences of current and future taxes over the future recovery (settlement) of the carrying amount of assets (liabilities) recognized in the statement of financial position and transactions as well as other events that occurred in the current year are recognized in the financial statements.

Current tax expense is based on estimated taxable income for the year. Deferred tax assets and liabilities are recognized for temporary differences between assets and liabilities for commercial purposes and the tax bases of each reporting date. Future tax benefits, such as the value carried on the balance of unused tax losses, if any, is also recognized to the extent the realization of such benefits is possible.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statements of financial position date.

Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

Perubahan terhadap liabilitas perpajakan diakui pada saat penetapan pajak diterima atau jika Entitas mengajukan keberatan, pada saat keputusan atas keberatan telah ditetapkan.

Changes in the carrying amount of deferred tax assets and liabilities due to changes in tax rates charged to the current year, except for transactions that previously charged or credited to equity.

Changes to tax liabilities are recognized when the tax assessment is received or if the Entity appealed against, when the results of objection has been set.

3. PENGGUNAAN PERTIMBANGAN, ESTIMASI DAN ASUMSI MATERIAL

Penyusunan laporan keuangan mengharuskan manajemen untuk membuat taksiran dan asumsi yang mempengaruhi jumlah aset dan liabilitas dan pengungkapan aset dan liabilitas kontinjensi pada tanggal laporan keuangan serta jumlah pendapatan dan beban yang dilaporkan selama periode pelaporan. Hasil aktual dapat berbeda dari taksiran tersebut.

Estimasi dan Asumsi

Estimasi dan asumsi yang memiliki pengaruh material terhadap jumlah tercatat aset dan liabilitas adalah sebagai berikut:

a. Estimasi Provisi Kerugian Kredit Ekspektasian dari Piutang Usaha

Tingkat provisi yang spesifik dievaluasi oleh manajemen dengan dasar faktor-faktor yang memengaruhi tingkat tertagihnya piutang tersebut. Dalam kasus ini, Entitas menggunakan pertimbangan berdasarkan fakta dan kondisi terbaik yang tersedia meliputi tetapi tidak terbatas pada jangka waktu hubungan Entitas dengan pelanggan dan status kredit pelanggan berdasarkan laporan dari pihak ketiga dan faktor-faktor pasar yang telah diketahui, untuk mencatat pencadangan spesifik untuk pelanggan terhadap jumlah jatuh tempo untuk mengurangi piutang Entitas menjadi jumlah yang diharapkan tertagih.

Pencadangan secara spesifik ini dievaluasi kembali dan disesuaikan jika terdapat informasi tambahan yang diterima yang mempengaruhi jumlah yang diestimasikan.

3. USE OF MATERIAL JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make estimations and assumptions that affect assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could be different from these estimations.

Estimates and Assumptions

The estimates and assumptions that have a material effect on the carrying amounts of assets and liabilities are as follows:

a. Estimating Provision for Expected Credit Losses of Trade Receivables

The level of a specific provision is evaluated by management on the basis of factors that affect the collectibility of the accounts. In these cases, the Entity uses judgement based on the best available facts and circumstances, including but not limited to, the length of the Entity's relationship with the customers and customers' credits status based on third-party credit reports and known market factors, to record specific reserves for customers against amounts due in order to reduce the Entity's receivables to amounts that they expect to collect.

These specific reserves are re-evaluated and adjusted as additional information received affects the amounts estimated.

Selain provisi khusus terhadap piutang yang signifikan secara individual, Entitas juga mengakui provisi penurunan nilai secara kolektif terhadap risiko kredit debitur yang dikelompokkan berdasarkan karakteristik kredit yang sama, dan meskipun tidak secara spesifik diidentifikasi membutuhkan provisi khusus, memiliki risiko gagal bayar lebih tinggi daripada ketika piutang pada awalnya diberikan kepada debitur.

In addition to specific provision against individually significant receivables, the Entity also recognizes a collective impairment provision against credit exposure of its debtors which are grouped based on common credit characteristics, and although not specifically identified as requiring a specific provision, have a greater risk of default than when the receivables were originally granted to the debitors.

Entitas menerapkan pendekatan yang disederhanakan untuk mengukur kerugian kredit ekspektasian yang menggunakan cadangan kerugian kredit ekspektasian sepanjang umurnya untuk seluruh piutang usaha. Dalam penentuan kerugian kredit ekspektasian, manajemen diharuskan untuk menggunakan pertimbangan dalam mendefinisikan hal apa yang dianggap sebagai kenaikan risiko kredit yang signifikan dan dalam pembuatan asumsi dan estimasi, untuk menghubungkan informasi yang relevan tentang kejadian masa lalu, kondisi terkini dan perkiraan atas kondisi ekonomi. Pertimbangan diaplikasikan dalam menentukan periode sepanjang umurnya dan titik pengakuan awal piutang.

The Entity applies simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. In determining expected credit losses, management is required to excercise judgement in defining what is considered to be a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions. Judgement has been applied in determining the lifetime and point of initial recognition of receivables.

b. Penyusutan Aset Tetap

b. *Depreciation of Fixed Assets*

Manajemen Entitas melakukan penelaahan berkala atas masa manfaat aset tetap berdasarkan faktor-faktor seperti kondisi teknis dan perkembangan teknologi di masa depan.

The Entity's management reviews periodically the estimated useful lives of fixed assets on factors such as technical specification and future technological developments.

Manajemen akan menyesuaikan beban penyusutan jika masa manfaatnya berbeda dari estimasi sebelumnya atau manajemen akan menghapus bukukan atau melakukan penurunan nilai atas aset yang secara teknis telah usang atau aset non-strategis yang dihentikan penggunaannya atau dijual.

Management will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write down assets which are technically obsolete or non-strategic assets that have been abandoned or sold.

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap adalah 5 tahun. Umur masa manfaat ini adalah umur yang secara umum diharapkan dalam industri di mana Entitas menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi.

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these fixed assets are 5 years. These are common life expectancies applied in the industries where the Entity conducts its business. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

c. Imbalan Kerja

Nilai kini liabilitas imbalan kerja tergantung pada sejumlah faktor yang ditentukan dengan menggunakan asumsi aktuaria. Asumsi yang digunakan dalam menentukan biaya bersih untuk pensiun termasuk tingkat pengembalian jangka panjang yang diharapkan atas aset program dan tingkat diskonto yang relevan. Setiap perubahan dalam asumsi ini akan berdampak pada nilai tercatat liabilitas imbalan kerja.

Asumsi penting lainnya untuk liabilitas imbalan kerja sebagian didasarkan pada kondisi pasar saat ini.

d. Penurunan Nilai Aset Non-Keuangan, Kecuali *Goodwill*

Pada setiap akhir periode pelaporan, Entitas menelaah nilai tercatat aset non-keuangan, kecuali *goodwill* untuk menentukan apakah terdapat indikasi bahwa aset tersebut telah mengalami penurunan nilai. Jika terdapat indikasi tersebut, nilai yang dapat diperoleh kembali dari aset diestimasi untuk menentukan tingkat kerugian penurunan nilai (jika ada).

Bila tidak memungkinkan untuk mengestimasi nilai yang dapat diperoleh kembali atas suatu aset individu, Entitas mengestimasi nilai yang dapat diperoleh kembali dari unit penghasil kas atas aset.

Perkiraan jumlah yang dapat diperoleh kembali adalah nilai tertinggi antara nilai wajar dikurangi biaya untuk menjual dan nilai pakai. Dalam menilai nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai kini menggunakan tingkat diskonto sebelum pajak yang menggambarkan penilaian pasar kini dari nilai waktu uang dan risiko spesifik atas aset yang mana estimasi arus kas masa depan belum disesuaikan.

Jika jumlah yang dapat diperoleh kembali dari aset non-keuangan (unit penghasil kas) kurang dari nilai tercatatnya, nilai tercatat aset (unit penghasil kas) dikurangi menjadi sebesar nilai yang dapat diperoleh kembali dan rugi penurunan nilai diakui langsung ke laba rugi.

e. Pengukuran Nilai Wajar

Sejumlah aset dan liabilitas yang termasuk ke dalam laporan keuangan Entitas memerlukan pengukuran, dan/atau pengungkapan atas nilai wajar.

c. Employee Benefits

The present value of the employee benefits obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the expected long-term rate of return on the relevant plan assets and the discount rate. Any changes in these assumptions will impact the carrying amount of employee benefits obligation.

Other key assumptions for employee benefits obligation are based in part on current market conditions.

d. Impairment loss of Non-Financial Assets, Except Goodwill

At the end of each reporting period, the Entity reviews the carrying amount of non-financial assets, except goodwill to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash generating unit to which the asset belongs.

Estimated recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the non-financial asset (cash generating unit) is less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized immediately against earnings.

e. Fair Value Measurement

A number of assets and liabilities included in the Entity's financial statements require measurement at, and/or disclosure of fair value.

Pengukuran nilai wajar aset dan liabilitas keuangan dan non-keuangan Entitas memanfaatkan pasar *input* dan data yang dapat diobservasi sedapat mungkin. *Input* yang digunakan dalam menentukan pengukuran nilai wajar dikategorikan ke dalam level yang berbeda berdasarkan pada bagaimana *input* dapat diobservasi yang digunakan dalam teknik penilaian yang digunakan (hirarki nilai wajar):

- Level 1: Harga kuotasi di pasar aktif untuk item yang serupa (tidak disesuaikan).
- Level 2: Teknik penilaian untuk *input* yang dapat diamati langsung atau tidak langsung selain *input* level 1.
- Level 3: Teknik penilaian untuk *input* yang tidak dapat diobservasi (yaitu tidak berasal dari data pasar).

Klasifikasi item menjadi level di atas didasarkan pada tingkat terendah dari *input* yang digunakan yang memiliki efek signifikan pada pengukuran nilai wajar item tersebut. Transfer item antar level diakui pada periode saat terjadinya.

Jika nilai wajar dari aset keuangan dan liabilitas keuangan yang dicatat dalam laporan posisi keuangan tidak dapat diukur berdasarkan harga kuotasian di pasar aktif, maka nilai wajarnya diukur dengan menggunakan teknik penilaian termasuk model arus kas yang didiskontokan. Masukan untuk model ini diambil dari pasar yang dapat diobservasi jika memungkinkan, tetapi jika tidak memungkinkan, diperlukan tingkat pertimbangan dalam menetapkan nilai wajar. Pertimbangan termasuk pertimbangan input seperti risiko likuiditas, risiko kredit dan volatilitas. Perubahan asumsi terkait faktor-faktor tersebut dapat mempengaruhi nilai wajar instrumen keuangan yang dilaporkan.

The fair value measurement of the Entity's financial and non-financial assets and liabilities utilize market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are (the fair value hierarchy):

- *Level 1: Quoted prices in active markets for identical items (unadjusted).*
- *Level 2: Valuation techniques for observable direct or indirect inputs other than level 1 inputs.*
- *Level 3: Valuation techniques for unobservable inputs (i.e. not derived from market data).*

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

When the fair value of financial assets and financial liabilities recorded in the statements of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including discounted cash flow model. The inputs to these model are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgement include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

f. Pemulihan dari Aset Pajak Tangguhan

Entitas melakukan penelaahan atas nilai tercatat aset pajak tangguhan pada setiap akhir periode pelaporan dan mengurangi nilai tersebut sampai tidak lagi memungkinkan di mana penghasilan kena pajak akan tersedia untuk penggunaan seluruh atau sebagian dari aset pajak tangguhan tersebut. Penelaahan Entitas atas pengakuan aset pajak tangguhan untuk perbedaan temporer yang dapat dikurangkan dan rugi fiskal yang masih dapat dimanfaatkan didasarkan atas tingkat dan waktu dari penghasilan kena pajak yang ditaksirkan untuk periode pelaporan berikutnya.

f. Recoverability of Deferred Tax Assets

The Entity reviews the carrying amounts of deferred tax assets at the end of each reporting period and reduces these to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. The Entity's assessment on the recognition of deferred tax assets on deductible temporary differences and tax loss carried forward are based on the level and timing of forecasted taxable income of the subsequent reporting period.

Taksiran ini berdasarkan hasil pencapaian Entitas di masa lalu dan ekspektasi di masa depan terhadap pendapatan dan beban, sebagaimana juga dengan strategi perencanaan perpajakan di masa depan.

This forecast is based on the Entity's past results and future expectations on revenues and expenses as well as future tax planning strategies.

Namun, tidak terdapat kepastian bahwa Entitas dapat menghasilkan penghasilan kena pajak yang cukup untuk memungkinkan penggunaan sebagian atau seluruh bagian dari aset pajak tangguhan tersebut.

However, there is no assurance that the Entity will generate sufficient taxable income to allow all or part of the deferred tax assets to be utilized.

g. Ketidakpastian Kewajiban Perpajakan

g. *Uncertain Tax Exposure*

Dalam situasi tertentu, Entitas tidak dapat menentukan secara pasti jumlah utang pajak kini atau masa mendatang atau jumlah klaim restitusi pajak yang dapat terpulihkan karena proses pemeriksaan yang masih berlangsung atau negosiasi dengan otoritas perpajakan.

In certain circumstances, the Entity may not be able to determine the exact amount oftheir current or future tax liabilities or recoverable amount of the claim for tax refund due to ongoing investigation by, or negotiation with, the taxation authority.

Ketidakpastian timbul terkait dengan interpretasi dari peraturan perpajakan yang kompleks dan jumlah dan waktu dari penghasilan kena pajak di masa depan.

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income.

Dalam menentukan jumlah yang harus diakui terkait dengan utang pajak yang tidak pasti atau klaim restitusi pajak yang dapat terpulihkan terkait dengan ketidakpastian posisi perpajakan, Entitas menerapkan pertimbangan yang sama yang akan digunakan dalam menentukan jumlah provisi yang harus diakui sesuai dengan PSAK No. 237, mengenai "Provisi, Liabilitas Kontinjensi dan Aset Kontinjensi" dan PSAK No. 212, mengenai "Pajak Penghasilan".

In determining the amount to be recognized in respect of an uncertain tax liability or the recoverable amount of the claim for tax refund related to uncertain tax positions, the Entity applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK No. 237, regarding "Provisions, Contingent Liabilities and Contingent Assets" and PSAK No. 212, regarding "Income Taxes".

Entitas membuat analisa untuk semua ketidakpastian posisi perpajakan untuk menentukan jika utang pajak atas manfaat pajak yang tidak pasti atau cadangan atas klaim restitusi pajak yang tidak dapat terpulihkan harus diakui.

The Entity makes an analysis of all uncertain tax positions to determine if a tax liability for uncertain tax benefit or a provision for unrecoverable claim for tax refund should be recognized.

Entitas mencatat bunga dan denda atas pajak penghasilan kurang bayar, jika ada, pada beban pajak penghasilan di dalam laporan laba rugi dan penghasilan komprehensif lain.

The Entity presents interest and penalties for the underpayment of income tax, if any, in income tax expense in the statement profit or loss and other comprehensive income.

Pertimbangan Akuntansi Penting dalam Penerapan Kebijakan Akuntansi Entitas

Dalam proses penerapan kebijakan akuntansi Entitas, manajemen telah membuat pertimbangan yang terpisah dari estimasi dan asumsi, yang memiliki pengaruh paling material terhadap jumlah yang dicatat dalam laporan keuangan:

a. Penilaian Model Bisnis

Klasifikasi dan pengukuran aset keuangan tergantung pada hasil model bisnis dan hanya untuk pembayaran pokok dan bunga. Entitas menentukan model bisnis pada tingkat yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama untuk mencapai tujuan bisnis tertentu. Penilaian ini mencakup penilaian yang mencerminkan semua bukti yang relevan termasuk bagaimana kinerja aset dievaluasi dan kinerja mereka diukur, risiko yang mempengaruhi kinerja aset dan bagaimana ini dikelola dan bagaimana manajer aset dikompensasi. Entitas memantau aset keuangan yang diukur pada biaya perolehan diamortisasi atau aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain yang dihentikan pengakuannya sebelum jatuh tempo untuk memahami alasan pelepasannya dan apakah alasannya konsisten dengan tujuan bisnis tempat aset itu dimiliki.

Pemantauan adalah bagian dari penilaian berkelanjutan Entitas mengenai apakah model bisnis yang dimiliki oleh aset keuangan yang tersisa terus sesuai dan jika tidak tepat apakah telah ada perubahan dalam model bisnis dan perubahan prospektif ke arah klasifikasi aset tersebut. Tidak ada perubahan yang diperlukan selama periode yang disajikan.

b. Peningkatan Risiko Kredit yang Signifikan

Kerugian Kredit Ekspetasian (KKE) diukur sebagai penyisihan yang setara dengan KKE 12 bulan untuk aset tahap 1, atau KKE sepanjang umurnya untuk aset tahap 2 atau tahap 3. Sebuah aset bergerak ke tahap 2 ketika risiko kredit telah meningkat secara signifikan sejak pengakuan awal. PSAK No. 109 tidak menjelaskan apa yang merupakan peningkatan risiko kredit yang signifikan. Dalam menilai apakah risiko kredit suatu aset telah meningkat secara signifikan, Entitas memperhitungkan informasi berwawasan ke depan yang wajar dan dapat didukung secara kualitatif dan kuantitatif. Manajemen menilai tidak terdapat peningkatan risiko kredit yang signifikan atas aset keuangan Entitas untuk tahun yang berakhir pada tanggal 31 Desember 2024 dan 2023.

Significant Accounting Judgments in Applying the Entity's Accounting Policies

In the process of applying the Entity's accounting policies, management has made the following judgment, apart from those involving estimations and assumptions, which have the most material effect on the amounts recognized in the financial statements:

a. Business Model Assessment

Classification and measurement of financial assets depends on the result of the business model solely for payments of principal and interest (SPPI) test. The Entity determines the business model at a level that reflects how the group of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Entity monitors financial assets measured at amortized cost or FVOCI that are derecognized prior to their maturity to understand the reason for their disposal and whether the reason are consistent with the objective of the business for which the asset was held.

Monitoring is part of the Entity's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in the business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

b. Significant Increase in Credit Risk

Expected credit losses ("ECL") are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stages 2 or stage 3 assets. An asset moves to stage 2 when credit risks has increased significantly since initial recognition. PSAK No. 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Entity takes into account qualitative and quantitative reasonable and supportable forward looking information. Management assessed that there has no significant increase in credit risk on the Entity's financial assets for the years ended December 31, 2024 and 2023.

4. KAS DAN BANK / *4. CASH ON HAND AND IN BANKS*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Kas	415.584.737	683.224.536	*Cash on hand*
Bank			*Cash in banks*
Rupiah:			*Rupiah:*
PT Bank Central Asia Tbk	4.319.039.997	1.605.022.731	*PT Bank Central Asia Tbk*
Citibank N.A. Cabang Indonesia	434.146.022	-	*Citibank N.A. Indonesia Branch*
PT Bank HSBC Indonesia	-	1.967.510.308	*PT Bank HSBC Indonesia*
Sub-jumlah	4.753.186.019	3.572.533.039	*Sub-total*
Dolar Amerika Serikat			*United States Dollar*
Citibank N.A. Cabang Indonesia	80.360.401	-	*Citibank N.A. Indonesia Branch*
Jumlah	5.249.131.157	4.255.757.575	*Total*

Tidak terdapat saldo kas dan bank kepada pihak berelasi. / *There are no cash on hand and in banks to related parties.*

Pada tanggal 31 Desember 2024 dan 2023, tidak terdapat saldo kas dan bank yang dibatasi penggunaannya. / *As of December 31, 2024 and 2023, there are no cash on hand and in banks balances which are restricted for use.*

5. PIUTANG USAHA / *5. TRADE RECEIVABLES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Pihak berelasi (lihat Catatan 24):			*Related party (see Note 24):*
Digiphoto Entertainment Imaging – India	-	15.818.251	*Digiphoto Entertainment Imaging – India*
Pihak ketiga:			*Third parties:*
Bali Waterboom	591.353.000	677.147.000	*Bali Waterboom*
Trans Studio Bali	572.134.800	251.679.250	*Trans Studio Bali*
PT Jakarta Akuarium Indonesia	539.265.846	-	*PT Jakarta Akuarium Indonesia*
Trans Snow Surabaya	491.451.300	311.277.393	*Trans Snow Surabaya*
Trans Snow Makassar	447.067.400	223.152.000	*Trans Snow Makassar*
Trans Snow World	309.487.260	264.641.550	*Trans Snow World*
Transworld - Main Counter	283.291.450	175.727.850	*Transworld - Main Counter*
Trans Studio Bintaro	279.961.343	362.038.750	*Trans Studio Bintaro*
Conrad Bali Nusa Dua	240.040.000	96.053.450	*Conrad Bali Nusa Dua*
Bali Safari & Marine Park	163.990.000	420.996.000	*Bali Safari & Marine Park*
Transworld Dunai Lian	155.571.200	123.806.300	*Transworld Dunai Lian*
Ritz Carlton Reserve – Mandapa	141.912.000	-	*Ritz Carlton Reserve – Mandapa*
Trans Studio Cibubur	137.223.180	135.021.406	*Trans Studio Cibubur*
Intercontinental Bali	128.198.000	128.198.000	*Intercontinental Bali*
Ayodya Resort Bali	93.037.500	-	*Ayodya Resort Bali*
Transworld - Jelajah & Sky	83.192.950	86.098.700	*Transworld - Jelajah & Sky*
Lain-lain	277.069.338	840.143.739	*Others*

	2024	2023	
Sub-jumlah	4.934.246.567	4.095.981.388	*Sub-total*
Dikurangi: penyisihan kerugian penurunan nilai piutang usaha	(138.757.674)	(889.881.397)	*Less: provision for impairment loss of trade receivables*
Sub-jumlah	4.795.488.893	3.206.099.991	*Sub-total*
Jumlah	4.795.488.893	3.221.918.242	*Total*

Analisis umur piutang usaha adalah sebagai berikut:

Analysis of aging schedule of trade receivables were as follows:

	2024	2023	
Telah jatuh tempo			*Has matured*
1 – 30 hari	3.425.227.473	3.254.159.635	*1 – 30 days*
31 – 60 hari	458.339.993	351.861.800	*31 – 60 days*
61 – 90 hari	811.430.000	95.540.071	*61 – 90 days*
91 – 120 hari	100.269.983	66.768.935	*91 – 120 days*
Lebih dari 120 hari	138.979.118	343.469.198	*Above 120 days*
Jumlah	4.934.246.567	4.111.799.639	*Total*

Perubahan provisi penurunan nilai piutang usaha adalah sebagai berikut:

The changes in the provision for impairment loss of trade receivables are as follows:

	2024	2023	
Saldo awal tahun	889.881.397	1.079.462.015	*Balance at beginning of year*
Pemulihan tahun berjalan (lihat Catatan 20)	(751.123.723)	(189.580.618)	*Recovery of the year (see Note 20)*
Saldo akhir tahun	138.757.674	889.881.397	*Balance at end of year*

Entitas menerapkan penyisihan kerugian yang diperkirakan sepanjang umurnya untuk semua piutang usaha telah dikelompokkan berdasarkan karakteristik risiko kredit bersama dan hari yang telah lewat jatuh tempo.

The Entity applies the lifetime expected loss provision for all trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Berdasarkan hasil penelaahan piutang usaha pada tanggal 31 Desember 2024 dan 2023, manajemen berpendapat bahwa cadangan kerugian penurunan nilai piutang usaha adalah cukup untuk menutup kemungkinan kerugian atas piutang tidak tertagih.

Based on a review of the trade receivables as of December 31, 2024 and 2023, management believes that the allowance for impairment loss on trade receivables is enough to cover possible losses from uncollectible accounts.

6. PIUTANG LAIN-LAIN – PIHAK BERELASI / *6. OTHER RECEIVABLES – RELATED PARTIES*

Akun ini terdiri dari:

This account consists of:

	2024	2023	
Digiphoto Entertainment Imaging Limited – Hong Kong	4.415.311.578	4.415.311.578	*Digiphoto Entertainment Imaging Limited – Hong Kong*
Digiphoto Entertainment Imaging Pte., Ltd	252.480.120	11.528.084.852	*Digiphoto Entertainment Imaging Pte., Ltd*
Digiphoto Thailand	66.004.188	29.639.590	*Digiphoto Thailand*

	2024	2023	
Digiphoto Malaysia	65.610.452	49.456.612	*Digiphoto Malaysia*
Digiphoto Dubai	25.785.358	24.660.000	*Digiphoto Dubai*
Digiphoto Entertainment Imaging Macau	22.043.658	22.043.658	*Digiphoto Entertainment Imaging Macau*
Digiphoto Entertainment Imaging – India	16.970.100	-	*Digiphoto Entertainment Imaging – India*
DEI General Trading LLC	13.434.501	13.434.501	*DEI General Trading LLC*
Digiphoto China	930.000	930.000	*Digiphoto China*
Jumlah	4.878.569.955	16.083.560.791	*Total*

7. PERSEDIAAN / *INVENTORIES*

Akun ini merupakan persediaan album foto dan kertas masing-masing sebesar Rp 5.363.755.173 dan Rp 5.070.238.464 pada tanggal 31 Desember 2024 dan 2023.

This account represents inventories of photo albums and papers amounting to Rp 5,363,755,173 and Rp 5,070,238,464 as of December 31, 2024 and 2023, respectively.

Persediaan tidak digunakan sebagai jaminan pada tanggal 31 Desember 2024 dan 2023.

Inventories are not used as collateral as of December 31, 2024 and 2023.

Manajemen berkeyakinan bahwa nilai tercatat persediaan tidak melebihi nilai realisasi bersih, sehingga tidak ada penyisihan untuk persediaan usang.

Management believes that the carrying value of inventories does not exceed the net realizable value, therefore, no provision for inventories obsolescence.

8. UANG MUKA / *ADVANCES*

Akun ini terdiri dari:

This account consists of:

	2024	2023	
Pont Solutions (L.L.C)	118.907.049	-	*Pont Solutions (L.L.C)*
PC Center Computer	42.781.500	38.052.884	*PC Center Computer*
Acrylicia	-	353.681.355	*Acrylicia*
DNP Imagingcomm Asia Sdn	-	149.814.474	*DNP Imagingcomm Asia Sdn*
Orcavue	-	115.644.606	*Orcavue*
Guangzhou Twinkle Bags Co	-	23.302.417	*Guangzhou Twinkle Bags Co*
Shenzhen Hong Xing Handba	-	11.492.995	*Shenzhen Hong Xing Handba*
Artistic & Creative (H.K)	-	10.056.859	*Artistic & Creative (H.K)*
Lain-lain	25.231.875	108.299.922	*Others*
Jumlah	186.920.424	810.345.512	*Total*

9. ASET TETAP / *FIXED ASSETS*

Akun ini terdiri dari:

This account consists of:

	2024				
	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo Akhir/ *Ending Balance*	
Biaya Perolehan:					***At Cost:***
Peralatan dan komputer	13.807.038.880	5.019.847.354	-	18.826.886.234	*Computer and equipments*
Perlengkapan dan *furniture*	1.728.364.007	698.480.456	-	2.426.844.463	*Furniture and fixtures*

	2024				
	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo Akhir/ *Ending Balance*	
Kendaraan	-	20.000.000	-	20.000.000	*Vehicles*
Bangunan kantor – hak guna	292.942.831	41.345.080	-	334.287.911	*Right-of-use – office building*
Jumlah	15.828.345.718	5.779.672.890	-	21.608.018.608	*Total*
Akumulasi Penyusutan:					***Accumulated Depreciation:***
Peralatan dan komputer	6.632.664.426	2.471.075.237	-	9.103.739.663	*Computer and equipments*
Perlengkapan dan *furniture*	1.042.629.625	316.010.845	-	1.358.640.470	*Furniture and fixtures*
Kendaraan	-	666.667	-	666.667	*Vehicles*
Bangunan kantor – hak guna	6.102.976	92.551.077	-	98.654.053	*Right of use – office building*
Jumlah	7.681.397.027	2.880.303.826	-	10.561.700.853	*Total*
Nilai Buku	8.146.948.691			11.046.317.755	***Book Value***

	2023				
	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo Akhir/ *Ending Balance*	
Biaya Perolehan:					***At Cost:***
Peralatan dan komputer	7.013.516.630	6.793.522.250	-	13.807.038.880	*Computer and equipments*
Perlengkapan dan *furniture*	1.118.103.913	610.260.094	-	1.728.364.007	*Furniture and fixtures*
Bangunan kantor – hak guna	181.651.878	292.942.831	181.651.878	292.942.831	*Right-of-use – office building*
Jumlah	8.313.272.421	7.696.725.175	181.651.878	15.828.345.718	*Total*
Akumulasi Penyusutan:					***Accumulated Depreciation:***
Peralatan dan komputer	4.999.689.395	1.632.975.031	-	6.632.664.426	*Computer and equipments*
Perlengkapan dan *furniture*	858.260.353	184.369.272	-	1.042.629.625	*Furniture and fixtures*
Bangunan kantor – hak guna	140.747.174	47.007.680	181.651.878	6.102.976	*Right of use – office building*
Jumlah	5.998.696.922	1.864.351.983	181.651.878	7.681.397.027	*Total*
Nilai Buku	2.314.575.499			8.146.948.691	***Book Value***

Beban penyusutan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain sebagai berikut:

Depreciation expenses were charged to the statements of profit or loss and other comprehensive income as follows:

	2024	2023	
Beban pokok penjualan (lihat Catatan 19)	2.378.746.890	1.586.942.791	*Costs of sales (see Note 19)*
Beban umum dan administrasi (lihat Catatan 22)	425.643.985	277.409.192	*General and administrative expenses (see Note 22)*
Jumlah	2.804.390.875	1.864.351.983	*Total*

Pada tahun 2024, Entitas menerima peralatan dan komputer dari Digiphoto United Arab Emirates, pihak berelasi yang biaya perolehannya sebesar Rp 170.936.511 dan akumulasi penyusutannya sebesar Rp 75.912.950.

In 2024, the Entity received computer and equipments from Digiphoto United Arab Emirates, a related party, which cost amounting to Rp 170,936,511 and accumulated depreciation amounting to Rp 75,912,950.

Aset tetap yang terdiri dari komputer, peralatan, dan kendaraan serta perabot dan perlengkapan telah diasuransikan kepada PT Asuransi Eka Lloyd Jaya dengan nilai pertanggungan pada tanggal 31 Desember 2024 dan 2023 masing-masing sebesar Rp 9.969.361.173 dan Rp 6.164.146.046. Manajemen berkeyakinan bahwa nilai pertanggungan cukup untuk menutup kemungkinan kerugian.

Fixed assets which consist of computer, equipment, and vehicle and furniture and fixture are insured to PT Asuransi Eka Lloyd Jaya with the sum insured as of December 31, 2024 and 2023 amounting to Rp 9,969,361,173 and Rp 6,164,146,046, respectively. Management believes that the sum insured is adequate to cover any possible losses.

Berdasarkan evaluasi manajemen, tidak terdapat kejadian atau perubahan keadaan yang mengindikasikan adanya penurunan nilai aset tetap Entitas pada tanggal 31 Desember 2024 dan 2023.

Based on management's evaluation, there are no events or changes in the circumstances, which might indicate impairment in the value of fixed assets of the Entity as of December 31, 2024 and 2023.

10. UTANG USAHA / *10. TRADE PAYABLES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Pihak berelasi (lihat Catatan 24):			*Related party (see Note 24):*
DEI General Trading LLC	410.840.701	366.695.837	*DEI General Trading LLC*
Pihak ketiga:			*Third parties:*
Rubiks International FZE	205.825.200	-	*Rubiks International FZE*
PT Perdana Bangun Pusaka	205.081.440	-	*PT Perdana Bangun Pusaka*
Hong Xing Leather Product	108.204.590	-	*Hong Xing Leather Product*
Arcylicia	79.386.602	-	*Arcylicia*
CV Fajar Bhakti Utama	77.150.000	-	*CV Fajar Bhakti Utama*
PT Baylink Logistics	66.211.827	-	*PT Baylink Logistics*
PT Tunas Jaya Creative	59.583.750	162.984.000	*PT Tunas Jaya Creative*
CLIV	56.910.000	42.375.000	*CLIV*
Solaris Digital Studio	38.272.416	35.185.141	*Solaris Digital Studio*
PT Kenana Hepi Serentak	35.966.000	26.950.000	*PT Kenana Hepi Serentak*
Bounty Cruise	20.316.037	64.314.583	*Bounty Cruise*
Lain-lain	136.783.009	923.604.840	*Others*
Sub-jumlah	1.089.690.871	1.255.413.564	*Sub-total*
Jumlah	1.500.531.572	1.622.109.401	*Total*

Tidak ada jaminan yang diberikan atas hutang usaha kepada pihak ketiga.

There is no collateral given for the trade payables to third parties.

11. UTANG LAIN-LAIN / *11. OTHER PAYABLES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Pihak berelasi (lihat Catatan 24):			*Related parties (see Note 24):*
Digiphoto Entertainment Imaging Pte., Ltd	16.548.521.377	18.640.936.022	*Digiphoto Entertainment Imaging Pte., Ltd*
Digiphoto Studio	7.455.217.097	4.034.762.825	*Digiphoto Studio*
Digiphoto Entertainment Imaging Sdn., Bhd	1.194.225.479	1.244.587.625	*Digiphoto Entertainment Imaging Sdn., Bhd*

	2024	2023	
BDC Digiphoto Imaging Solution Pvt., Ltd	459.701.382	298.167.434	*BDC Digiphoto Imaging Solution Pvt., Ltd*
Digiphoto Entertainment Imaging LLC - USA	31.594.062	-	*Digiphoto Entertainment Imaging LLC - USA*
Digiphoto Thailand	3.703.800	3.673.324	*Digiphoto Thailand*
Digiphoto United Arab Emirates	-	1.389.955	*Digiphoto United Arab Emirates*
Sub-jumlah	25.692.963.197	24.223.517.185	*Sub-total*
Pihak ketiga:			*Third party:*
Lain-lain	-	7.348.535	*Others*
Jumlah	25.692.963.197	24.230.865.720	*Total*

12. BEBAN MASIH HARUS DIBAYAR / *12. ACCRUED EXPENSES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Komisi fotografi	3.310.099.619	3.065.893.438	*Photography commission*
Lain-lain	809.254.421	640.545.921	*Others*
Jumlah	4.119.354.040	3.706.439.359	*Total*

13. LIABILITAS DIESTIMASI ATAS IMBALAN KERJA / *13. ESTIMATED LIABILITIES FOR EMPLOYEE BENEFITS*

Akun ini merupakan estimasi liabilitas imbalan kerja masing-masing sebesar Rp 818.052.562 dan Rp 601.667.442 pada tanggal 31 Desember 2024 dan 2023.

This account represents estimated liabilities for employee benefits amounting to Rp 818,052,562 and Rp 601,667,442 as of December 31, 2024 and 2023, respectively.

Program pensiun imbalan pasti memberikan eksposur Entitas terhadap risiko aktuarial seperti risiko tingkat suku bunga dan risiko gaji.

The defined benefit pension plan typically expose the Entity to actuarial risks such as, interest rate risk and salary risk.

Risiko Tingkat Bunga / *Interest Risk*

Penurunan suku bunga obligasi akan meningkatkan liabilitas program, namun sebagian akan di-*offset* (saling hapus) oleh peningkatan imbal hasil atas investasi instrumen utang.

A decrease in the bond interest rate will increase the plan liability, however this will be partially offset by an increase in the return on the plan's debt investments.

Risiko Gaji / *Salary Risk*

Nilai kini liabilitas imbalan pasti dihitung dengan mengacu pada gaji masa depan peserta program. Dengan demikian, kenaikan gaji peserta program akan meningkatkan liabilitas program.

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Asumsi aktuaria yang digunakan dalam menentukan beban dan liabilitas imbalan kerja pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

The actuarial assumptions used in measuring employee benefit expense and liabilities as of December 31, 2024 and 2023 are as follows:

	2024	2023	
Usia pensiun normal	57 tahun/*year*	57 tahun/*year*	*Normal pension age*
Tingkat diskonto	7,13%	7,05%	*Discount rate*
Estimasi kenaikan gaji di masa datang	10%	10%	*Estimated future salary increase*
Tabel mortalita	100% TMI-IV	100% TMI-IV	*Mortality table*
Tingkat disabilitas	5% *of mortality rate*	5% *of mortality rate*	*Disability rate*
Tingkat pengunduran diri	4% untuk peserta yang berusia 35 tahun, menurun secara proporsional menjadi 0% untuk usia 55 tahun/ *4% up to age 35, then decrease proportionally to reach 0% at age 55*	4% untuk peserta yang berusia 35 tahun, menurun secara proporsional menjadi 0% untuk usia 55 tahun/ *4% up to age 35, then decrease proportionally to reach 0% at age 55*	*Resignation rate*
Tingkat pensiun	100% pada usia pensiun normal/ *100% in normal pension age*	100% pada usia pensiun normal/ *100% in normal pension age*	*Pension rate*
Metode	*Projected Unit Credit*	*Projected Unit Credit*	*Method*

Imbalan Pascakerja

Post-Employment Benefits

Rincian dari liabilitas diestimasi atas imbalan pascakerja adalah sebagai berikut:

Details of estimated liabilities on post-employment benefits are as follows:

	2024	2023	
Saldo awal	601.667.442	285.312.603	*Beginning balance*
Beban imbalan kerja tahun berjalan (lihat Catatan 22)	346.508.273	297.322.345	*Employee benefits expenses for current the year (see Note 22)*
Kerugian (keuntungan) aktuaria	(51.854.953)	96.555.028	*Actuarial loss (gain)*
Pembayaran realisasi manfaat	(78.268.200)	(77.522.534)	*Payment of benefit realization*
Saldo akhir	818.052.562	601.667.442	*Ending balance*

Rincian beban imbalan paskakerja tahun berjalan adalah sebagai berikut:

Details of post-employment benefits expense for the current year are as follows:

	2024	2023	
Biaya jasa kini	304.090.718	276.152.150	*Current service cost*
Biaya bunga	42.417.555	21.170.195	*Interest cost*
Jumlah	346.508.273	297.322.345	*Total*

Analisis kerugian (keuntungan) aktuaria adalah sebagai berikut:

Analysis of actuarial losses (gain) are as follows:

	2024	2023	
Saldo awal	(101.156.831)	(4.601.803)	*Beginning balance*
Kerugian (keuntungan) aktuaria tahun berjalan	51.854.953	(96.555.028)	*Actuarial loss (gain) for the year*
Saldo Akhir (lihat Catatan 17)	(49.301.878)	(101.156.831)	*Ending balance (see Note 17)*

Manajemen Entitas berpendapat bahwa jumlah penyisihan atas imbalan kerja pada tanggal 31 Desember 2024 dan 2023 tersebut adalah memadai untuk memenuhi ketentuan dalam UU No. 6 Tahun 2023, tentang "Cipta Kerja", PP No. 35 Tahun 2021 (PP 35/2021) PSAK No. 219, mengenai "Imbalan Kerja" dan Peraturan Perusahaan.

The management of the Entity believe that the allowance for employee benefits as of December 31, 2024 and 2023 is adequate to meet the requirements of Law No. 6 Year 2023, regarding "Job Creation", Government Regulations No. 35 Year 2021 (PP 35/2021) PSAK No. 219, regarding "Employee Benefits" and Company Regulations.

14. LIABILITAS SEWA / *LEASE LIABILITIES*

Akun ini terdiri dari:

This account consists of:

	2024	2023	
Bangunan	251.043.812	216.170.486	*Buildings*
Dikurangi bagian yang jatuh tempo dalam satu tahun	102.883.588	141.363.199	*Less current portion*
Bagian jangka panjang	148.160.224	74.807.287	*Long-term portion*

15. MODAL SAHAM / *CAPITAL STOCK*

Susunan pemegang saham dan persentase kepemilikannya pada 31 Desember 2024 dan 2023 adalah sebagai berikut:

The composition of stockholders and their respective percentage of ownership as of December 31, 2024 and 2023 are as follows:

Pemegang Saham/*Stockholders*	Nilai Nominal Rp 877.100 per Saham/ *Par Value Rp 877,100 per Share* Jumlah Saham Ditempatkan dan Disetor Penuh (Lembar)/ *Number of Shares Issued and Fully Paid (Shares)*	Persentase Pemilikan/ *Percentage of Ownership* (%)	Jumlah/ *Total*
Digiphoto Entertainment Imaging Limited	5.988	99,8	5.252.074.800
Kalapathy Shankar Ramakrishnan	12	0,2	10.525.200
Jumlah/*Total*	6.000	100,0	5.262.600.000

16. TAMBAHAN MODAL DISETOR / *16. ADDITIONAL PAID-IN CAPITAL*

Akun ini merupakan perbedaan antara aset pengampunan pajak dan liabilitas pengampunan pajak sebesar Rp 409.706.900 masing-masing pada tanggal 31 Desember 2024 dan 2023.

This account represents the difference between tax amnesty assets and tax amnesty liabilities amounting to Rp 409,706,900 as of December 31, 2024 and 2023, respectively.

17. KOMPONEN EKUITAS LAINNYA / *17. OTHER EQUITY COMPONENTS*

Rincian atas komponen ekuitas lain adalah sebagai berikut:

Details of other equity components are as follows:

	2024	2023	
Pos-pos yang tidak akan direklasifikasi ke laba rugi:			***Items not to be reclassified to profit or loss:***
Keuntungan aktuaria (lihat Catatan 13)	(49.301.878)	(101.156.831)	*Actuarial gain (see Note 13)*
Pajak penghasilan terkait pos yang tidak akan direklasifikasi ke laba rugi	10.846.412	22.254.502	*Income tax related to item not to be reclassified to profit or loss*
Jumlah	(38.455.466)	(78.902.329)	*Total*

18. PENJUALAN / *18. SALES*

Akun ini merupakan penjualan atas fotografi dan album foto masing-masing sebesar Rp 97.290.329.739 dan Rp 74.960.471.214 pada tahun 2024 dan 2023.

This account represents sales of photography and photo albums amounting to Rp 97,290,329,739 and Rp 74,960,471,214 in 2024 and 2023, respectively.

19. BEBAN POKOK PENJUALAN / *19. COSTS OF SALES*

Akun ini terdiri dari:

This account consists of:

	2024	2023	
Komisi fotografi	36.802.020.202	30.919.756.215	*Photography commission*
Gaji	16.432.887.549	9.597.654.249	*Salaries*
Biaya album dan kertas foto	8.517.173.871	6.146.046.518	*Cost of photo albums and papers*
Penyusutan (lihat Catatan 9)	2.378.746.890	1.586.942.791	*Depreciation (see Note 9)*
Telekomunikasi	1.402.607.122	1.694.818.788	*Telecommunication*
Pemasaran	443.047.441	312.671.106	*Marketing*
Lain-lain	653.957.237	367.246.739	*Others*
Jumlah	66.630.440.312	50.625.136.406	*Total*

20. PENDAPATAN LAIN-LAIN / *20. OTHER INCOME*

Akun ini terdiri dari:

This account consists of:

	2024	2023	
Laba selisih kurs	1.173.442.516	-	*Gain on foreign exchange*
Bunga pinjaman	841.204.090	400.597.053	*Loan interest*

	2024	2023	
Pemulihan penurunan nilai piutang usaha (lihat Catatan 5)	751.123.723	189.580.618	*Recovery allowance of impairment trade receivable (see Note 5)*
Bunga bank	17.959.324	6.477.998	*Bank Interest*
Lain-lain	94.672.808	25.639.901	*Others*
Jumlah	2.878.402.461	622.295.570	*Total*

21. BEBAN PENJUALAN / *21. SELLING EXPENSES*

Akun ini merupakan beban terkait penjualan termasuk beban pemasaran dan lain-lain masing-masing sebesar Rp 1.479.571.657 dan Rp 1.254.995.638 pada tahun 2024 dan 2023.

This account represents expenses related to sales which includes marketing expenses etc amounting to Rp 1,479,571,657 and Rp 1,254,995,638 in 2024 and 2023, respectively.

22. BEBAN UMUM DAN ADMINISTRASI / *22. GENERAL AND ADMINISTRATIVE EXPENSES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Biaya manajemen	13.211.595.073	7.051.065.345	*Management fee*
Biaya tidak langsung	10.537.058.814	2.451.526.375	*Overhead allocation*
Telekomunikasi	1.244.850.392	216.612.998	*Telecommunication*
Gaji dan tunjangan	983.257.273	607.917.653	*Salaries and allowances*
Biaya profesional	562.384.393	584.052.655	*Professional fee*
Penyusutan (lihat Catatan 9)	425.643.985	277.409.192	*Depreciation (see Note 9)*
Imbalan kerja (lihat Catatan 13)	346.508.273	297.322.345	*Employee benefits (see Note 13)*
Biaya properti	159.820.527	67.548.989	*Property cost*
Lain-lain	11.262.485	21.472.806	*Others*
Jumlah	27.482.381.215	11.574.928.358	*Total*

23. BEBAN LAIN-LAIN / *23. OTHER EXPENSES*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Administrasi bank	870.854.052	515.062.177	*Bank administration*
Pajak	45.940.824	160.773.829	*Taxes*
Rugi selisih kurs	-	285.970.049	*Loss on foreign exchange*
Lain-lain	23.928.433	2.183.440	*Others*
Jumlah	940.723.309	963.989.495	*Total*

24. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI / *24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES*

Sifat hubungan dengan pihak-pihak yang berelasi adalah sebagai berikut:

Nature of relationship with related parties are as follows:

Sifat Hubungan	Pihak-pihak Berelasi/ *Related Parties*	*Nature of Relationship*
Pemegang saham	Kalapathy Shankar Ramakrishnan	*Stockholder*
Manajemen kunci	Kalapathy Sanghamitra Ramakrishnan	*Key management*
Sepengendalian	Digiphoto Entertainment Imaging Sdn., Bhd	*Under common control*
	Digiphoto Entertainment Imaging Pte., Ltd	
	Digiphoto Thailand	
	Digiphoto Studio	
	Digiphoto Entertainment Imaging Limited – Hongkong	
	Digiphoto United Arab Emirates	
	BDC Digiphoto Imaging Solution Pvt., Ltd	
	Digiphoto Dubai	
	Digiphoto China	
	Digiphoto Entertainment Imaging – India	
	Digiphoto Malaysia	
	Digiphoto Entertainment Imaging LLC - USA	
	DEI General Trading LLC	
	DEI Holding Limited	
	Digiphoto Entertainment Imaging Macau	

a) Entitas memiliki transaksi keuangan dengan pihak berelasi. Transaksi ini tidak dikenakan bunga. Saldo dari transaksi-transaksi tersebut disajikan sebagai "Piutang Pihak Berelasi" pada laporan posisi keuangan dengan rincian sebagai berikut:

a) The Entity had financial transactions with related parties. These transactions are non-interest bearing. The balances of these transactions are presented as "Due from Related Parties" in the statements of financial position with details as follows:

	2024	2023	
Kalapathy Sanghamitra Ramakrishnan	17.814.562.500	2.083.112.500	*Kalapathy Sanghamitra Ramakrishnan*
Kalapathy Shankar Ramakrishnan	4.357.254.550	4.357.254.550	*Kalapathy Shankar Ramakrishnan*
DEI Holding Limited	1.755.093.691	7.708.000.000	*DEI Holding Limited*
Digiphoto Malaysia	-	134.424.592	*Digiphoto Malaysia*
Digiphoto Dubai	-	2.304.493	*Digiphoto Dubai*
Jumlah	23.926.910.741	14.285.096.135	*Total*

DEI Holding Limited

Pada tanggal 14 Desember 2022, Entitas dan DEI Holding Limited melakukan Perjanjian Pinjaman, dimana Entitas bersedia untuk memberikan pinjaman kepada Entitas senilai USD 500.000. Pinjaman tersebut berlaku sampai selama 1 tahun dan dapat diperbarui.

DEI Holding Limited

On December 14, 2022, the Entity and DEI Holding Limited entered into a Loan Agreement, whereby Entitas had granted a loan to the Entity amounting to USD 500,000. The loan has maturity 1 year and renewable.

Pinjaman tersebut dikenakan bunga 3,8% per tahun atas jumlah yang masih belum dibayar.	*The loan is subject to 3.8% interest per annum based on the outstanding loan amount.*
Pada tanggal 14 Desember 2023, Perjanjian Pinjaman telah diperbarui dan berlaku selama 1 tahun.	*On December 14, 2023, the Loan Agreement had been renewed and has maturity 1 year.*
Pada tanggal 1 Februari 2024, Entitas dan DEI Holding Limited melakukan Perjanjian Pinjaman, dimana Entitas bersedia untuk memberikan pinjaman kepada Entitas senilai USD 500.000. Pinjaman tersebut berlaku sampai selama 1 tahun dan dapat diperbarui.	*On February 1, 2024, the Entity and DEI Holding Limited entered into a Loan Agreement, whereby Entitas had granted a loan to the Entity amounting to USD 500,000. The loan has maturity 1 year and renewable.*
Pinjaman tersebut dikenakan bunga 5,3% per tahun atas jumlah yang masih belum dibayar.	*The loan is subject to 5.3% interest per annum based on the outstanding loan amount.*
Pada tanggal 31 Desember 2024 dan 2023, jumlah pendapatan bunga atas pinjaman yang diterima dari DEI Holding Limited masing-masing sebesar USD 55.233 atau setara dengan Rp 841.204.090 dan USD 26.279 atau setara dengan Rp 400.597.053.	*As of December 31, 2024 and 2023, the total interest income of the loan obtained from DEI Holding Limited amounting to USD 55,233 or equivalent to Rp 841,204,090 and USD 26,279 or equivalent to Rp 400,597,053, respectively.*
b) Pada tahun 2023 entitas melakukan transaksi operasional dengan pihak berelasi. Saldo dari transaksi-transaksi tersebut disajikan sebagai "Piutang Usaha – Pihak Berelasi" pada laporan posisi keuangan (lihat Catatan 5).	*b) In 2023 the Entity had operational transactions with related parties. The balance of these transactions are presented as "Trade Receivables – Related Party" the statements of financial position (see Note 5).*
c) Pada tahun 2024 dan 2023 entitas melakukan transaksi keuangan dengan pihak berelasi. Transaksi ini tidak dikenakan bunga. Saldo dari transaksi-transaksi tersebut disajikan sebagai "Piutang Lain-lain – Pihak Berelasi" pada laporan posisi keuangan (lihat Catatan 6).	*c) In 2024 and 2023 the Entity had financial transactions with related parties. These transactions are non-interest bearing. The balance of these transactions are presented as "Other Receivables – Related Parties" the statements of financial position (see Note 6).*
d) Pada tahun 2024 dan 2023, Entitas telah membeli persediaan dari DEI General Trading LLC masing-masing sebesar Rp 410.840.701 dan Rp 366.695.837. Saldo yang timbul dari transaksi tersebut disajikan sebagai "Utang Usaha – Pihak Berelasi" pada laporan posisi keuangan (lihat Catatan 10).	*d) In 2024 and 2023, the Entity had purchased inventories dari DEI General Trading LLC amounting to Rp 410,840,701 and Rp 366,695,837, respectively. The balances arising from these transactions are presented as "Trade Payables – Related Party" in the statements of financial position (see Note 10).*
e) Pada tahun 2024 dan 2023, Entitas telah melakukan penggunaan jasa dari pihak berelasi. Saldo dari transaksi ini disajikan sebagai "Utang Lain-lain – Pihak Berelasi" pada laporan posisi keuangan (lihat Catatan 11).	*e) In 2024 and 2023, the Entity has availed services from related parties. The balances of this transactions are presented as "Other Payables – Related Parties" in the statements of financial position (see Note 11).*

25. PERPAJAKAN / *25. TAXATION*

a. Pajak Dibayar di Muka / *a. Prepaid Taxes*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Pajak Penghasilan Pasal 21	27.440.949	-	*Income Tax Article 21*
Pajak Pertambahan Nilai	1.222.732.359	-	*Value Added Tax*
Jumlah	1.250.173.308	-	*Total*

b. Utang Pajak / *b. Taxes Payable*

Akun ini terdiri dari: / *This account consists of:*

	2024	2023	
Pajak Penghasilan:			*Income Tax:*
Pasal 4 (2)	319.260.103	197.827.022	*Article 4 (2)*
Pasal 21	-	5.732.835	*Article 21*
Pasal 23	-	11.894.632	*Article 23*
Pasal 29:			*Article 29:*
2024	436.336.936	-	*2024*
2023	1.949.560.352	1.949.560.352	*2023*
Pajak Pertambahan Nilai	-	901.445.748	*Value Added Tax*
Jumlah	2.705.157.391	3.066.460.589	*Total*

c. Pajak Kini / *c. Current Tax*

Rekonsiliasi antara laba sebelum taksiran manfaat (beban) pajak penghasilan seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

The reconciliation between income before income for tax benefit (expense) according to the statements of profit or loss and other comprehensive income for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023	
Laba sebelum manfaat (beban) pajak penghasilan	3.635.615.707	11.163.716.887	*Income (loss) before income tax benefit (expense)*
Beda waktu:			*Temporary differences:*
Imbalan kerja – neto	268.240.073	219.799.811	*Employee benefits – net*
Penyusutan	(90.979.464)	133.232.617	*Depreciation*
Pemulihan kerugian penurunan nilai piutang usaha	(751.123.723)	(189.580.618)	*Recovery for trade receivables impairment*
Sub-jumlah	(573.863.114)	163.451.810	*Sub-total*
Beda tetap:			*Permanent differences:*
Pajak	45.940.824	-	*Tax*
Pendapatan bunga	(859.163.414)	(407.075.051)	*Interest income*
Lain-lain	-	90.444.438	*Others*
Sub-jumlah	(813.222.590)	(316.630.613)	*Sub-Total*

	2024	2023	
Jumlah laba kena pajak	2.248.530.003	11.010.538.084	*Total taxable income*
Akumulasi rugi pajak tahun sebelumnya	-	(2.148.900.119)	*Accumulated tax loss carry fordward prior year*
Jumlah laba kena pajak	2.248.530.003	8.861.637.965	*Total taxable income*
Pembulatan	2.248.530.000	8.861.638.000	*Rounded*
Beban pajak kini	494.676.600	1.949.560.352	*Current tax expense*
Dikurangi Pajak dibayar di muka Pasal 23	58.339.664	-	*Less Prepaid income tax article 23*
Taksiran utang pajak penghasilan badan	436.336.936	1.949.560.352	*Estimated corporate income tax payable*

d. Aset Pajak Tangguhan

Rincian aset pajak tangguhan pada tanggal-tanggal 31 Desember 2024 dan 2023 adalah sebagai berikut:

d. Deferred Tax Assets

The details of deferred tax assets as of December 31, 2024 and 2023 are as follows:

	31 Desember 2024/*December 31, 2024*				
	Saldo Awal/ *Beginning Balance*	Dikreditkan (Dibebankan) pada Laba Rugi/ *Credited (Charged) to Profit or Loss*	Penghasilan Komprehensif Lain/ *Other Comprehensive Income*	Saldo Akhir/ *Ending Balance*	
Estimasi liabilitas Imbalan kerja	132.366.837	59.012.816	(11.408.090)	179.971.563	*Estimated liabilities for employee benefits*
Aset tetap	(154.501.766)	11.081.417	-	(143.420.349)	*Fixed assets*
Penyisihan kerugian penurunan nilai piutang	235.116.279	(204.589.590)	-	30.526.689	*Allowance for impairment loss of trade receivables*
Jumlah	212.981.350	(134.495.357)	(11.408.090)	67.077.903	*Total*

	31 Desember 2023/*December 31, 2023*				
	Saldo Awal/ *Beginning Balance*	Dikreditkan (Dibebankan) pada Laba Rugi/ *Credited (Charged) to Profit or Loss*	Penghasilan Komprehensif Lain/ *Other Comprehensive Income*	Saldo Akhir/ *Ending Balance*	
Estimasi liabilitas Imbalan kerja	62.768.773	48.355.958	21.242.106	132.366.837	*Estimated liabilities for employee benefits*
Aset tetap	(183.812.941)	29.311.175	-	(154.501.766)	*Fixed assets*
Penyisihan kerugian penurunan nilai piutang	276.824.014	(41.707.735)	-	235.116.279	*Allowance for impairment loss of trade receivables*
Jumlah	155.779.846	35.959.398	21.242.106	212.981.350	*Total*

e. Surat Tagihan Pajak

Untuk tahun yang berakhir pada tanggal 31 Desember 2024 dan 2023, Entitas menerima STP (Surat Tagihan Pajak) atas Pajak Penghasilan (PPh) Pasal 21, Pasal 29 dan Pajak Pertambahan Nilai dari Direktorat Jendral Pajak sebagai berikut:

e. Tax Collection Letters

During the year ended December 31, 2024 and 2023, the Entity received STP (Tax Collection Letters) for Income Tax (IT) Article 21, Article 29 and Value Added Tax from the Directorate General of Taxation as follows:

2024

Surat Tagihan Pajak/*Tax Collection Notice*	Masa/Tahun *Periode/Year*	Jumlah/ *Amount*
STP Pajak Penghasilan Pasal 21/*STP Income Tax Article 21*	Mei 2020/*May 2020*	365.987
STP Pajak Penghasilan Pasal 21/*STP Income Tax Article 21*	Desember 2023/*December 2023*	13.393
STP Pajak Pertambahan Nilai/*STP Value Added Tax*	Agustus 2024/*August 2024*	6.564.374
STP Pajak Pertambahan Nilai/STP Value Added Tax	Juli 2024/*July 2024*	10.690.313
		17.634.067

2023

Surat Tagihan Pajak/*Tax Collection Notice*	Masa/Tahun *Periode/Year*	Jumlah/ *Amount*
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	Januari 2019/*January 2019*	1.631.902
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	Maret 2019/*March 2019*	905.651
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	April 2019/*April 2019*	1.038.015
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	Mei 2019/*May 2019*	670.851
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	Juli 2019/*July 2019*	2.370.980
STP Pajak Penghasilan Pasal 26/ *STP Income Tax Article 26*	Oktober 2019/*October 2019*	615.141
STP Pajak Pertambahan Nilai/ *STP Value Added Tax*	September 2023/*September 2023*	500.000
Surat Tagihan Pajak Pajak Penghasilan/ *STP Income Tax*	2019	46.142.712
		53.875.252

Entitas telah melakukan pembayaran atas Surat Tagihan Pajak (STP) tersebut pada tahun 2024 dan 2023 dan diakui sebagai "Beban Lain-lain – Pajak".

The Entity has made payments for Tax Collection Notice (STP) in 2024 and 2023 and has been recognize as "Other Expenses – Taxes".

26. INSTRUMEN KEUANGAN DAN MANAJEMEN RISIKO KEUANGAN

a. Faktor dan Kebijakan Manajemen Risiko Keuangan

Dalam menjalankan aktivitas operasi, investasi dan pendanaan, Entitas menghadapi risiko keuangan yaitu risiko kredit, risiko likuiditas dan risiko pasar dan mendefinisikan risiko-risiko sebagai berikut:

- Risiko kredit: kemungkinan bahwa pelanggan tidak membayar sebagian atau seluruh piutang atau tidak membayar secara tepat waktu dan akan menyebabkan kerugian Entitas.

26. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Factors and Policies

In its operating, investing and financing activities, the Entity is exposed to the following financial risks: credit risk, liquidity risk and market risk and define those risks as follows:

- *Credit risk: possibility that a customer will not pay the part or all of a receivable or will not pay in timely manner and hence, the Entity will incur loss.*

- Risiko likuiditas: Entitas menetapkan risiko likuiditas atas kolektibilitas dari piutang usaha seperti yang dijelaskan di atas, yang dapat menimbulkan kesulitan Entitas dalam memenuhi kewajiban yang terkait dengan liabilitas keuangan.
- Risiko pasar: pada saat ini tidak terdapat risiko pasar, selain risiko suku bunga dan risiko nilai tukar mata uang asing karena Entitas tidak berinvestasi di instrumen keuangan dalam aktivitas normal.

- *Liquidity risk: the Entity defined liquidity risk from the collectibility of the accounts receivable as mentioned above, which may cause difficulty in meeting the obligations of the Entity relating to financial liabilities.*
- *Market risk: currently there are no market risk other than interest rate risk and foreign currency exchange rate risk as the Entity does not invest in any financial instruments in their normal activities.*

Risiko Kredit

Risiko kredit merupakan risiko atas kerugian keuangan Entitas jika pelanggan atau pihak lain dari instrumen keuangan gagal memenuhi liabilitas kontraktualnya. Risiko ini timbul terutama dari piutang usaha dan piutang pihak berelasi. Entitas mengelola dan mengendalikan risiko kredit dari piutang usaha dengan memantau batasan periode tunggakan piutang pada tiap pelanggan dan pihak berelasi.

Credit Risks

Credit risk represents the risk of financial loss of the Entity if any customer or other party of a financial instrument fails to meet contractual liabilities. This risk arises mainly from trade receivables, other receivables and due from related parties. The Entity manages and controls credit risk from trade receivables by monitoring the default limit period on each customer and related party.

	2024				
	Belum Jatuh Tempo/ *Netither Past Due*	Jatuh Tempo/*Past Due*	Penyisihan Penurunan Nilai/ *Allowance for Impairment Loss*	Jumlah/*Total*	
Aset Keuangan yang Diukur pada Biaya Perolehan Diamortisasi					*Financial Assets Measured at Amortized Cost*
Kas dan bank	4.833.546.420	-	-	4.833.546.420	*Cash on hand and in banks*
Piutang usaha	3.425.227.473	1.509.019.094	(138.757.674)	4.795.488.893	*Trade receivables*
Piutang lain-lain – pihak berelasi	4.878.569.955	-	-	4.878.569.955	*Other receivable – related parties*
Piutang pihak berelasi	23.926.910.741	-	-	23.926.910.741	*Due from related parties*
Jaminan	11.000.000	-	-	11.000.000	*Security deposits*
Jumlah	37.075.254.589	1.509.019.094	(138.757.674)	38.445.516.009	*Total*

	2023				
	Belum Jatuh Tempo/ *Netither Past Due*	Jatuh Tempo/*Past Due*	Penyisihan Penurunan Nilai/ *Allowance for Impairment Loss*	Jumlah/*Total*	
Aset Keuangan yang Diukur pada Biaya Perolehan Diamortisasi					*Financial Assets Measured at Amortized Cost*
Kas dan bank	3.572.533.039	-	-	3.572.533.039	*Cash on hand and in banks*
Piutang usaha	3.254.159.635	857.640.004	(889.881.397)	3.221.918.242	*Trade receivables*
Piutang lain-lain – pihak berelasi	16.083.560.791	-	-	16.083.560.791	*Other receivable – related parties*
Piutang pihak berelasi	14.285.096.135	-	-	14.285.096.135	*Due from related parties*
Jaminan	11.000.000	-	-	11.000.000	*Security deposits*
Jumlah	37.206.349.600	857.640.004	(889.881.397)	37.174.108.207	*Total*

Risiko Likuiditas

Melalui kegiatan operasi dan sumber dana yang ada, Entitas dapat memenuhi seluruh liabilitas keuangannya pada saat jatuh tempo, karena Entitas memiliki aset keuangan yang likuid dan tersedia untuk memenuhi kebutuhan likuiditasnya.

Dalam mengelola risiko likuiditas Entitas melakukan pengawasan yang ketat atas proyeksi dan realisasi dari arus kas secara terus menerus baik kolektibilitas piutang maupun pemenuhan kewajiban dan tanggal jatuh temponya.

Tabel berikut menyajikan jumlah liabilitas keuangan pada 31 Desember 2024 dan 2023 berdasarkan jatuh temponya:

Liquidity Risks

Through its operations and existing funding sources, the Entity can meet all its financial obligations as they mature, because the Entity has the financial assets which are liquid and available to meet liquidity needs.

In managing the liquidity risk, the Entity observes strict control on the forecast and continuous realization of actual cash flows from both collectibility of receivables as well as the fulfillment of obligations and due dates.

The following table presents the amount of financial liabilities on December 31, 2024 and 2023, based on their maturity:

	2024				
	Kurang dari 1 Tahun/ *Less Than 1 Year*	Lebih dari 1 Tahun/ *More Than 1 Year*	Lebih dari 2 Tahun/ *More Than 2 Years*	Jumlah/*Total*	
Liabilitas Keuangan yang Diukur pada Biaya Perolehan Diamortisasi					*Financial Liabilities Measured at Amortized Cost*
Utang usaha	1.500.531.572	-	-	1.500.531.572	*Trade payables*
Utang lain-lain	25.692.963.197	-	-	25.692.963.197	*Other payables*
Beban masih harus dibayar	4.119.354.040	-	-	4.119.354.040	*Accrued expenses*
Liabilitas sewa	102.883.588	148.160.224	-	251.043.812	*Lease liabilities*
Jumlah	31.415.732.397	148.160.224	-	31.563.892.621	*Total*

	2023				
	Kurang dari 1 Tahun/ *Less Than 1 Year*	Lebih dari 1 Tahun/ *More Than 1 Year*	Lebih dari 2 Tahun/ *More Than 2 Years*	Jumlah/*Total*	
Liabilitas Keuangan yang Diukur pada Biaya Perolehan Diamortisasi					*Financial Liabilities Measured at Amortized Cost*
Utang usaha	1.622.109.401	-	-	1.622.109.401	*Trade payables*
Utang lain-lain	24.230.865.720	-	-	24.230.865.720	*Other payables*
Beban masih harus dibayar	3.706.439.359	-	-	3.706.439.359	*Accrued expenses*
Liabilitas sewa	141.363.199	74.807.287	-	216.170.486	*Lease liabilities*
Jumlah	29.700.777.679	74.807.287	-	29.775.584.966	*Total*

Risiko Nilai Tukar Mata Uang Asing

Entitas tidak secara signifikan terekspos risiko mata uang asing karena sebagian besar liabilitas dalam mata uang Rupiah. Tidak ada aktivitas lindung nilai mata uang pada tanggal 31 Desember 2024 dan 2023 namun demikian Entitas telah menyediakan dana dalam mata uang asing yang sesuai dengan kebutuhan operasinya.

Tabel berikut menyajikan aset dan liabilitas keuangan Entitas yang didenominasi dalam mata uang Dolar Amerika Serikat:

Foreign Currency Exchange Rate Risks

The Entity is not significantly exposed to foreign currency exchange rate risk because most liabilities are denominated in Rupiah. There is no currency hedging activities on December 31, 2024 and 2023, but the Entity has provided funds in foreign currency in accordance with the needs of operations.

The following table presents the Entity's financial assets and financial liabilities denominated in United States Dollar:

	2024			
	Mata Uang Asing/ *Foreign Currency*		Ekuivalen Rupiah/ *Equivalent in Rupiah*	
Aset				***Assets***
Piutang lain-lain				*Trade receivables*
Pihak berelasi	THB	5.160	2.456.057	*Related parties*
	USD	2.150	34.748.300	
	MYR	4.467	16.153.840	
Jumlah Aset			53.358.197	*Total Assets*
Liabilitas				***Liabilities***
Utang usaha				*Trade payables*
Pihak berelasi	AED	82.876	363.513.064	*Related parties*
Pihak ketiga	AED	13.942	61.153.873	*Third Parties*
Utang lain-lain				*Other payables*
Pihak berelasi	SGD	1.377.137	16.414.556.162	*Related parties*
	AED	1.356.072	5.948.068.788	
	USD	88.303	1.427.153.546	
	MYR	257.979	932.976.080	
	INR	2.441.454	459.701.382	
	THB	7.781	3.703.800	
Jumlah liabilitas			25.610.826.695	*Total liabilities*
Liabilitas – Bersih			25.557.468.498	*Liabilities – Net*

	2023			
	Mata Uang Asing/ *Foreign Currency*		Ekuivalen Rupiah/ *Equivalent in Rupiah*	
Liabilitas				***Liabilities***
Utang usaha				*Trade payables*
Pihak berelasi	AED	12.808	366.695.837	*Related parties*
Utang lain-lain				*Other payables*
Pihak berelasi	SGD	1.638.313	18.640.936.022	*Related parties*
	AED	994.860	4.036.152.780	
	MYR	250.877	1.244.587.625	
	INR	1.615.042	298.167.434	
	THB	8.081	3.673.323	
Jumlah liabilitas			24.590.213.021	*Total liabilities*

Analisis Sensitivitas

Pergerakan yang mungkin terjadi terhadap nilai tukar Rupiah terhadap Dolar Amerika Serikat, Dolar Singapura, Ringgit Malaysia dan Dirham Uni Emirat Arab pada akhir tahun yang dapat meningkatkan (menurunkan) ekuitas atau laba rugi sebesar nilai yang disajikan dalam tabel. Analisis dilakukan berdasarkan varians nilai tukar mata uang asing yang dianggap terjadi pada tanggal posisi keuangan dengan semua variabel lainnya konstan.

Tabel berikut menyajikan sensitivitas nilai tukar Dolar Amerika Serikat, Dolar Singapura, Ringgit Malaysia dan Dirham Uni Emirat Arab serta perubahan laba bersih dan ekuitas Entitas:

Sensitivity Analysis

Movement that may occur towards Rupiah exchange rate against United States Dollar, Singapore Dollar, Malaysian Ringgit and United Arab Emirates Dirham at the year end that could increase (decrease) equity or profit loss amounted to the values presented in the table. The analysis was conducted based on the variance of foreign currency exchange rates considered to occur at the financial position date with all other variables being constant.

The following table presented sensitivity exchange rate of the United States Dollar, Singapore Dollar, Malaysian Ringgit and United Arab Emirates Dirham, and the changes on net income and equity of the Entity:

2024	Perubahan Nilai Tukar/ *Change in Exchange Rates*		Sensitivitas/*Sensitivity* Modal/ *Equity*	Untung (Rugi)/ *Profit (Loss)*
USD	Kenaikan/*Appreciates*	(506)	43.593.418	34.002.866
	Penurunan/Depreciates	299	(25.759.747)	(20.092.603)
SGD	Kenaikan/*Appreciates*	(178)	245.130.386	191.201.701
	Penurunan/Depreciates	116	(159.747.892)	(124.603.355)
MYR	Kenaikan/*Appreciates*	(44)	11.154.528	8.700.532
	Penurunan/Depreciates	69	(17.492.328)	(13.644.016)
AED	Kenaikan/*Appreciates*	(115)	167.082.350	130.324.233
	Penurunan/Depreciates	95	(138.024.550)	(107.659.149)

2023	Perubahan Nilai Tukar/ *Change in Exchange Rates*		Sensitivitas/*Sensitivity* Modal/ *Equity*	Untung (Rugi)/ *Profit (Loss)*
SGD	Kenaikan/*Appreciates*	(169)	276.874.897	215.962.420
	Penurunan/Depreciates	154	(252.300.202)	(196.794.158)
MYR	Kenaikan/*Appreciates*	(73)	18.314.021	14.284.936
	Penurunan/Depreciates	59	(14.801.743)	(11.545.360)
AED	Kenaikan/*Appreciates*	(93)	93.303.836	71.238.052
	Penurunan/Depreciates	56	(56.994.912)	(42.896031)

Risiko Suku Bunga

Risiko bahwa nilai wajar atau arus kas masa depan dari instrumen keuangan akan berfluktuasi karena perubahan suku bunga pasar.

Interest Rate Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Pada tanggal laporan posisi keuangan, profil Entitas atas instrumen keuangan yang dipengaruhi oleh bunga adalah sebagai berikut:

On date of the statement of financial position, the Entity's profile of financial instruments that are affected by interest are as follows:

	2024	2023	
Instrumen bunga tetap			***Fixed interest Instrument***
Liabilitas keuangan	17.988.631.315	7.924.170.486	*Financial liabilities*
Instrumen bunga mengambang			***Floating interest Instrument***
Aset keuangan	4.833.546.420	3.572.533.039	*Financial assets*

b. Nilai Wajar Instrumen Keuangan

b. Fair Value of Financial Instruments

Nilai wajar sebagai harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran.

Fair value is the price that would be received to sell an asset or price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari aset dan liabilitas keuangan yang tercatat pada laporan posisi keuangan pada tanggal 31 Desember 2024 dan 2023:

The table below shows the carrying amount and fair values of the financial assets and financial liabilities recorded in the statements of financial position as of December 31, 2024 and 2023:

	2024		
	Nilai Tercatat/ *Carrying Amount*	Nilai Wajar/ *Fair Value*	
Aset Keuangan			***Financial Assets***
Kas dan bank	5.249.131.157	5.249.131.157	*Cash on hand and in banks*
Piutang usaha	4.795.488.893	4.795.488.893	*Trade receivables*
Piutang lain-lain – pihak berelasi	4.878.569.955	4.878.569.955	*Other receivables – related parties*
Piutang pihak berelasi	23.926.910.741	23.926.910.741	*Due from related parties*
Jaminan	11.000.000	11.000.000	*Security deposits*
Jumlah Aset Keuangan	38.861.100.746	38.861.100.746	***Total Financial Assets***
Liabilitas Keuangan			***Financial Liabilities***
Utang usaha	1.500.531.572	1.500.531.572	*Trade payables*
Utang lain-lain	25.692.963.197	25.692.963.197	*Other payables*
Beban masih harus dibayar	4.119.354.040	4.119.354.040	*Accrued expenses*
Liabilitas sewa	251.043.812	251.043.812	*Lease liabilities*
Jumlah Liabilitas Keuangan	31.563.892.621	31.563.892.621	***Total Financial Liabilities***

	2023		
	Nilai Tercatat/ *Carrying Amount*	Nilai Wajar/ *Fair Value*	
Aset Keuangan			***Financial Assets***
Kas dan bank	4.255.757.575	4.255.757.575	*Cash on hand and in banks*
Piutang usaha	3.221.918.242	3.221.918.242	*Trade receivables*
Piutang lain-lain – pihak berelasi	16.083.560.791	16.083.560.791	*Other receivables – related parties*
Piutang pihak berelasi	14.285.096.135	14.285.096.135	*Due from related parties*
Jaminan	11.000.000	11.000.000	*Security deposits*
Jumlah Aset Keuangan	37.857.332.743	37.857.332.743	***Total Financial Assets***

	2023		
	Nilai Tercatat/ *Carrying Amount*	Nilai Wajar/ *Fair Value*	
Liabilitas Keuangan			***Financial Liabilities***
Utang usaha	1.622.109.401	1.622.109.401	*Trade payables*
Utang lain-lain	24.230.865.720	24.230.865.720	*Other payables*
Beban masih harus dibayar	3.706.439.359	3.706.439.359	*Accrued expenses*
Liabilitas sewa	216.170.486	216.170.486	*Lease liabilities*
Jumlah Liabilitas Keuangan	29.775.584.966	29.775.584.966	***Total Financial Liabilities***

Metode dan asumsi berikut ini digunakan untuk mengestimasi nilai wajar untuk setiap kelompok instrumen keuangan yang praktis untuk memperkirakan nilai tersebut:

a. Entitas memiliki aset keuangan lancar dan liabilitas keuangan jangka pendek yang terdiri dari kas dan bank, piutang usaha, piutang lain-lain – pihak berelasi, piutang pihak berelasi, utang usaha, utang lain-lain dan beban masih harus dibayar. Karena instrumen keuangan tersebut jatuh tempo dalam jangka pendek maka nilai tercatat aset dan liabilitas keuangan tersebut mendekati nilai wajarnya.

b. Nilai wajar dari jaminan dan liabilitas sewa ditentukan menggunakan diskonto arus kas berdasarkan tingkat suku bunga pasar.

The following methods and assumptions are used to estimate the fair value for each class of financial instruments that are practical to estimate that value:

a. The Entity have current financial assets and current financial liabilities consisting of cash on hand and in banks, trade receivables, other receivables – related parties, due from related parties, trade payables, other payables and accrued expenses. The carrying value of financial assets and financial liabilities are estimated to approximate fair value because these will mature in less than one year.

b. The fair value of security deposit and lease liabilities are determined based on discounted cash flow using market interest rate.

27. PENGELOLAAN MODAL

Tujuan pengelolaan modal adalah untuk pengamanan kemampuan Entitas dalam melanjutkan kelangsungan usaha agar dapat memberikan hasil bagi pemegang saham dan manfaat kepada pihak berkepentingan lainnya dan untuk mempertahankan struktur permodalan yang optimum untuk meminimalkan biaya modal.

Secara periodik, Entitas melakukan valuasi utang untuk menentukan kemungkinan pembiayaan kembali utang yang ada dengan utang baru yang lebih efisien yang akan mengarah pada biaya utang yang lebih optimal.

Rasio utang terhadap ekuitas *(debt to equity)* adalah rasio yang diwajibkan oleh kreditur untuk diawasi oleh manajemen dalam mengevaluasi struktur permodalan Entitas serta mereviu efektivitas pinjaman Entitas.

27. CAPITAL MANAGEMENT

The objectives of capital management are to secure the Entity's ability to continue its business in order to deliver results for stockholders and benefits to other stakeholders and to maintain an optimal capital structure to minimize the cost of capital.

Periodically, the Entity performs the valuation of debt to determine the possible refinancing of existing debt with new loan that is more efficient which will lead to more optimal debt costs.

Debt to equity ratio is the ratio that is required to manage by management to evaluate the capital structure of the Entity and review the effectiveness of the Entity's debt.

Struktur permodalan Entitas dan rasio utang terhadap ekuitas adalah sebagai berikut:

The Entity's capital structure and debt to equity ratio are as follows:

	2024		
	Jumlah/*Total*	Persentase/*Percentage*	
Liabilitas jangka pendek	34.120.889.788	60,00%	*Current liabilities*
Liabilitas jangka Panjang	966.212.786	1,70%	*Non-current liabilities*
Jumlah liabilitas	35.087.102.574	61,70%	*Total liabilities*
Jumlah ekuitas	21.778.185.408	38,30%	*Total equity*
Jumlah	56.865.287.982	100,00%	*Total*
Rasio utang terhadap ekuitas		1,61	*Debt to equity ratio*

	2023		
	Jumlah/*Total*	Persentase/*Percentage*	
Liabilitas jangka pendek	32.767.238.268	62,80%	*Current liabilities*
Liabilitas jangka Panjang	676.474.729	1,30%	*Non-current liabilities*
Jumlah liabilitas	33.443.712.997	64,10%	*Total liabilities*
Jumlah ekuitas	18.731.294.797	35,90%	*Total equity*
Jumlah	52.175.007.794	100,00%	*Total*
Rasio utang terhadap ekuitas		1,79	*Debt to equity ratio*

28. TRANSAKSI NON-KAS

Pada tahun 2024, terdapat akun dalam laporan keuangan yang penambahannya merupakan aktivitas yang tidak mempengaruhi arus kas. Akun-akun tersebut adalah sebagai berikut:

28. NON-CASH TRANSACTIONS

For the years ended December 31, 2024, there were accounts in the financial statements that the addition represents an activity that does not affect cash flows. The accounts are as follows:

	2024	2023	
Penambahan aset tetap melalui utang lain-lain – pihak berelasi	170.936.511	-	*Increasing fixed assets trough other payables – related parties*
Penambahan bangunan kantor – hak guna melalui liabilitas sewa	41.345.080	-	*Increasing Right of use – office building trough lease liabilities*

29. REKLASIFIKASI AKUN

Beberapa akun pada laporan keuangan tanggal 31 Desember 2023 direklasifikasi untuk menyesuaikan penyajian laporan keuangan tanggal 31 Desember 2024 sebagai berikut:

29. ACCOUNTS RECLASSIFICATION

This accounts in financial statements as of December 31, 2023 is reclassified to adjust the presentation of financial statements as of December 31, 2024 as follows:

	31 Desember 2023/*December 31, 2023*		
	Dilaporkan Sebelumnya/ *Previously Reported*	Reklasifikasi/ *Reclassification*	Setelah Reklasifikasi/*After Reclassification*
Laporan Posisi Keuangan/*Statements of Financial Position*			
Piutang lain-lain – pihak berelasi/*Other receivables – related parties*	23.791.560.791	(7.708.000.000)	16.083.560.791
Piutang pihak berelasi/*Due from related parties*	6.577.096.135	7.708.000.000	14.285.096.135
Beban pokok penjualan/*Costs of sales*	19.705.380.191	30.919.756.215	50.625.136.406
Beban penjualan/*Selling expenses*	30.919.756.214	(29.664.760.576)	1.254.995.638
Beban umum dan administrasi/*General and administrative expenses*	12.832.107.437	(1.257.179.079)	11.574.928.358
Beban lain-lain/*Other expenses*	961.806.055	2.183.440	963.989.495

30. STANDAR AKUNTANSI KEUANGAN BARU DAN REVISI

Standar baru dan amendemen standar yang berlaku efektif untuk laporan keuangan yang dimulai pada atau setelah tanggal 1 Januari 2025 dan penerapan dini diperkenankan adalah sebagai berikut:

- PSAK No. 221, mengenai "Pengaruh Perubahan Kurs Valuta Asing".

  Amendemen tentang kekurangan ketertukaran. Amendemen ini memperjelas pengaturan terkait kondisi ketika suatu mata uang tidak tertukarkan serta pengungkapannya.

- PSAK No. 117, mengenai "Kontrak Asuransi".

  PSAK No. 117 merupakan adopsi dari IFRS No. 17: *Insurance Contract* yang berlaku efektif 1 Januari 2023. PSAK No. 117 ini telah mencakup relaksasi beberapa ketentuan sebagaimana diatur dalam Amendemen IFRS No. 17: *Insurance Contract* yang antara lain memberikan penambahan pengecualian ruang lingkup, penyesuaian penyajian laporan keuangan, penerapan opsi mitigasi risiko dan beberapa modifikasi pada ketentuan transisi.

30. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS

New and amended standards which are effective for the financial statements beginning on or after January 1, 2025 and early adoption is permitted as follows:

- *PSAK No. 221, regarding "The Impact of Changes in Foreign Exchange Rates".*

  Amendments on non-convertibility. These amendments clarify the provisions regarding the conditions when a currency is non-convertible and the disclosure thereof.

- *PSAK No. 117, regarding "Insurance Contracts".*

  PSAK No. 117 is an adoption of IFRS No. 17: Insurance Contract effective January 1, 2023. PSAK No. 117 has included relaxation of several provisions as regulated in Amendments to IFRS No. 17: Insurance Contract which, amongst others, provides for additional scope exceptions, adjustments in the presentation of financial statements, application of risk mitigation options and some modifications to transitional provisions.

Penerapan PSAK No. 117, mengenai "Kontrak Asuransi" akan membuat Laporan Keuangan perusahaan asuransi menjadi "berdayabanding" (*comparable*) dengan industri-industri lain seperti perbankan dan perusahaan jasa keuangan lainnya karena PSAK No. 104 Kontrak Asuransi yang berlaku saat ini (adopsi dari IFRS No. 4) masih memungkinkan pelaporan yang bervariasi di setiap yurisdiksi/negara. Selain itu, PSAK No. 117 juga mensyaratkan pemisahan yang jelas antara pendapatan yang dihasilkan dari bisnis asuransi dengan pendapatan dari kegiatan investasi sehingga seluruh *stakeholders* (pemangku kepentingan) dari laporan keuangan, termasuk pemegang polis maupun investor, mendapatkan informasi yang transparan atas laporan keuangan perusahaan yang memiliki kontrak asuransi untuk produk perlindungan asuransi dengan fitur investasi.	*Implementation of PSAK No. 117, regarding "The Insurance Contract" will make the insurance company's Financial Statements "comparable" with other industries such as banking and other financial service companies due to PSAK No. 104 The current Insurance Contract (adoption of IFRS No. 4) still allows for varying reporting in each jurisdiction/country. In addition, PSAK No. 117 also requires a clear separation between income generated from the insurance business and income from investment activities so that all stakeholders of the financial statements, including policyholders and investors, receive transparent information on the financial statements of companies that have insurance contracts for protection products. insurance with investment features.*
• PSAK No. 103, mengenai "Kombinasi Bisnis", PSAK No. 105, mengenai "Aset Tidak Lancar yang Dikuasai untuk Dijual dan Operasi yang Dihentikan", PSAK No. 107, mengenai "Instrumen Keuangan: Pengungkapan", PSAK No. 109, mengenai "Instrumen Keuangan", PSAK No. 115, mengenai "Pendapatan dari Kontrak dengan Pelanggan", PSAK No. 201, mengenai "Penyajian Laporan Keuangan", PSAK No. 207, mengenai "Laporan Arus Kas", PSAK No. 216, mengenai "Aset Tetap", PSAK No. 219, mengenai "Imbalan Kerja", PSAK No. 228, mengenai "Investasi pada Entitas Asosiasi dan Ventura Bersama", PSAK No. 232, mengenai "Instrumen Keuangan: Penyajian", PSAK No. 236, mengenai "Penurunan Nilai Aset", PSAK No. 237, mengenai "Provisi, Liabilitas Kontinjensi dan Aset Kontinjensi", PSAK No. 238, mengenai "Aset Takberwujud" dan PSAK No. 240, mengenai "Properti Investasi".	• *PSAK No. 103, regarding "Business Combinations", PSAK No. 105, regarding "Non-Current Assets Held for Sale and Discontinued Operations", PSAK No. 107, regarding "Financial Instruments: Disclosures", PSAK No. 109, regarding "Financial Instruments", PSAK No. 115, regarding "Revenue from Contracts with Customers", PSAK No. 201, regarding "Presentation of Financial Statements", PSAK No. 207, regarding "Statements of Cash Flows", PSAK No. 216, regarding "Property, Plan and Equipment", PSAK No. 219, regarding "Employee Benefits", PSAK No. 228, regarding "Investments in Associates and Joint Ventures", PSAK No. 232, regarding "Financial Instruments: Presentation", PSAK No. 236, regarding "Impairment of Asset", PSAK No. 237, regarding "Provisions, Contingent Liabilities and Contingent Assets", PSAK No. 238, regarding "Intangible Assets" and PSAK No. 240, regarding "Investment Property".*
Amendemen-amendemen tersebut sebagai konsekuensi atas berlaku efektifnya PSAK No. 117, mengenai "Kontrak Asuransi".	*These amendments resulted as a consequence of the effectiveness of PSAK No. 117, regarding "Insurance Contracts".*
• PSAK No. 370, mengenai "Akuntansi Aset dan Liabilitas Pengampunan Pajak" dan ISAK No. 335, mengenai "Penyajian Laporan Keuangan Entitas Berorientasi Nonlaba".	• *PSAK No. 370, regarding "Accounting for Tax Amnesty Assets and Liabilities" and ISAK No. 335, regarding "Presentation of Financial Statements of Non-Profit Oriented Entities".*
Amendemen-amendemen tersebut sebagai konsekuensi atas berlaku efektifnya SAK Indonesia untuk Entitas Privat.	*These amendments resulted as a consequence of the effectiveness of Indonesian SAK for Private Entities.*

Amendemen yang berlaku efektif untuk laporan keuangan yang dimulai pada atau setelah tanggal 1 Januari 2026 dan penerapan dini diperkenankan adalah sebagai berikut:

- PSAK No. 109, mengenai "Instrumen Keuangan" dan PSAK No. 107, mengenai "Instrumen Keuangan: Pengungkapan tentang Klasifikasi dan Pengukuran Instrumen Keuangan"

  Amendemen ini menambahkan dan mengklarifikasi ketentuan dalam PSAK No. 109 terkait penghentian pengakuan liabilitas keuangan, serta mengklarifikasi penilaian karakteristik arus kas untuk aset keuangan dengan fitur *ESG-linked*, aset keuangan dengan fitur *non-recourse*, dan instrumen yang terikat secara kontraktual seperti tranche. Amendemen ini juga mengubah ketentuan dalam PSAK No. 107 terkait persyaratan pengungkapan investasi pada instrumen ekuitas yang diukur pada nilai wajar melalui penghasilan komprehensif lain dan menambah ketentuan terkait instrumen keuangan dengan persyaratan kontraktual yang mengubah waktu atau jumlah arus kas kontraktual.

- Penyesuaian Tahunan 2024 SAK Indonesia

  Penyesuaian Tahunan ini merujuk pada *IFRS Accounting Standards Annual Improvements – Volume 11*. Penyesuaian ini berisi perubahan susunan kata atau pembetulan minor atas konsekuensi yang tidak diintensikan, kekeliruan, atau persyaratan yang bertentangan dalam SAK Indonesia.

Amendemen yang berlaku efektif untuk laporan keuangan yang dimulai pada atau setelah tanggal 1 Januari 2027 dan penerapan dini diperkenankan adalah sebagai berikut:

- PSAK No. 413, mengenai "Penurunan Nilai".

  PSAK No. 413 diterapkan pada aset keuangan syariah berupa hak tagih yang jumlah kas dan waktu pembayarannya sudah ditentukan dalam akad. Perhitungan penurunan nilai dalam PSAK No. 413 menggunakan konsep ekspektasi kerugian (*expected loss*) yang perhitungannya mencerminkan jumlah tidak bias dan probabilitas tertimbang (*unbiased and probability-weighted amount*) dan informasi wajar dan tersokong (*reasonable and supportable information*). Perhitungan tersebut tidak mencerminkan nilai waktu atas uang (*time value of money*). Kafalah penjaminan risiko kredit ditentukan jumlah yang lebih tinggi antara jumlah provisi yang dihitung berdasarkan PSAK No. 413 dengan jumlah liabilitas yang telah dibentuk.

Amendments which are effective for the financial statements beginning on or after January 1, 2026 and early adoption is permitted as follows:

- *PSAK No. 109, regarding "Financial Instruments" and PSAK No. 107, regarding "Financial Instruments: Disclosures about the Classification and Measurement of Financial Instruments"*

  These amendments add and clarify the provisions in PSAK No. 109 related to the derecognition of financial liabilities, as well as clarify the assessment of cash flow characteristics for financial assets with ESG-linked features, financial assets with non-recourse features, and contractually bound instruments such as tranches. These amendments also change the provisions in PSAK No. 107 related to the disclosure requirements for investments in equity instruments measured at fair value through other comprehensive income and add provisions related to financial instruments with contractual terms that change the timing or amount of contractual cash flows.

- *Annual Improvements 2024 of Indonesian Accounting Standards*

  This Annual Improvement refers to IFRS Accounting Standards Annual Improvements – Volume 11. This Improvement contains minor wording changes or corrections to unintended consequences, errors, or conflicting requirements in Indonesian SAK.

Amendments which are effective for the financial statements beginning on or after January 1, 2027 and early adoption is permitted as follows:

- *PSAK No. 413, regarding "Impairment Loss".*

  PSAK No. 413 is applied to Islamic financial assets in the form of collection rights whose cash amount and payment time have been determined in the contract. Calculation of impairment loss in PSAK No. 413 uses the concept of expected loss whose calculation reflects the unbiased and probability-weighted amount and reasonable and supportable information. The calculation does not reflect the time value of money. Kafalah credit risk guarantee is determined by the higher amount between the provision amount calculated based on PSAK No. 413 and the amount of liabilities that have been formed.

Pengakuan dan pengukuran penurunan nilai menggunakan dua model yaitu model umum dan model sederhana. Model umum diterapkan pada aset keuangan syariah yang umur awalnya lebih dari 12 bulan dan piutang murabahah yang mengandung unsur pembiayaan signifikan. Aset keuangan syariah dibedakan menjadi aset yang risiko kreditnya buruk (penyisihan untuk ekspektasi kerugian sepanjang umur) dan tidak buruk (penyisihan untuk ekspektasi kerugian 12 bulan). Model sederhana diterapkan pada aset keuangan syariah yang lain dan penyisihannya sebesar ekspektasi kerugian sepanjang umur.	*Recognition and measurement of impairment use two models, namely the general model and the simple model. The general model is applied to Islamic financial assets whose initial life is more than 12 months and murabahah receivables that contain significant financing elements. Islamic financial assets are divided into assets with poor credit risk (provision for expected losses throughout life) and not bad (provision for expected losses of 12 months). The simple model is applied to other Islamic financial assets and the allowance is set at the lifetime expected loss.*
Manajemen Entitas sedang mengevaluasi dampak dari standar baru, amendemen, dan penyesuaian standar ini terhadap laporan keuangan.	*The management of the Entity is currently evaluating the impact of the new standards, amendments and improvements to standards on the financial statements.*

31. PENYELESAIAN LAPORAN KEUANGAN / *31. COMPLETION OF THE FINANCIAL STATEMENTS*

Manajemen Entitas bertanggung jawab atas penyusunan laporan keuangan yang telah diselesaikan pada tanggal 10 Juli 2025.	*The management of the Entity is responsible for the preparation of the financial statements which were completed on July 10, 2025.*

全国百强 会计师事务所 连续9年在榜

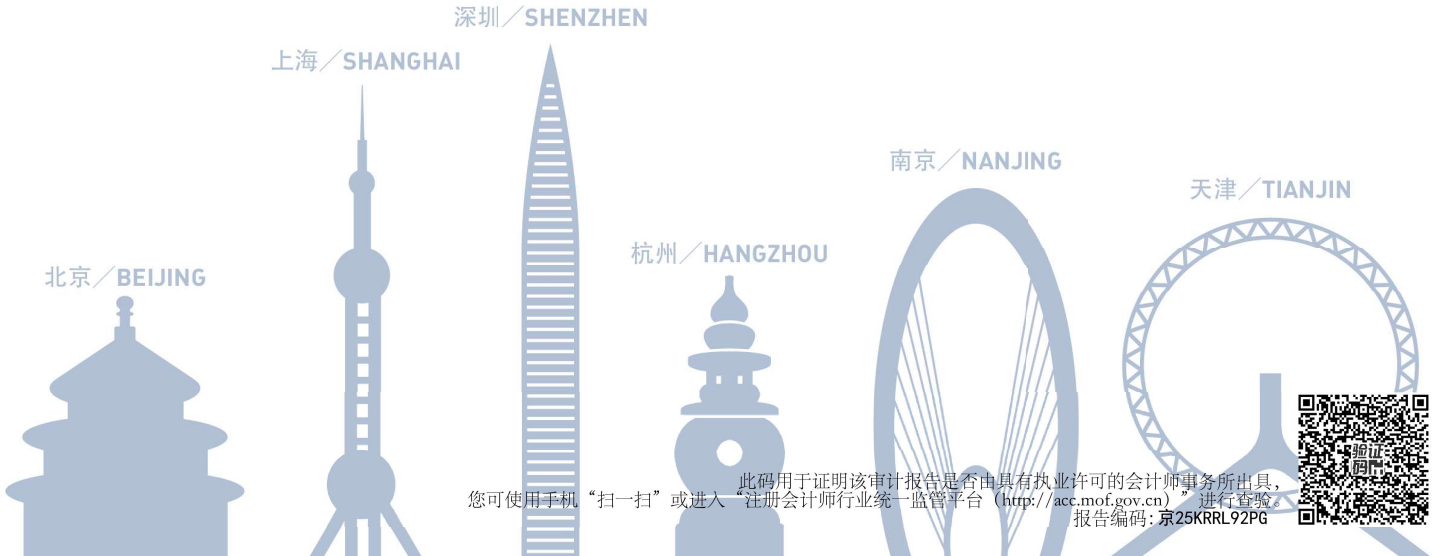
AAAAA级 税务师事务所 全国共40家

北京五十强 评估机构 连续5年在榜

迪吉图文制作（上海）有限公司

东审会【2025】D13-145号

DONGSHEN 東审财税



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迪吉图文制作（上海）有限公司

Digiphoto Entertainment Imaging (Shanghai) Co., Ltd.

2024 年度审计报告书

2024 Annual Auditor's Report

东审会【2025】D13-145 号

DSK【2025】No.D13-145

北京东审会计师事务所（特殊普通合伙）

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审计报告

Auditor's Report

东审会【2025】D13-145 号

DSK [2025] No. D13-145

迪吉图文制作（上海）有限公司全体股东：

To all shareholders of Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.:

一、审计意见

I. Audit Opinion

我们审计了迪吉图文制作（上海）有限公司（以下简称“贵公司”）财务报表，包括 2024 年 12 月 31 日的资产负债表，2024 年度的利润表、现金流量表、所有者权益变动表以及相关财务报表附注。

We have audited the financial statements of Digiphoto Entertainment Imaging(Shanghai) Co., Ltd. Co., Ltd. (hereinafter referred to as the "Company"), including the balance sheet as of December 31, 2024, and the income statements, the cash flow statements, and the statements of changes in equity for the year then ended, as well as notes to financial statements.

我们认为，后附的财务报表在所有重大方面按照企业会计准则的规定编制，公允反映了贵公司 2024 年 12 月 31 日的财务状况以及 2024 年度的经营成果和现金流量。

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

二、形成审计意见的基础

II. Basis for Opinion

我们按照中国注册会计师审计准则的规定执行了审计工作。审计报告的“注册会计师对财务报表审计的责任”部分进一步阐述了我们在这些准则下的责任。按照中国注册会计师职业道德守则，我们独立于贵公司，并履行了职业道德方面的其他责任。我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Certified Public Accountant's Responsibilities for

the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

三、管理层和治理层对财务报表的责任

Ⅲ. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

贵公司管理层负责按照企业会计准则的规定编制财务报表，使其实现公允反映，并设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

在编制财务报表时，管理层负责评估贵公司的持续经营能力，披露与持续经营相关的事项（如适用），并运用持续经营假设，除非管理层计划清算贵公司、终止运营或别无其他现实的选择。

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

治理层负责监督贵公司的财务报告过程。

Those charged with governance are responsible for overseeing the Company's financial reporting process.

四、注册会计师对财务报表审计的责任

Ⅳ. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements

我们的目标是对财务报表整体是否不存在由于舞弊或错误导致的重大错报获取合理保证，并出具包含审计意见的审计报告。合理保证是高水平的保证，但并不能保证按照审计准则执行的审计在某一重大错报存在时总能发现。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响财务报表使用者依据财务报表作出的经济决策，则通常认为错报是重

大的。

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

在按照审计准则执行审计工作的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

We applied professional judgment and professional skepticism during conducting audit work in accordance with the Auditing Standards for CPA while performing following works:

（一） 识别和评估由于舞弊或错误导致的财务报表重大错报风险，设计和实施审计程序以应对这些风险，并获取充分、适当的审计证据，作为发表审计意见的基础。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。

（二） 了解与审计相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。

（三） 评价管理层选用会计政策的恰当性和作出会计估计及相关披露的合理性。

（四） 对管理层使用持续经营假设的恰当性得出结论。同时，根据获取的审计证据，就可能导致对贵公司持续经营能力产生重大疑虑的事项或情况是否存在重大不确定性得出结论。如果我们得出结论认为存在重大不确定性，审计准则要求我们在审计报告中提请报表使用者注意财务报表中的相关披露；如果披露不充分，我们应当发表非无保留意见。我们的结论基于截至审计报告日可获得的信息。然而，未来的事项或情况可能导致贵公司不能持续经营。

（五） 评价财务报表的总体列报、结构和内容（包括披露），并评价财务报表是否公允反映相关交易和事项。

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Obtain an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, , including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

我们与治理层就计划的审计范围、时间安排和重大审计发现等事项进行沟通，包括沟通我们在审计中识别出的值得关注的内部控制缺陷。

We have communicated with the governance on the matters such as the scope and timing of audit and major audit findings, including the notable defects of internal control identified in our audit.

本审计报告不得用于上市、发债及新三板等证券市场使用，不得用于有证券资质需求的投融资、业绩对赌使用，因超范围使用不当造成的后果，与执行本审计业务的注册会计师及本会计师事务所无关。

This audit report is not to be used for any purpose related to securities markets, including but not limited to listing, bond issuance, or the New Third Board. It is also not to be used for investment and financing activities that require securities qualifications, or for performance-based wagering agreements. Any consequences arising from the improper use of this report beyond the specified scope shall not be the responsibility of the certified public accountants involved in this audit or this accounting firm

北京东审会计师事务所（特殊普通合伙）

Beijing Dongshen Certified Public Accountants LLP

（公章） （official seal）

中国 北京 China Beijing

2025 年 05 月 28 日

May, 28, 2025

中国注册会计师：

Chinese CPA：

中国注册会计师：

Chinese CPA：

Balance Sheet

December 31, 2024

Audited entity name:Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.

Currency: Rmb

Items	Notes	报表项目名称	Closing Balance	Opening Balance	Items	Notes	报表项目名称	Closing Balance	Opening Balance
Current Assets:					Currents Liabilities:				
Cash and cash equivalents	1	货币资金	1,099,446.60	5,564,520.80	Short-term borrowings	35	短期借款		
Financial assets held for trading	2	交易性金融资产			Financial liabilities held for trading	36	交易性金融负债		
Derivative financial assets	3	衍生金融资产			Derivative financial liabilities	37	衍生金融负债		
Notes receivable	4	应收票据			Notes payable	38	应付票据		
Accounts receivable	5	应收账款	11,937,247.25	13,766,130.01	Accounts payable	39	应付账款	51,061,539.16	42,039,205.65
Financing receivables	6	应收款项融资			Receipts in advance	40	预收款项		
Prepayments	7	预付款项	924,583.38	1,380,729.51	Contract liabilities	41	合同负债		
Other receivables	8	其他应收款	211,392.53	4,083,230.05	Payroll and employee benefits payable	42	应付职工薪酬	948,981.09	140,133.31
Inventories	9	存货	5,289,459.08	4,772,895.97	Taxes payable	43	应交税费	-501,641.87	-56,707.97
Contract assets	10	合同资产			Other payables	44	其他应付款(并)	74,429.77	3,871,841.40
Assets classified as held for sale	11	持有待售资产			Liabilities classified as held for sale	45	持有待售负债		
Non-current assets due within one year	12	一年内到期的非流动资产			Current portion of non-current liabilities	46	一年内到期的非流动负债		
Other current assets	13	其他流动资产	345,425.33	385,600.00	Other curent liabilities	47	其他流动负债	8,818,843.42	11,769,658.88
Total Current Assets	14	流动资产合计	19,807,594.17	29,953,106.34	Total Current Liabilities	48	流动负债合计	60,402,151.57	57,764,131.27
					Non-current liabilities:				
Non-current Assets:					Long-term borrowings	49	长期借款		
Debt investment	15	债权投资			Bonds payable	50	应付债券		
Other debt investment	16	其他债权投资			Including: Preference shares	51	其中：优先股		
Long-term receivable	17	长期应收款			Perpetual bonds	52	永续债		
Long-term equity investments	18	长期股权投资			Lease liabilities	53	租赁负债		
Other equity instruments investments	19	其他权益工具投资			Long-term Payables	54	长期应付款(并)		
Other non-current financial assets	20	其他非流动金融资产			Provisions	55	预计负债		
Investment properties	21	投资性房地产			Deferred income	56	递延收益		
Fixed assets	22	固定资产(并)	3,957,723.48	4,735,768.42	Deferred tax liabilities	57	递延所得税负债		
Construction in progress	23	在建工程(并)			Other non-current liabilities	58	其他非流动负债		
Productive biological assets	24	生产性生物资产			Total Non-current Liabilities	59	非流动负债合计	-	-
Oil and gas assets	25	油气资产			Total Liabilities	60	负债合计	60,402,151.57	57,764,131.27
Right-of-use assets	26	使用权资产			Shareholders' Equity:				
Intangible assets	27	无形资产			Paid-in capital	61	实收资本	14,200,331.92	14,200,331.92
Development expenditures	28	开发支出			Other equity instruments	62	其他权益工具		
Goodwill	29	商誉			Including: Preference share	63	其中：优先股		
Long-term deferred assets	30	长期待摊费用			Perpetual debt	64	永续债		
Deferred tax assets	31	递延所得税资产			Capital reserve	65	资本公积		
Other non-current assets	32	其他非流动资产			Less: treasury shares	66	减：库存股		
Total Non-current Assets	33	非流动资产合计	3,957,723.48	4,735,768.42	Other comprehensive income	67	其他综合收益		
					Special reserve	68	专项储备		
					Surplus reserve	69	盈余公积		
					Retained earnings	70	未分配利润	-50,837,165.84	-37,275,588.43
Total Assets	34	资产总计	23,765,317.65	34,688,874.76	Total Shareholders' equity	71	所有者权益（或股东权益）合计	-36,636,833.92	-23,075,256.51
					Total Liabilities and Shareholders' equity Equity	72	负债和所有者权益总计	23,765,317.65	34,688,874.76

Income Statement

Year 2024

Audited entity name:Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.

Currency: Rmb

Items	Notes	报表项目名称	Current Year	Previous Year
I.Operating revenue	1	营业收入	51,083,469.20	54,907,728.59
Less: Cost of sales	2	减：营业成本	57,715,375.69	49,482,653.57
Taxes and surcharges	3	税金及附加	48,594.01	
Selling expenses	4	销售费用		
General and administrative expenses	5	管理费用	4,175,022.25	5,979,717.46
Research and development expenses	6	研发费用		
Financial expenses	7	财务费用	2,239,576.78	1,079,012.71
Including: Interest expense	8	其中：利息费用		9,752.00
Interest income	9	利息收入	9,083.06	8,561.14
Add:Other Income	10	加：其他收益		
Investment income (loss expressed with "-")	11	投资收益（损失以“-”号填列）		
Including:Share of profits or loss of associates and joint ventures	12	其中：对联营企业和合营企业的投资收益		
Gain from derecognition of financial assets measured at amortized cost (loss expressed with "-")	13	以摊余成本计量的金融资产终止确认收益(损		
Net exposure hedging gains (loss expressed with "-")	14	净敞口套期收益（损失以“-”号填列）		
Gain/ (loss) on the changes in fair value (loss expressed with "-")	15	公允价值变动收益（损失以“-”号填列）		
Credit impairment losses (loss expressed with " ")	16	信用减值损失（损失以“-”号填列）	-528,632.00	-528,526.00
Assets impairment losses (loss expressed with "-")	17	资产减值损失（损失以“-”号填列）		
Gain/ (loss) from disposal of assets(loss expressed with "-")	18	资产处置收益（损失以“-”号填列）		
II.Operating profit (loss expressed with "-")	19	二、营业利润(亏损以“-”号填列)	-13,623,731.53	-2,162,181.15
Add:Non-operating income	20	加：营业外收入	70,363.40	-
Less:Non-operating expenses	21	减：营业外支出	8,213.39	62,863.00
III. Profit before tax (total loss expressed with "-")	22	三、利润总额(亏损总额以“-”号填列)	-13,561,581.52	-2,225,044.15
Less:Income tax expense	23	减：所得税费用		
IV.Net profit (net loss expressed with "-")	24	四、净利润(净亏损以“-”号填列)	-13,561,581.52	-2,225,044.15
(I) Net profit from continuing operations (net loss expressed with "-")	25	（一）持续经营净利润(净亏损以“-”号填列)		
(II) Net profit from discontinuing operations(net loss expressed with "-")	26	（二）终止经营净利润(净亏损以“-”号填列)		
V.Other comprehensive income, net of tax	27	五、其他综合收益的税后净额		
(I) Other comprehensive income, net of tax	28	(一)不能重分类进损益的其他综合收益		
1, Other comprehensive income that will not be reclassified to profit or loss	29	1. 重新计量设定受益计划变动额		
2. Other comprehensive income using the equity method that will not be reclassified to profit or loss	30	2. 权益法下不能转损益的其他综合收益		
3. Changes in fair value of other equity instrument investments	31	3. 其他权益工具投资公允价值变动	-	-
4. Changes in fair value of enterprise's own credit risk	32	4. 企业自身信用风险公允价值变动		
5. others	33	5. 其他		
(II)Other comprehensive income to be reclassified to profit or loss	34	(二)将重分类进损益的其他综合收益		
1. Other comprehensive income that can be reclassified to profit or loss in equity method	35	1. 权益法下可转损益的其他综合收益		
2. Changes in fair value of other debt investments	36	2. 其他债权投资公允价值变动		
3. Amount of financial assets reclassified into other comprehensive income	37	3. 金融资产重分类计入其他综合收益的金额		
4. Provision for credit impairment of other debt investments	38	4. 其他债权投资信用减值准备		
5. Cash flow hedging reserves	39	5. 现金流量套期储备		
6. Exchange differences on translation of foreign currency financial statements	40	6. 外币财务报表折算差额		
7. Others	41	7. 其他		
VI.Total comprehensive income	42	六、综合收益总额		
VII.Earnings per share	43	七、每股收益：		
1.Basic earnings per share	44	(一)基本每股收益		
2.Diluted earnings per share	45	(二)稀释每股收益		

Cash Flow Statement

Year 2024

Audited entity name:Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.

Currency: Rmb

Items	Notes	报表项目名称	Current Year	Previous Year
I. Cash Flows From Operating Activities	1	一、经营活动产生的现金流量：		
Cash received from sale of goods or rendering of services	2	销售商品、提供劳务收到的现金	52,912,351.96	53,329,361.47
Tax refunds received	3	收到的税费返还	-	
Cash received relating to other operating activities	4	收到其他与经营活动有关的现金	144,789.29	1,654,458.53
Sub-total of cash inflows from operating activities	5	经营活动现金流入小计	53,057,141.25	54,983,820.00
Cash paid for purchase of goods and services	6	购买商品、接受劳务支付的现金	21,995,597.48	18,430,059.76
Cash paid to and on behalf of employees	7	支付给职工以及为职工支付的现金	30,084,645.62	23,429,114.00
Cash paid for taxes	8	支付的各项税费	516,481.82	1,748,300.53
Cash paid relating to other operating activities	9	支付其他与经营活动有关的现金	4,183,235.64	5,462,150.58
Sub-total of cash outflows from operating activities	10	经营活动现金流出小计	56,779,960.56	49,069,824.87
Net cash flows from operating activities	11	经营活动产生的现金流量净额	-3,722,819.31	5,913,995.13
II. Cash Flows From Investing Activities		二、投资活动产生的现金流量：		
Cash received from disposal of investments	13	收回投资收到的现金		
Cash received from investment income	14	取得投资收益收到的现金		
Net proceeds from disposal of property, plant and equipment, intangible assets and other lo	15	处置固定资产、无形资产和其他长期资产收回的现金净额		
Cash received from disposal of subsidiaries and other business units	16	处置子公司及其他营业单位收到的现金净额		
Cash received relating to other investing activities	17	收到其他与投资活动有关的现金		
Sub-total of cash inflows from investing activities	18	投资活动现金流入小计	-	-
Purchase of property, plant and equipment, intangible assets and other non-current assets	19	购建固定资产、无形资产和其他长期资产支付	742,254.89	2,944,276.12
Cash paid for investments	20	投资支付的现金		
Cash Paid for disposal of subsidiaries and other business units	21	取得子公司及其他营业单位支付的现金净额		
Cash paid relating to other investing activities	22	支付其他与投资活动有关的现金		
Sub-total of cash outflows from investing activities	23	投资活动现金流出小计	742,254.89	2,944,276.12
Net cash flows from investing activities	24	投资活动产生的现金流量净额	-742,254.89	-2,944,276.12
III.Cash Flows From Financing Activities	25	三、筹资活动产生的现金流量：		
Cash received from investment	26	吸收投资收到的现金		
Proceeds from borrowings	27	取得借款收到的现金		
Cash receipts relating to other financing activities	28	收到其他与筹资活动有关的现金		
Sub-total cash flows from financing activities	29	筹资活动现金流入小计	-	-
Repayments for debts Cash repayments of amounts borrowed	30	偿还债务支付的现金		1,940,654.78
Cash payments for distribution of dividends or profit and interest expenses	31	分配股利、利润或偿付利息支付的现金		9,752.00
Cash payments relating to other financing activities	32	支付其他与筹资活动有关的现金		
Sub-total cash flows from financing activities	33	筹资活动现金流出小计	-	1,950,406.78
Net cash flows from financing activities	34	筹资活动产生的现金流量净额	-	-1,950,406.78
IV. Effect Of Foreign Exchange Rate Changes On Cash and Cash Equivalents	35	汇率变动对现金及现金等价物的影响		
V. Net Increase In Cash And Cash Equivalents	36	现金及现金等价物净增加额	-4,465,074.20	1,019,312.23
Add: Cash and cash equivalents at beginning of year	37	期初现金及现金等价物余额	5,564,520.80	4,545,208.57
VI.Cash and cash equivalents at end of year	38	期末现金及现金等价物余额	1,099,446.60	5,564,520.80

Statement of Changes in Owners' Equity

Year 2024

Audited entity name:Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.

Currency: Rmb

Items	报表项目名称	Current Year										
		Share capital	Other equity instruments			Capital reserve	Less: Treasury Shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
			preference shares	Perpetual debt	Others							
I. Balance at the end of previous year	一、上年年末余额	14,200,331.92									-37,275,588.43	-23,075,256.51
Add:Changes in accounting policies	会计政策变更											-
Corrections of prior period errors	前期差错更正											-
Others	上年年末余额-其他											-
II. Balance at the beginning of the year	二、本年年初余额	14,200,331.92	-	-	-	-	-	-	-	-	-37,275,588.43	-23,075,256.51
III. Increase/(decrease) during the period (decrease expressed with "-")	三、本年增减变动金额（减少以"-"号	-	-	-	-	-	-	-	-	-	-13,561,577.41	-13,561,577.41
(I) Total comprehensive income	（一）综合收益总额										-13,561,581.52	-13,561,581.52
(II)Shareholders' contributions and reduction	（二）所有者投入和减少资本	-	-	-	-	-	-	-	-	-	-	-
1. Shareholders 'contributions in ordinary share	1.所有者投入的普通股											-
2.Other equity instruments contributions	2.其他权益工具持有者投入资本											-
3.Amount of share-based payments recognized in equity	3.股份支付计入所有者权益的金额											-
4.Others	4.其他											-
(III)Profit distribution	（三）利润分配	-	-	-	-	-	-	-	-	-	-	-
1.Transfer to surplus reserve	1.提取盈余公积											-
2.Distribution to shareholders	2.对所有者(或股东)的分配											-
3.Others	3.其他											-
(IV) Transfer within equity	（四）所有者权益内部结转	-	-	-	-	-	-	-	-	-	-	-
1.Capital reserves converted to share capital	1.资本公积转增资本(或股本)											-
2.Surplus reserves converted to share capital	2.盈余公积转增资本(或股本)											-
3.Loss made up by surplus reserves	3.盈余公积弥补亏损											-
4 Changes in the defined benefit plan transferred to retained ear	4.设定受益计划变动额结转留存收益											-
5.Other comprehensive income transferred to retained earnings	5.其他综合收益结转留存收益											-
6.Others	6.其他											-
(V)Special reserve	（五）专项储备											-
1 Additions	1、本期提取											
2 Utilisation	2、本期使用											
(VI)Others	（六）其他											
IV.Balance at the end of the period	四、本年期末余额	14,200,331.92	-	-	-	-	-	-	-	-	4.11	4.11
											-50,837,165.84	-36,636,833.92

Statement of Changes in Owners' Equity

Year 2024

Audited entity name:Digiphoto Entertainment Imaging(Shanghai) Co. Ltd.

Currency: Rmb

Items	报表项目名称	Prior Year										
		Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
			preference shareh	Perpetual debt	Others							
I. Balance at the end of previous year	一、上年年末余额	14,200,331.92									-35,050,544.29	-20,850,212.37
Add:Changes in accounting policies	会计政策变更											-
Corrections of prior period errors	前期差错更正											-
Others	上年年末余额-其他											-
II. Balance at the beginning of the year	二、本年年初余额	14,200,331.92	-	-	-	-	-	-	-	-	-35,050,544.29	-20,850,212.37
III. Increase/(decrease) during the period (decrease expressed with "-")	三、本年增减变动金额（减少以"-	-	-	-	-	-	-	-	-	-	-2,225,044.14	-2,225,044.14
(I) Total comprehensive income	（一）综合收益总额										-2,225,044.15	-2,225,044.15
(II)Shareholders' contributions and reduction	（二）所有者投入和减少资本	-	-	-	-	-	-	-	-	-	-	-
1. Shareholders 'contributions in ordinary share	1.所有者投入的普通股											-
2.Other equity instruments contributions	2.其他权益工具持有者投入资本											-
3.Amount of share-based payments recognized in equity	3.股份支付计入所有者权益的金额											-
4.Others	4.其他											-
(III)Profit distribution	（三）利润分配	-	-	-	-	-	-	-	-	-	-	-
1.Transfer to surplus reserve	1.提取盈余公积											-
2.Distribution to shareholders	2.对所有者(或股东)的分配											-
3.Others	3.其他											-
(IV).Transfer within equity	（四）所有者权益内部结转	-	-	-	-	-	-	-	-	-	-	-
1.Capital reserves converted to share capital	1.资本公积转增资本(或股本)											-
2.Surplus reserves converted to share capital	2.盈余公积转增资本(或股本)											-
3.Loss made up by surplus reserves	3.盈余公积弥补亏损											-
4 Changes in the defined benefit plan transferred to retained earnings	4.设定受益计划变动额结转留存收益											-
5.Other comprehensive income transferred to retained earnings	5.其他综合收益结转留存收益											-
6.Others	6.其他											
(V)Special reserve	（五）专项储备											-
1 Additions	1. 本期提取											
2 Utilisation	2. 本期使用											
(VI) Others	（六）其他											
IV.Balance at the end of the period		14,200,331.92	-	-	-	-	-	-	-	-	0.01	0.01
											-37,275,588.43	-23,075,256.51

迪吉图文制作（上海）有限公司

Digiphoto Entertainment Imaging (Shanghai) Co., Ltd.

财务报表附注

Notes to Financial Statements

2024 年度

Year 2024

（除特别说明，金额以人民币元表述）

(Unless otherwise especially specified, the amounts are stated in RMB)

一、公司基本情况

I. Company Profile

迪吉图文制作（上海）有限公司（以下简称“本公司”）成立于 2014 年 05 月 06 日，统一社会信用代码为 91310000088552167H。企业注册地址：上海市奉贤区奉浦工业区奉浦大道 111 号 7 楼 3631 室，注册资本：美元 70 万。营业期限：30 年；法定代表人：NIXEN PAUL FRANCIS。

Digiphoto Entertainment Imaging(Shanghai) Co., Ltd. (the “Company”) was established on May 6, 2014.Registration Number of Corporate Business License: 91310000088552167H; Registered Address: Room 3631,7th floor, 111 Fengpu Avenue, Fengxian Industrial Zone, Fengxian District, Shanghai Registered Capital: $700,000.00; Operation period: 30 years; Legal Representative: NIXEN PAUL FRANCIS.

本公司经营范围：图文制作、艺术摄影、一般照相馆服务、照片扩印服务、利用计算机进行照片图片加工处理等服务，摄影器材、电子产品、数码产品、办公用品、日用百货、工艺礼品（文物除外）、金属制品的进出口、批发、佣金代理（拍卖除外），并提供相关配套服务（不涉及国营贸易管理商品，涉及配额、许可证管理商品的，按照国家有关规定办理申请）。【依法须经批准的项目，经相关部门批准后方可开展经营活动】

Scope of Business：photographic production, art photography, general photography library service, photo expansion service, photo processing and other services by computer, photographic equipment, electronic products, digital products, office supplies, daily department stores, handicrafts and gifts (except cultural relics), import and export of metal products, wholesale, commission agent (except for auctions), and relevant supporting services (not involving state-owned trade management commodities, involving quota and license management commodities, the application shall be processed in accordance with the relevant provisions of the State) [Projects subject to approval according to law can only be carried out after approved by relevant departments].

二、财务报表编制基础

II. Basis of Preparation of Financial Statements

(一) 编制基础

(I) Basis for preparation

北京东审会计师事务所(特殊普通合伙)

本公司以持续经营为基础，根据实际发生的交易和事项，按照财政部颁布和修订的《企业会计准则—基本准则》，和 42 项具体会计准则、企业会计准则应用指南、企业会计准则解释、财政部关于修订印发 2019 年度一般企业财务报表格式的通知财会〔2019〕6 号（以下合称“企业会计准则”）及其他相关规定进行确认和计量，在此基础上编制财务报表。

The financial statements are prepared by the Company on a going concern basis, in accordance with the actual transactions and events occurred. The preparation complies with the Accounting Standards for Business Enterprises (ASBE) system promulgated and amended by the Ministry of Finance of the People's Republic of China, which encompasses the Basic Standards, specific accounting standards, application guidelines, interpretations and other relevant provisions. These financial statements appropriately recognize and measure transactions and events in strict adherence to the ASBE framework, ensuring consistent application of accounting policies with preceding periods

(二) 持续经营能力评价

(II) Assessment of the Company's Going Concern Ability

本公司财务报表以持续经营为基础列报。本公司自报告期末起 12 个月不存在对本公司持续经

营能力产生重大疑虑的事项或情况。

The financial statements are prepared on a going concern basis. Management has concluded that no material uncertainties exist which may cast significant doubt on the Company's ability to continue as a going concern for the twelve-month period following the reporting date.

三、公司主要会计政策、会计估计

III. Significant Accounting Policies and Key Accounting Estimates

(一) 遵循企业会计准则的声明

(I) Statements on Compliance with the Accounting Standards for Business Enterprises

本公司编制的财务报表符合企业会计准则的要求，真实、完整地反映了本公司 2024 年 12 月 31 日的财务状况及 2024 年度的经营成果和现金流量等有关信息。

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises, and have given true and complete views on the Company's financial position, and other information related to operating results and cash flows of 2024.

北京东审会计师事务所(特殊普通合伙)

(二) 会计期间

(II) Accounting period

本公司以公历 1 月 1 日起 12 月 31 日止为一个会计年度。

The Company's accounting year begins on January 1 and ends on December 31 of every Gregorian calendar year.

(三) 营业周期

(III) Operating cycle

本公司以 12 个月作为营业周期。

The Company considers 12 months as the standard to classify the liquidity of assets and liabilities.

(四) 记账本位币

(IV) Functional currency

本公司以人民币为记账本位币。

The Company's functional currency is Renminbi (CNY)

(五) 记账基础和计价原则

(V) Basis of accounting and measurement principles

根据企业准则的相关规定，公司会计核算以权责发生制为基础。除某些金融工具和投资性房地产外，本财务报表均以历史成本为计量基础。

According to related regulations of ASBE, the Company’s accounting shall be on the accrual basis. Except for certain financial instruments and Investment Properties, the financial statement shall adopt historical cost as the measurement basis.

(六) 现金及现金等价物的确定标准

(VI) Criteria for determining cash and cash equivalents

列示于现金流量表中的现金是指库存现金以及可随时用于支付的存款，现金等价物是指企业持有的期限短、流动性强、易于转换为已知金额现金、价值变动风险很小的投资。

Cash presented in the statement of cash flows refers to cash on hand and deposits that are available for immediate payment. Cash equivalents refer to investments held by the enterprise with short - term maturities, high liquidity, easy convertibility into a known amount of cash, and minimal risk of value fluctuation.

(七) 外币业务和外币报表折算

(VII) Foreign currency transactions and financial statements translation

1.外币业务

1.**Foreign currency transactions**

外币业务交易在初始确认时，采用交易发生日的即期汇率作为折算汇率折合成人民币记账。

Foreign currency transactions are initially recorded in Renminbi (CNY) using the spot exchange rate prevailing on the transaction date.

资产负债表日，对外币货币性项目，按资产负债表日即期汇率折算，因汇率不同而产生的汇兑差额，除属于与购建符合资本化条件的资产相关的外币专门借款产生的汇兑差额按照借款费用资本化的原则处理外，均计入当期损益。

Monetary items denominated in foreign currencies are retranslated using the spot exchange rate on the balance sheet date. Exchange differences arising from such translation are recognized in profit or loss, except for those relating to specific foreign currency borrowings used for the acquisition, construction or production of qualifying assets, which are capitalized as part of the asset costs.

以历史成本计量的外币非货币性项目，仍采用交易发生日的即期汇率折算；以公允价值计量的外币非货币性项目，采用公允价值确定日的即期汇率折算，差额计入当期损益或确认为其他综合收益。

Foreign currency non-monetary items measured at historical cost are translated using the spot exchange rate at the transaction date. Those measured at fair value are translated at the rate on the fair value determination date, with differences recognized in profit or loss or other comprehensive income.

2.外币财务报表的折算

资产负债表中的资产和负债项目，采用资产负债表日的即期汇率折算；所有者权益项目除“未分配利润”项目外，其他项目采用发生时的即期汇率折算。利润表中的收入和费用项目，采用交易发生日的交易发生日的即期汇率折算。按照上述折算产生的外币财务报表折算差额计入其他综合收益。

2.Translation of foreign currency financial statements

Assets and liabilities in the balance sheet are translated at the closing rate on the balance sheet date, while equity items (excluding Retained Earnings) are translated at the historical rates applicable to their respective transaction dates. Revenue and expenses in the income statement are translated at the average exchange rate for the reporting period or specific transaction date rates where more appropriate. Exchange differences arising from these translations are recognized in other comprehensive income and presented as a separate component of equity until disposal of the foreign operation.

(八) 金融工具

(VIII) Financial instrument

1.金融工具的分类

1 Classification of Financial Instrument

本公司根据管理金融资产的业务模式和金融资产的合同现金流量特征，将金融资产划分为：

(1) 以摊余成本计量的金融资产；

(2) 以公允价值计量且其变动计入其他综合收益的金融资产；

(3) 以公允价值计量且其变动计入当期损益的金融资产。

金融资产的后续计量取决于其分类。

Financial assets are classified based on the Company's business model for managing financial assets and their contractual cash flow characteristics, as follows:

(1) Financial assets measured at amortized cost;

(2) Financial assets measured at fair value with changes recognized in other comprehensive income;

(3) Financial assets measured at fair value with changes recognized in profit or loss.

Subsequent measurement of financial assets is determined by their classification.

金融负债在初始确认时划分为以下四类：

(1) 以公允价值计量且其变动计入当期损益的金融负债；

(2) 金融资产转移不符合终止确认条件或继续涉入被转移金融资产所形成的金融负债；

(3) 不属于上述(1)或(2)的财务担保合同，以及不属于上述(1)并以低于市场利率贷款的贷款承诺；

(4) 以摊余成本计量的金融负债。

Financial liabilities are classified at initial recognition into the following four categories:

(1) Financial liabilities measured at fair value with changes recognized in profit or loss;

(2) Financial liabilities arising from transferred financial assets that do not qualify for derecognition or where continuing involvement is maintained;

(3) Financial guarantee contracts not included in (1) or (2) above, and loan commitments excluded from (1) with below-market interest rates;

(4) Financial liabilities measured at amortized cost.

2.金融工具的确认依据、计量方法和终止确认条件

2. Recognition Basis, measurement methods and derecognition conditions for financial

Instruments

(1) 金融资产和金融负债的确认依据和初始计量方法

(1) Recognition basis and initial measurement method of financial assets and financial liabilities

本公司于成为金融工具合同的一方时确认一项金融资产或金融负债。

A financial asset or financial liability is recognized when the Company becomes a party to the financial instrument contract.

初始确认金融资产或金融负债时，按照公允价值计量；对于以公允价值计量且其变动计入当期损益的金融资产和金融负债，相关交易费用直接计入当期损益；对于其他类别的金融资产或金融负债，相关交易费用计入初始确认金额。但是，公司初始确认的应收账款未包含重大融资成分或公司不考虑未超过一年的合同中的融资成分的，按照《企业会计准则第 14 号——收入》所定义的交易价格进行初始计量。

Financial assets and financial liabilities are initially measured at fair value. For financial assets and liabilities measured at fair value with changes recognized in profit or loss, related transaction costs are recognized directly in profit or loss. For other categories of financial assets or liabilities, related transaction costs are included in the initial recognition amount. However, receivables initially recognized that do not contain a significant financing component or where the Company does not consider the financing component in contracts not exceeding one year are measured at the transaction price as defined in ASBE 14 – Revenue.

(2) 金融资产的后续计量方法：

(2) Subsequent Measurement Method of Financial Assets:

1) 以摊余成本计量的金融资产

采用实际利率法，按照摊余成本进行后续计量。以摊余成本计量且不属于任何套期关系的一部分的金融资产所产生的利得或损失，在终止确认、重分类、按照实际利率法摊销或确认减值时，计入当期损益。

1) Financial Assets Measured in Amortized Cost

Adopt effective interest method to make subsequent measurement based on amortized cost. Any gain

or loss of the financial assets measured in amortized cost and not belonging to a part of any hedging relation shall be accounted into current profit or loss at the times of termination of recognition, reclassification, amortizing or recognizing impairment based on effective interest method.

2) 以公允价值计量且其变动计入其他综合收益的债务工具投资

采用公允价值进行后续计量。采用实际利率法计算的利息、减值损失或利得及汇兑损益计入当期损益，其他利得或损失计入其他综合收益。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入当期损益。

2) Debt instrument investment measured in fair value and with changes accounted into other comprehensive incomes

Adopt fair value for subsequent measurement. The interest, impairment loss or gain and exchange gain or loss calculated in effective interest method shall be accounted into current profit or loss, the other gain or loss shall be accounted into other comprehensive income. At the time of termination of recognition, the accumulated gain or loss previously accounted into other comprehensive income shall be transferred from the other comprehensive income and accounted into current profit or loss.

3) 以公允价值计量且其变动计入其他综合收益的权益工具投资

采用公允价值进行后续计量。获得的股利（属于投资成本收回部分的除外）计入当期损益，其他利得或损失计入其他综合收益。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入留存收益。

3) Equity instrument investments measured at fair value through other comprehensive income

The investments are subsequently measured at fair value. Dividends received (excluding those representing return of investment cost) shall be recognized in profit or loss. Other gains and losses shall be recognized in other comprehensive income. Upon derecognition, the cumulative gains and losses previously recognized in other comprehensive income shall be reclassified to retained earnings.

4) 以公允价值计量且其变动计入当期损益的金融资产

采用公允价值进行后续计量，产生的利得或损失（包括利息和股利收入)计入当期损益，除非该金融资产属于套期关系的一部分。

4) Financial assets measured in fair value and with changes accounted into current profit or loss.

Adopt fair value for subsequent measurement, any generated gain or loss (including income from interest and dividends) shall be accounted into current profit or loss, unless such financial asset is part of the hedging relation.

(3) 金融负债的后续计量方法

(3) Subsequent measurement method of financial liabilities

1) 以公允价值计量且其变动计入当期损益的金融负债

此类金融负债包括交易性金融负债（含属于金融负债的衍生工具）和指定为以公允价值计量且其变动计入当期损益的金融负债。对于此类金融负债以公允价值进行后续计量。因公司自身信用风险变动引起的指定为以公允价值计量且其变动计入当期损益的金融负债的公允价值变动金额计入其他综合收益，除非该处理会造成或扩大损益中的会计错配。此类金融负债产生的其他利得或损失（包括利息费用、除因公司自身信用风险变动引起的公允价值变动）计入当期损益，除非该金融负债属于套期关系的一部分。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入留存收益。

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1) Financial liabilities measured in fair value and with changes accounted into current profit or loss.

These financial liabilities include financial liabilities held for trading (including derivative instruments that qualify as financial liabilities) and financial liabilities designated at fair value through profit or loss. These financial liabilities are subsequently measured at fair value. Changes in the fair value of designated financial liabilities attributable to changes in the Company's own credit risk are recognized in other comprehensive income, unless such recognition would create or enlarge an accounting mismatch in profit or loss. Other gains and losses arising from these financial liabilities (including interest expenses and fair value changes not attributable to changes in the Company's own credit risk) are recognized in profit or loss, except when the financial liability is part of a hedging relationship. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to retained earnings.

2) 金融资产转移不符合终止确认条件或继续涉入被转移金融资产所形成的金融负债

按照《企业会计准则第 23 号——金融资产转移》相关规定进行计量。

2) Financial liabilities arising from transfers of financial assets that do not meet the derecognition requirements or involve continuing involvement with the transferred assets.

Such financial liabilities shall be measured in accordance with Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets.

3) 不属于上述 1)或 2)的财务担保合同，以及不属于上述 1)并以低于市场利率贷款的贷款承诺在初始确认后按照下列两项金额之中的较高者进行后续计量：

① 按照金融工具的减值规定确定的损失准备金额；

② 初始确认金额扣除按照《企业会计准则第 14 号——收入》相关规定所确定的累计摊销额后的余额。

Financial guarantee contracts not falling within the above categories 1) or 2), and loan commitments not included in category 1) that provide loans at below-market interest rates

These instruments shall subsequently be measured at the higher of:

① The loss allowance amount determined in accordance with the impairment requirements for financial instruments;

② The initial recognition amount less the cumulative amortization determined in accordance with Accounting Standards for Business Enterprises No. 14 - Revenue.

4) 以摊余成本计量的金融负债

采用实际利率法以摊余成本计量。以摊余成本计量且不属于任何套期关系的一部分的金融负债所产生的利得或损失，在终止确认、按照实际利率法摊销时计入当期损益。

4) Financial liabilities measured at amortized cost

Measurement shall be made at amortized cost using the effective interest method. Gains or losses arising from financial liabilities measured at amortized cost that are not part of any hedging relationship shall be recognized in profit or loss upon derecognition or amortization under the effective interest method.

(4) 金融资产和金融负债的终止确认

(4) Termination of recognition of financial assets and financial liabilities

1) 当满足下列条件之一时，终止确认金融资产：

① 收取金融资产现金流量的合同权利已终止；

② 金融资产已转移，且该转移满足《企业会计准则第 23 号——金融资产转移》关于金融资产终止确认的规定。

1) A financial asset shall be derecognized when any of the following conditions is met:

① The contractual rights to receive the cash flows from the financial asset have expired;

② The financial asset has been transferred, and such transfer satisfies the derecognition requirements prescribed in Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets (ASBE 23).

2) 当金融负债（或其一部分）的现时义务已经解除时，相应终止确认该金融负债（或该部分金融负债）。

2) When the present obligation of a financial liability (or a portion of it) has been discharged, the financial liability (or that portion of the financial liability) shall be derecognized accordingly.

3.金融资产转移

3.Transfer of Financial Assets

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公司转移了金融资产所有权上几乎所有的风险和报酬的，终止确认该金融资产，并将转移中产生或保留的权利和义务单独确认为资产或负债；保留了金融资产所有权上几乎所有的风险和报酬的，继续确认所转移的金融资产。

If the Company transfers substantially all the risks and rewards incidental to ownership of a financial asset, it shall derecognize the asset. Any rights or obligations arising from the transfer, whether newly created or retained, shall be separately accounted for as distinct assets or liabilities. If substantially all the risks and rewards remain with the Company, the transferred financial asset shall not be derecognized.

公司既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬的，分别下列情况处理：

(1) 未保留对该金融资产控制的，终止确认该金融资产，并将转移中产生或保留的权利和义务单独确认为资产或负债；

(2) 保留了对该金融资产控制的，按照继续涉入所转移金融资产的程度确认有关金融资产，并相应确认有关负债。

If the Company neither transfers nor retains substantially all the risks and rewards incidental to ownership of a financial asset:

(1) If control over the financial asset is not retained, derecognize the asset and separately recognize all rights and obligations (whether newly created or retained) arising from the transfer as distinct assets or liabilities;

(2) If control over the financial asset is retained, recognize a financial asset representing the continuing involvement in the transferred asset, and measure a corresponding liability based on the involvement extent.

金融资产整体转移满足终止确认条件的，将下列两项金额的差额计入当期损益：

(1) 所转移金融资产在终止确认日的账面价值；

(2) 因转移金融资产而收到的对价，与原直接计入其他综合收益的公允价值变动累计额中对应终止确认部分的金额（涉及转移的金融资产为以公允价值计量且其变动计入其他综合收益的债务工具投资）之和。转移了金融资产的一部分，且该被转移部分整体满足终止确认条件的，将转移前金融资产整体的账面价值，在终止确认部分和继续确认部分之间，按照转移日各自的相对公允价值进行分摊，并将下列两项金额的差额计入当期损益：

(1) 终止确认部分的账面价值；

(2) 终止确认部分的对价，与原直接计入其他综合收益的公允价值变动累计额中对应终止确认部分的金额（涉及转移的金融资产为以公允价值计量且其变动计入其他综合收益的债务工具投资）之和。

When the overall transfer of a financial asset meets the criteria for derecognition, the difference between the following two amounts shall be recognized in profit or loss for the current period:

(1) The carrying amount of the transferred financial asset on the derecognition date;

(2) The sum of the consideration received from the transfer of the financial asset and the portion of the accumulated fair value changes that were previously recognized in other comprehensive income and correspond to the derecognized portion (applicable when the transferred financial asset is a debt instrument investment measured at fair value with changes recognized in other comprehensive income).

If only a part of the financial asset is transferred and that part meets the criteria for derecognition, the

overall carrying amount of the financial asset before the transfer shall be allocated between the derecognized portion and the continuing portion based on their respective relative fair values on the transfer date. The difference between the following two amounts shall then be recognized in profit or loss for the current period:

(1) The carrying amount of the derecognized portion;

(2) The sum of the consideration received for the derecognized portion and the portion of the accumulated fair value changes that were previously recognized in other comprehensive income and correspond to the derecognized portion (applicable when the transferred financial asset is a debt instrument investment measured at fair value with changes recognized in other comprehensive income).

4.金融资产和金融负债的公允价值确定方法

4. Method for determining the fair value of financial assets and financial liabilities

公司采用在当前情况下适用并且有足够可利用数据和其他信息支持的估值技术确定相关金融资产和金融负债的公允价值。公司将估值技术使用的输入值分以下层级，并依次使用：

(1) 第一层次输入值是在计量日能够取得的相同资产或负债在活跃市场上未经调整的报价；

(2) 第二层次输入值是除第一层次输入值外相关资产或负债直接或间接可观察的输入值，包括：活跃市场中类似资产或负债的报价；非活跃市场中相同或类似资产或负债的报价；除报价以外的其他可观察输入值，如在正常报价间隔期间可观察的利率和收益率曲线等；市场验证的输入值等；

(3) 第三层次输入值是相关资产或负债的不可观察输入值，包括不能直接观察或无法由可观察市场数据验证的利率、股票波动率、企业合并中承担的弃置义务的未来现金流量、使用自身数据作出的财务预测等。

The Company utilizes valuation techniques that are appropriate in the current context and supported by sufficient available data and other information to determine the fair value of relevant financial assets and financial liabilities. The input values used in these valuation techniques are categorized into the following levels and applied in the specified order:

(1) Level 1 input values are the unadjusted quoted prices for identical assets or liabilities in active markets that can be obtained on the measurement date;

(2) Level 2 input values are directly or indirectly observable inputs for relevant assets or liabilities, other than Level 1 inputs. These include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in non-active markets; other observable inputs, such as interest rates and yield curves observable during intervals between normal quotations; and market-corroborated inputs;

(3) Level 3 input values are unobservable inputs for related assets or liabilities. These include interest rates that cannot be directly observed or validated by observable market data, equity volatility, future cash flows for decommissioning obligations assumed in business combinations, and financial forecasts based on the entity's own data.

5.金融工具减值

5.Impairment of financial instruments

(1) 金融工具减值计量和会计处理

(1) Measurement and accounting treatment of financial instrument impairment

本公司以预期信用损失为基础，对以摊余成本计量的金融资产、以公允价值计量且其变动计入其他综合收益的债务工具投资、租赁应收款、合同资产及财务担保合同计提减值准备并确认信用减值损失。

The Company accrues impairment provisions and recognizes credit impairment losses based on expected credit losses for financial assets measured at amortized cost, debt instrument investments measured at fair value with changes included in other comprehensive income, lease receivables, contract assets, and financial guarantee contracts.

预期信用损失，是指以发生违约的风险为权重的金融工具信用损失的加权平均值。信用损失，是指本公司按照原实际利率折现的、根据合同应收的所有合同现金流量与预期收取的所有现金流量之间的差额，即全部现金短缺的现值。其中，对于本公司购买或源生的已发生信用减值的金融资产，按其摊余成本和经信用调整的实际利率计算利息收入。

Expected credit losses refer to the weighted average of credit losses of financial instruments, weighted by the probability of default (PD). Credit losses represent the present value of the difference between all

contract cash flows receivable under the contract and all cash flows expected to be collected, discounted using the original effective interest rate. For financial assets purchased or originated by the Company that have incurred credit impairment, interest income is calculated based on their amortized cost and the actual interest rate adjusted to reflect expected credit losses.

对于购买或源生的已发生信用减值的金融资产，本公司在资产负债表日仅将自初始确认后整个存续期内预期信用损失的累计变动确认为损失准备。

For financial assets with incurred credit impairment that are purchased or originated, the Company recognizes only the cumulative change in expected credit losses since initial recognition during the entire remaining life as loss provisions on the balance sheet date.

对于由《企业会计准则第14号——收入》规范的交易形成，且不含重大融资成分或者本公司不考虑不超过一年的合同中的融资成分的应收款项及合同资产，本公司运用简化计量方法，按照相当于整个存续期内的预期信用损失金额计量损失准备。

For accounts receivable and contract assets arising from transactions governed by Accounting Standards for Business Enterprises No. 14 - Revenue, and excluding significant financing components or financing components in contracts with a duration of no more than one year that the Company does not consider, the Company uses a simplified measurement method to measure the loss provision based on the amount of expected credit losses equivalent to those over the entire remaining life.

对于包含重大融资成分的应收款项、合同资产和租赁应收款，本公司选择始终按照运用简化计量方法，按照相当于整个存续期内的预期信用损失金额计量损失准备。

For accounts receivable, contract assets, and lease receivables that contain significant financing components, the Company chooses to always apply the simplified measurement method to measure the loss provisions based on the amount of expected credit losses equivalent to those over the entire remaining life.

除上述计量方法以外的金融资产，公司在每个资产负债表日评估其信用风险自初始确认后是否已经显著增加。如果信用风险自初始确认后已显著增加，公司按照整个存续期内预期信用损失的金额计量损失准备；如果信用风险自初始确认后未显著增加，公司按照该金融工具未来 12 个月内预期信用损失的金额计量损失准备。

For financial assets other than those measured using the above - mentioned methods, the Company assesses at each balance sheet date whether their credit risk has increased significantly since initial recognition. If the credit risk has increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to the expected credit losses over the entire remaining life. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to the expected credit losses for the next 12 months of the financial instrument.

公司利用可获得的合理且有依据的信息，包括前瞻性信息，通过比较金融工具在资产负债表日发生违约的风险与在初始确认日发生违约的风险，以确定金融工具的信用风险自初始确认后是否已显著增加。

The Company uses available reasonable and evidence-based information, including forward-looking information, to determine whether the credit risk of financial instruments has significantly increased since initial recognition by comparing the risk of default on the balance sheet date with the risk of default on the initial recognition date.

于资产负债表日，若公司判断金融工具只具有较低的信用风险，则假定该金融工具的信用风险自初始确认后并未显著增加。

On the balance sheet date, if the Company assesses that the financial instrument has only a low level of credit risk, it is assumed that the credit risk of the financial instrument has not increased significantly since initial recognition.

公司以单项金融工具或金融工具组合为基础评估预期信用风险和计量预期信用损失。当以金融工具组合为基础时，公司以共同风险特征为依据，将金融工具划分为不同组合。

The Company assesses expected credit risk and measures expected credit losses based on individual financial instruments or portfolios of financial instruments. When assessing based on portfolios, the Company segments these instruments into distinct portfolios according to their shared risk characteristics.

公司在每个资产负债表日重新计量预期信用损失，由此形成的损失准备的增加或转回金额，作为减值损失或利得计入当期损益。对于以摊余成本计量的金融资产，损失准备抵减该金融资产在资产负债表中列示的账面价值；对于以公允价值计量且其变动计入其他综合收益的债权投资，

公司在其他综合收益中确认其损失准备，不抵减该金融资产的账面价值。

The Company re-measures the expected credit losses on each balance sheet date, and the resulting increase or reversal of loss provisions is recognized as an impairment loss or gain in the current profit and loss. For financial assets measured at amortized cost, the loss provisions offset the carrying value of the financial asset shown in the balance sheet. For debt investments measured at fair value with changes recognized in other comprehensive income, the Company recognizes its loss provisions in other comprehensive income, without offsetting the carrying value of the financial asset.

本公司按组合计量预期信用损失的应收款项及合同资产。

The Company measures the expected credit losses of receivables and contract assets on a portfolio basis.

(九) 应收款项

(IX)**Receivables**

应收款项包括应收账款、其他应收款等。

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Receivables include accounts receivable and other receivables.

1.坏账准备的确认标准

本公司在资产负债表日对应收款项账面价值进行检查，对存在下列客观证据表明应收款项发生减值的，计提减值准备：

1.Criteria for Recognition of Bad Debt Provisions

The Company reviews the book value of receivables on the balance sheet date and recognizes bad debt provisions when there is objective evidence indicating that the receivables are impaired:

（1）债务人发生严重的财务困难；

（2）债务人违反合同条款（如偿付利息或本金发生违约或逾期等）；

（3）债务人很可能倒闭或进行其他财务重组；

（4）其他表明应收款项发生减值的客观依据。

(1) The debtor is experiencing severe financial difficulties;

(2) The debtor has violated contract terms (such as defaulting on interest payments or principal

repayments or being overdue);

(3) The debtor is highly likely to go bankrupt or undergo other financial restructuring;

(4) Other objective evidence indicating impairment of receivables.

2.坏账准备的计提方法

2.Method for recognizing bad debt provisions

（1）单项金额重大并单项计提坏账准备的计提方法：对于单项金额重大的应收款项单独进行减值测试，有客观证据表明发生了减值，根据其未来现金流量现值低于其账面价值的差额计提坏账准备。

(1) Method for recognizing bad debt provisions for individual amounts that are significant: For receivables with individual amounts that are significant, a separate impairment test is conducted. If there is objective evidence of impairment, bad debt provisions are recognized based on the difference where the present value of future cash flows is lower than the carrying amount.

单项金额重大经单独测试未发生减值的应收款项，再按组合计提坏账准备。

Receivables with significant individual amounts that have been individually tested and found not impaired will then be assessed for bad debt provisions on a portfolio basis.

（2）单项金额虽不重大但单项计提坏账准备的应收款项

单项计提坏账准备的理由	涉诉款项、客户信用状况恶化的应收款项
坏账准备的计提方法	根据其未来现金流量现值低于其账面价值的提坏账准备

(2) Receivables that are not significant in amount but are recognized individually for bad debt provisions

Reasons for recognizing bad debt provisions individually	Receivables related to litigation and receivables with deteriorating customer credit status
Method for recognizing bad debt provisions	Provision for bad debts based on the present value of future cash flows being lower than their carrying amount

（3）按组合计提坏账准备应收款项

经单独测试后未减值的应收款项（包括单项金额重大和不重大的应收款项）以及未单独测试的单项金额不重大的应收款项，按以下信用风险特征组合计提坏账准备：

组合类型	确定组合的依据	按组合计提坏账准备的计提方法

账龄组合	账龄状态	账龄分析法

(3) Provision for bad debts for receivables assessed on a portfolio basis

Receivables that have not been impaired after individual testing (including both significant and insignificant amounts) and those that have not been individually tested but are not significant in amount, shall be provisioned for bad debts based on the following credit risk characteristics:

Portfolio type	Basis for determining the portfolio	Provisioning method for bad debts on a portfolio basis
Ageing portfolio	Ageing status	Ageing analysis method

(十) 存货

(X) Inventories

1.存货分类：

1. Classification of Inventories

在途物资、原材料、周转材料、在产品及自制半成品、库存商品、合同履约成本、发出商品、委托加工物资等。

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Goods in Transit, Raw Materials, Consumable Supplies, Work in Process and Semi-finished Goods Manufactured In-house, Finished Goods, Contract Performance Costs, Goods Dispatched, Goods Consigned for Processing, etc.

2.存货取得和发出的计价方法：

2. Valuation method for inventory acquisition and issuance:

存货在取得时按实际成本计价，存货成本包括采购成本、加工成本和其他成本。领用和发出时按先进先出法。

Inventory is valued at actual cost at the time of acquisition, which includes procurement costs, processing costs, and other costs. When withdrawn and issued, the first-in, first-out method is applied.

3.存货可变现净值的确认和跌价准备的计提方法

3. Recognition of net realizable value of inventory and provision method for impairment

可变现净值是指在日常活动中，存货的估计售价减去至完工时估计将要发生的成本、估计的销售费用以及相关税费后的金额。在确定存货的可变现净值时，以取得的确凿证据为基础，同时

考虑持有存货的目的以及资产负债表日后事项的影响。

Net realizable value refers to the amount obtained by deducting from the estimated selling price of inventory in daily activities the estimated costs to be incurred until completion, estimated sales expenses, and related taxes. When determining the net realizable value of inventory, the entity shall base the determination on conclusive evidence obtained, while considering the purpose of holding inventory and the impact of events after the balance sheet date.

在资产负债表日，存货按照成本与可变现净值孰低计量。当其可变现净值低于成本时，提取存货跌价准备。存货跌价准备按单个存货项目的成本高于其可变现净值的差额提取。

At the balance sheet date, inventory is measured at the lower of cost and net realizable value. When the net realizable value is lower than cost, a provision for inventory impairment is made. The provision for inventory impairment is made based on the difference between the cost of individual inventory items/inventory categories and their net realizable value.

计提存货跌价准备后，如果以前减记存货价值的影响因素已经消失，导致存货的可变现净值高于其账面价值的，在原已计提的存货跌价准备金额内予以转回，转回的金额计入当期损益。

After the provision for inventory impairment has been made, if the factors affecting the previous inventory write-down have disappeared, resulting in the net realizable value exceeding the book value of inventory, the provision for inventory impairment shall be reversed within its original amount, and the reversed amount shall be recognized in the current profit and loss.

4.对低值易耗品采用一次转销法，对包装物采用一次转销法。

4. Low-value consumables are accounted for using the One-Off Write-Off Method. Packing materials are accounted for using the One-Off Write-Off Method.

5.存货的盘存制度为永续盘存制。

5. The inventory counting system is based on perpetual inventory system.

(十一)合同资产

(XI) Contract assets

本公司已向客户转让商品而有权收取对价的权利，且该权利取决于时间流逝之外的其他因素

的，确认为合同资产。本公司拥有的无条件（即，仅取决于时间流逝）向客户收取对价的权利作为应收款项单独列示。

本公司对合同资产的预期信用损失的确定方法及会计处理方法详见本附注三、（八）.5。

If the Company already has the right to receive consideration for the transfer of goods, and such right depends on other factors than the passing of time, it shall be recognized as a contract asset. The Company's unconditional right (i.e., only depending on the passing of time) to collect consideration from customers shall be separately presented as receivables.

The determination and accounting treatment of the expected credit losses on contract assets are detailed in Note III, (VIII). 5.

(十二) 合同成本

(XII) Contract cost

与合同成本有关的资产包括合同取得成本和合同履约成本。

The assets related to contract costs shall include costs of obtaining a contract and costs of contract performance.

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1.合同履约成本

1. Contract performance cost

公司为取得合同发生的增量成本预期能够收回的，作为合同取得成本确认为一项资产。如果合同取得成本的摊销期限不超过一年，在发生时直接计入当期损益。

Incremental costs incurred by the company to obtain a contract that are expected to be recoverable are recognized as an asset as contract acquisition costs. If the amortization period of the contract acquisition costs does not exceed one year, they are directly recognized in the current profit and loss when incurred.

公司为履行合同发生的成本，不适用存货、固定资产或无形资产等相关准则的规范范围且同时满足下列条件的，作为合同履约成本确认为一项资产：

Costs incurred by the company to fulfill a contract that do not fall within the scope of relevant standards for inventories, fixed assets, or intangible assets, and simultaneously meet the following conditions, are recognized as an asset as contract fulfillment costs:

本公司对于为履行合同发生的成本，不属于除收入准则外的其他企业会计准则范围且同时满足下列条件的作为合同履约成本确认为一项资产：

(1) 该成本与一份当前或预期取得的合同直接相关，包括直接人工、直接材料、制造费用（或类似费用）、明确由客户承担的成本以及仅因该合同而发生的其他成本；

(2) 该成本增加了企业未来用于履行履约义务的资源。

(3) 该成本预期能够收回。

If the costs incurred by the Company in fulfilling a contract do not fall within the scope of other enterprise accounting standards except the revenue standard and meet all of the following conditions, they shall be recognized as an asset as the costs of contract performance:

(1) The costs are directly related to a current or expected contract, including direct labor costs, direct material costs, manufacturing expenses (or similar expenses), the costs specifically borne by the customer, as well as other costs incurred solely because of the contract;

(2) The costs have increased the resources of the enterprise that will be used for fulfilling performance obligations in the future.

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(3) The costs are expected to be recoverable.

该资产根据其初始确认时摊销期限是否超过一个正常营业周期在存货或其他非流动资产中列报。

The asset is reported in inventory or other non-current assets based on whether its amortization period exceeds a normal operating cycle at the time of initial recognition.

2.合同取得成本

2.Contract acquisition costs

本公司为取得合同发生的增量成本预期能够收回的，作为合同取得成本确认为一项资产。增量成本是指本公司不取得合同就不会发生的成本，如销售佣金等。对于摊销期限不超过一年的，在发生时计入当期损益。

The incremental costs incurred by the company to obtain the contract that are expected to be recoverable are recognized as an asset as contract acquisition costs. Incremental costs refer to costs that

would not have been incurred if the company had not obtained the contract, such as sales commissions. For amortization periods not exceeding one year, these costs are recognized in the current profit and loss when incurred.

3.合同成本摊销

3. Amortization of contract costs

上述与合同成本有关的资产，采用与该资产相关的商品或服务收入确认相同的基础，在履约义务履行的时点或按照履约义务的履约进度进行摊销，计入当期损益。

The aforementioned assets related to contract costs are amortized on the same basis as the revenue recognition of the goods or services related to that asset, either at the point of fulfilling the performance obligation or based on the progress of fulfilling the performance obligation, and are included in the current profit and loss.

4.合同成本减值

4. Impairment of contractual cost

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上述与合同成本有关的资产，账面价值高于本公司因转让与该资产相关的商品预期能够取得剩余对价与为转让该相关商品估计将要发生的成本的差额的，超出部分应当计提减值准备，并确认为资产减值损失。

For the aforementioned assets related to contract costs, if the carrying amount (book value) is higher than the difference between the estimated remaining consideration expected to be received from the transfer of the goods related to such assets and the estimated costs to be incurred for the transfer of such related goods, an impairment provision shall be made for the excess amount and recognized as an asset impairment loss.

计提减值准备后，如果以前期间减值的因素发生变化，使得上述两项差额高于该资产账面价值的，转回原已计提的资产减值准备，并计入当期损益，但转回后的资产账面价值不超过假定不计提减值准备情况下该资产在转回日的账面价值。

After recognizing an impairment provision, if the factors that led to the impairment in previous periods change, and this causes the difference between the two items to be higher than the carrying amount (book

value) of the asset, the previously recognized impairment provision shall be reversed and recognized in the current profit or loss. However, the carrying amount of the asset after reversal shall not exceed the carrying amount that would have been determined had no impairment been recognized.

(十三) 持有待售资产和处置组

(XIII) Assets held for sale and disposal groups

本公司若主要通过出售（包括具有商业实质的非货币性资产交换，下同）而非持续使用一项非流动资产或处置组收回其账面价值的，则将其划分为持有待售类别。具体标准为同时满足以下条件：某项非流动资产或处置组根据类似交易中出售此类资产或处置组的惯例，在当前状况下即可立即出售；本公司已经就出售计划作出决议且获得确定的购买承诺；预计出售将在一年内完成。其中，处置组是指在一项交易中作为整体通过出售或其他方式一并处置的一组资产，以及在该交易中转让的与这些资产直接相关的负债。处置组所属的资产组或资产组组合按照《企业会计准则第 8 号——资产减值》分摊了企业合并中取得的商誉的，该处置组应当包含分摊至处置组的商誉。

If the Company intends to recover the carrying value of a non-current asset or a disposal group primarily through sale (including non-monetary asset exchanges with commercial substance, the same below) rather than through continuous use, it shall classify such asset or disposal group as held for sale. The specific criteria are as follows, and all of the following conditions must be met simultaneously: A certain non-current asset or disposal group can be immediately sold in its current condition in accordance with the practices of selling such assets or disposal groups in similar transactions; the Company has made a resolution regarding the sales plan and obtained a firm purchase commitment; and the sale is expected to be completed within one year. Among them, a disposal group refers to a group of assets that will be disposed of as a whole through sale or other means in a single transaction, as well as the liabilities directly related to these assets that will be transferred in that transaction. If the asset group or combination of asset groups to which the disposal group belongs has allocated the goodwill obtained in a business combination in accordance with Accounting Standards for Business Enterprises No. 8 - Asset Impairment, the disposal group shall include the goodwill allocated to it.

本公司初始计量或在资产负债表日重新计量划分为持有待售的非流动资产和处置组时，其账面价值高于公允价值减去出售费用后的净额的，将账面价值减记至公允价值减去出售费用后的净额，减记的金额确认为资产减值损失，计入当期损益，同时计提持有待售资产减值准备。对于处置组，所确认的资产减值损失先抵减处置组中商誉的账面价值，再按比例抵减该处置组内适用《企业会计准则第 42 号——持有待售的非流动资产、处置组和终止经营》（以下简称“持有待售准则”）的计量规定的各项非流动资产的账面价值。后续资产负债表日持有待售的处置组公允价值减去出售费用后的净额增加的，以前减记的金额应当予以恢复，并在划分为持有待售类别后适用持有待售准则计量规定的非流动资产确认的资产减值损失金额内转回，转回金额计入当期损益，并根据处置组中除商誉外适用持有待售准则计量规定的各项非流动资产账面价值所占比重按比例增加其账面价值；已抵减的商誉账面价值，以及适用持有待售准则计量规定的非流动资产在划分为持有待售类别前确认的资产减值损失不得转回。

When the Company initially measures or re-measures at the balance sheet date the non-current assets and disposal groups classified as held for sale, if the carrying value is higher than the net amount of fair value less costs to sell, the carrying value shall be written down to the net amount of fair value less costs to sell. The amount of the write-down shall be recognized as an asset impairment loss, included in the current profit or loss, and at the same time, an impairment provision for assets held for sale shall be recognized.

For a disposal group, the recognized asset impairment loss shall first offset the carrying value of the goodwill in the disposal group, and then proportionally offset the carrying values of each non-current asset within the disposal group that is subject to the measurement provisions of Accounting Standards for Business Enterprises No. 42 - Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations (hereinafter referred to as the "Standards for Assets Held for Sale").

If the net amount of fair value less costs to sell of the disposal group held for sale increases at subsequent balance sheet dates, the previously written-down amount shall be restored and reversed within the amount of asset impairment loss recognized for non-current assets that are subject to the measurement provisions of the Standards for Assets Held for Sale after being classified as held for sale. The reversed amount shall be included in the current profit or loss, and the carrying values of each non-current asset

within the disposal group (excluding goodwill) that is subject to the measurement provisions of the Standards for Assets Held for Sale shall be increased proportionally according to their respective proportions of the carrying values. The carrying value of the goodwill that has been offset, as well as the asset impairment loss recognized for non-current assets subject to the measurement provisions of the Standards for Assets Held for Sale before they are classified as held for sale, shall not be reversed.

持有待售的非流动资产或处置组中的非流动资产不计提折旧或摊销，持有待售的处置组中负债的利息和其他费用继续予以确认。

非流动资产或处置组不再满足持有待售类别的划分条件时，本公司不再将其继续划分为持有待售类别或将非流动资产从持有待售的处置组中移除，并按照以下两者孰低计量：1.划分为持有待售类别前的账面价值，按照假定不划分为持有待售类别情况下本应确认的折旧、摊销或减值等进行调整后的金额；2.可收回金额。

No depreciation or amortization shall be provided for non-current assets held for sale or non-current assets within a disposal group held for sale. The interest and other expenses of the liabilities within a disposal group held for sale shall continue to be recognized.

When a non-current asset or a disposal group no longer meets the criteria for classification as held for sale, our company will no longer classify it as held for sale or remove the non-current asset from the disposal group held for sale. Instead, it will be measured at the lower of the following two amounts:

1.The carrying value before being classified as held for sale, which is adjusted according to the depreciation, amortization or impairment that should have been recognized assuming it was not classified as held for sale.

2.The recoverable amount.

(十四) 长期股权投资

(XIV) Long-term equity investments

1.控制、共同控制、重大影响的判断标准

1. Judgment criteria for control, joint control, and significant influence

控制，是指投资方拥有对被投资单位的权力，通过参与被投资单位的相关活动而享有可变回

报，并且有能力运用对被投资单位的权力影响其回报金额。本公司能够对被投资单位实施控制的权益性投资，即对子公司投资。

Control refers to the power of the investor to govern the financial and operating policies of the investee, thereby enjoying variable returns through participation in the relevant activities of the investee, and having the ability to use that power to affect the amount of returns. The company has equity investments that enable it to exercise control over the investee, namely investments in subsidiaries.

共同控制，是指按照相关约定对某项安排所共有的控制，并且该安排的相关活动必须经过分享控制权的参与方一致同意后才能决策。本公司与其他合营方一同对被投资单位实施共同控制且对被投资单位净资产享有权利的，被投资单位为本公司的合营企业。

Joint control refers to the joint control over a certain arrangement in accordance with relevant agreements, and the relevant activities of such arrangement must be decided only after obtaining the unanimous consent of the participating parties that share the control rights. When our Company, together with other joint venturers, exercises joint control over an investee and has rights over the net assets of the investee, the investee is regarded as a joint venture of our Company.

重大影响，是指对被投资单位的财务和经营决策有参与决策的权力，但并不能够控制或者与其他方一起共同控制这些政策的制定。本公司能够对被投资单位施加重大影响的，被投资单位为本公司联营企业。

Significant influence refers to having the power to participate in the decision-making of the financial and operating policies of an investee, but not being able to control or jointly control the formulation of these policies with other parties. When our Company is able to exert significant influence on an investee, the investee is considered as an associate enterprise of our Company.

2.初始投资成本的确定

2. Recognition of Initial Investment Cost

(1) 同一控制下的企业合并形成的，合并方以支付现金、转让非现金资产、承担债务或发行权益性证券作为合并对价的，在合并日按照取得被合并方所有者权益在最终控制方合并财务报表中

的账面价值的份额作为其初始投资成本。长期股权投资初始投资成本与支付的合并对价的账面价值或发行股份的面值总额之间的差额调整资本公积；资本公积不足冲减的，调整留存收益。

(2) 非同一控制下的企业合并形成的，在购买日按照支付的合并对价的公允价值作为其初始投资成本。

(3) 除企业合并形成以外的：以支付现金取得的，按照实际支付的购买价款作为其初始投资成本；以发行权益性证券取得的，按照发行权益性证券的公允价值作为其初始投资成本；以债务重组方式取得的，按《企业会计准则第 12 号——债务重组》确定其初始投资成本；以非货币性资产交换取得的，按《企业会计准则第 7 号——非货币性资产交换》确定其初始投资成本。

(1) In a business combination under common control, if the combining party pays cash, transfers non-cash assets, assumes liabilities, or issues equity securities as consideration for the combination, the initial investment cost is determined based on the share of the carrying amount of the equity of the combined party in the consolidated financial statements of the ultimate controlling party on the date of the combination. The initial investment cost of long-term equity investments is adjusted for the difference between the carrying amount of the consideration paid for the combination or the total par value of the shares issued and the carrying amount of the equity of the combined party; if the capital reserve is insufficient to offset, it is adjusted against retained earnings.

(2) For business combinations not under common control, the initial investment cost is determined at the fair value of the consideration paid on the acquisition date.

(3) Other than those formed by business combinations: For cash acquisitions, the initial investment cost is based on the actual cash payment made; for acquisitions through the issuance of equity securities, the initial investment cost is based on the fair value of the equity securities issued; for acquisitions through debt restructuring, the initial investment cost is determined according to "Accounting Standard for Enterprises No. 12 - Debt Restructuring"; for acquisitions through the exchange of non-monetary assets, the initial investment cost is determined according to "Accounting Standard for Enterprises No. 7 - Exchange of Non-Monetary Assets".

3.后续计量及损益确认方法

3. Method of subsequent measurement and recognition of profit or loss

(1)长期股权投资的核算

(1) Accounting for long-term equity investments

对被投资单位能够实施控制的长期股权投资采用成本法核算；对联营企业和合营企业的长期股权投资，采用权益法核算。

Long - term equity investments over which the investor can exercise control are accounted for using the cost method. Long - term equity investments in associate enterprises and joint ventures are accounted for using the equity method.

对子公司的投资，采用成本法核算，对联营企业和合营企业的投资，采用权益法核算.

Investments in subsidiaries are accounted for using the cost method, while investments in associate enterprises and joint ventures are accounted for using the equity method.

采用成本法核算的长期股权投资，除取得投资时实际支付的价款或对价中包含的已宣告但尚未发放的现金股利或利润外，被投资单位宣告分派的现金股利或利润，确认为投资收益计入当期损益。

For long-term equity investments accounted for using the cost method, except for the cash dividends or profits that have been declared but not yet distributed and are included in the actual payment of the purchase price or consideration at the time of investment acquisition, the cash dividends or profits declared for distribution by the investee shall be recognized as investment income and included in the current profit or loss.

采用权益法核算的长期股权投资，初始投资成本大于投资时应享有被投资单位可辨认净资产公允价值份额的，不调整长期股权投资的投资成本；初始投资成本小于投资时应享有被投资单位可辨认净资产公允价值份额的，其差额计入当期损益，同时调整长期股权投资的成本。

For long-term equity investments accounted for using the equity method, if the initial investment cost is greater than the fair value of the identifiable net assets of the investee unit at the time of investment, the investment cost of the long-term equity investment is not adjusted; if the initial investment cost is less than the fair value of the identifiable net assets of the investee unit at the time of investment, the difference is

included in the current profit and loss, and the cost of the long-term equity investment is adjusted accordingly.

采用权益法核算时，按照应享有或应分担的被投资单位实现的净损益和其他综合收益的份额，分别确认投资收益和其他综合收益，同时调整长期股权投资的账面价值；按照被投资单位宣告分派的利润或现金股利计算应享有的部分，相应减少长期股权投资的账面价值；对于被投资单位除净损益、其他综合收益和利润分配以外所有者权益的其他变动（简称“其他所有者权益变动”），调整长期股权投资的账面价值同时确认资本公积（其他资本公积）。

When using the equity method, investment income and other comprehensive income are recognized based on the share of net profit or loss and other comprehensive income of the investee unit that should be enjoyed or shared, while adjusting the carrying amount of the long-term equity investment; the portion to be enjoyed is calculated based on the profits or cash dividends declared by the investee unit, which correspondingly reduces the carrying amount of the long-term equity investment; for other changes in owners' equity of the investee unit other than net profit or loss, other comprehensive income, and profit distribution (referred to as "other changes in owners' equity"), the carrying amount of the long-term equity investment is adjusted while recognizing capital reserve (other capital reserve).

在确认应享有被投资单位净损益、其他综合收益及其他所有者权益变动的份额时，以取得投资时被投资单位可辨认净资产的公允价值为基础，并按照本公司的会计政策及会计期间，对被投资单位的净利润和其他综合收益等进行调整后确认。

When recognizing the share of net profit or loss, other comprehensive income, and other changes in owners' equity of the investee unit, the fair value of the identifiable net assets of the investee unit at the time of investment is used as the basis, and adjustments are made to the net profit and other comprehensive income of the investee unit according to the company's accounting policies and accounting periods before recognition.

公司对合营企业或联营企业发生的净亏损，除负有承担额外损失义务外，以长期股权投资的账面价值以及其他实质上构成对合营企业或联营企业净投资的长期权益减记至零为限。合营企业或联营企业以后实现净利润的，本公司在收益分享额弥补未确认的亏损分担额后，恢复确认收益

分享额。

Except for the obligation to bear additional losses, the Company shall limit its recognition of the net losses incurred by a joint venture or an associate to zero by reducing the carrying amount of its long - term equity investment and other long - term interests that in substance constitute a net investment in the joint venture or the associate. If the joint venture or the associate subsequently makes a net profit, the Company shall resume recognizing its share of the profit after its share of the profit has offset the previously unrecognized share of the losses.

(2) 减值测试方法及减值准备计提方法对子公司、联营企业及合营企业的投资，计提资产减值的方法见附注三、（十七）“长期资产减值”。

(2) Impairment testing method and impairment provisioning method. For the method of recognizing impairment provisions for investments in subsidiaries, associates and joint ventures, please refer to Note III (17) “Impairment of Long - term Assets”.

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(十五) 固定资产

(XV) Fixed assets

固定资产指为生产商品、提供劳务、出租或经营管理而持有，并且使用年限超过一年的有形资产。

Fixed assets refer to tangible assets that are held for the purposes of producing goods, providing labor services, leasing, or managing operations, and that have a useful life of more than one year.

1.固定资产的初始计量

1. Initial measurement of fixed assets

(1) 外购固定资产的成本，包括购买价款、相关税费、使固定资产达到预定可使用状态前所发生的可归属于该项资产的运输费、装卸费、安装费和专业人员服务费等。

(2) 购买固定资产的价款超过正常信用条件延期支付，实质上具有融资性质的，固定资产的成本以购买价款的现值为基础确定。

(3) 自行建造固定资产的成本，由建造该项资产达到预定可使用状态前所发生的必要支出构成。

(4) 债务重组取得债务人用以抵债的固定资产，以该固定资产的公允价值为基础确定其入账价

值，并将重组债务的账面价值与该用以抵债的固定资产公允价值之间的差额，计入当期损益。

(1) The cost of a purchased fixed asset includes the purchase price, relevant taxes, as well as the transportation fees, handling fees, installation fees, and professional service fees that can be attributed to the asset and are incurred before the fixed asset reaches its intended usable state.

(2) If the payment for the purchase price of a fixed asset is deferred beyond the normal credit terms and is substantially of a financing nature, the cost of the fixed asset is determined based on the present value of the purchase price.

(3) The cost of self-constructed fixed assets consists of the necessary expenditures incurred before the assets reach their intended usable state.

(4) For fixed assets acquired from debtors through debt restructuring as consideration for debt settlement, their recorded value is determined based on the fair value of these fixed assets. And the difference between the carrying amount of the restructured debt and the fair value of the fixed assets used for debt settlement shall be recognized in the current profit and loss

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2.固定资产的后续计量

2. Subsequent measurement of fixed assets

(1)固定资产折旧方法，达到预定可使用状态的次月起，采用年限平均法在使用寿命内计提折旧，各类固定资产的使用寿命、预计净残值和年折旧率如下：

资产类别	使用年限（年）	残值率（%）	年折旧率（%）
办公设备	5	0.00	20.00
电子设备	3	0.00	33.33

(1) The depreciation method for fixed assets, starting from the month following the date they reach their intended usable state, uses the straight-line method to depreciate over their useful life. The useful life, estimated net residual value, and annual depreciation rate for various types of fixed assets are as follows:

Asset Category	Useful Life (Years)	Residual value rate (%)	Annual depreciation rate (%)
Office equipment	5	0.00	20.00
Electronic devices	3	0.00	33.33

(2) 固定资产的后续支出，符合固定资产确认条件的，应当计入固定资产成本，同时将被替换部分的账面价值扣除；不符合固定资产确认条件的，应当计入当期损益。

(3) 资产负债表日，有迹象表明固定资产发生减值的，按照账面价值高于可收回金额的差额计提相应的减值准备。固定资产的减值测试方法和减值准备计提方法详见附注三、（十七）“长期资产减值”。

(2) If the subsequent expenditures of fixed assets meet the recognition criteria for fixed assets, such expenditures shall be included in the cost of the fixed assets, and the carrying amount of the replaced part shall be deducted simultaneously. If they do not meet the recognition criteria for fixed assets, such expenditures shall be recognized in the current profit and loss.

(3) On the balance sheet date, if there are indications that a fixed asset is impaired, the corresponding impairment provision shall be made based on the difference between the carrying amount and the recoverable amount when the carrying amount is higher than the recoverable amount. The impairment testing method for fixed assets and the method of making impairment provisions are detailed in Note III (17) "Impairment of Long-term Assets".

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3.固定资产的处置

3. Disposal of fixed assets

发生固定资产出售、转让、报废或毁损的处置收入扣除其账面价值和相关税费后的差额计入营业外收支或资产处置收益。

The difference between the disposal income from the sale, transfer, retirement or damage of fixed assets and their carrying amount after deducting relevant taxes and fees shall be included in non - operating income or expenses or gains on disposal of assets.

(十六) 长期待摊费用

(XVI) Long-term deferred expenses

长期待摊费用按实际发生额入账，在受益期或规定的期限内分期平均摊销。如果长期待摊的费用项目不能使以后会计期间受益则将尚未摊销的该项目的摊余价值全部转入当期损益。

Long-term deferred expenses are recorded at actual incurred amounts and amortized evenly over the

benefit period or specified term. If the long-term deferred expense item does not benefit future accounting periods, the unamortized carrying amount of that item will be fully transferred to the current profit and loss.

(十七) 长期资产减值

(XVII) Long-term assets impairment

对于固定资产、在建工程、使用寿命有限的无形资产、以成本模式计量的投资性房地产及对子公司、合营企业、联营企业的长期股权投资等非流动非金融资产，本公司于资产负债表日判断是否存在减值迹象。如存在减值迹象的，则估计其可收回金额，进行减值测试。商誉、使用寿命不确定的无形资产和尚未达到可使用状态的无形资产，无论是否存在减值迹象，每年均进行减值测试。

As to fixed assets, Construction-in-Progress, intangible assets with a finite useful life, investment properties measured using the cost model, long-term equity investments in subsidiaries, joint ventures and associated enterprises, and other non-current non-financial assets, the Company determines whether there are any indications of impairment at the balance sheet date. If there are any indications of impairment, the Company estimates their recoverable amounts and conducts impairment tests. Goodwill, intangible assets with an indefinite useful life, and intangible assets that have not yet reached their intended use are tested for impairment every year regardless of whether there are any indications of impairment.

减值测试结果表明资产的可收回金额低于其账面价值的，按其差额计提减值准备并计入减值损失。可收回金额为资产的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间的较高者。资产的公允价值根据公平交易中销售协议价格确定；不存在销售协议但存在资产活跃市场的，公允价值按照该资产的买方出价确定；不存在销售协议和资产活跃市场的，则以可获取的最佳信息为基础估计资产的公允价值。处置费用包括与资产处置有关的法律费用、相关税费、搬运费以及为使资产达到可销售状态所发生的直接费用。资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量，选择恰当的折现率对其进行折现后的金额加以确定。资产减值准备按单项资产为基础计算并确认，如果难以对单项资产的可收回金额进行估计的，以该资产所属的资产组确定资产组的可收回金额。资产组是能够独立产生现金流入的最小资产组合。

If the impairment test indicates that the recoverable amount of the assets is lower than their carrying amounts, an impairment provision is recognized for the difference, which is then charged to impairment loss. The recoverable amount is the higher of the fair value of an asset less the disposal expenses and the present value of the estimated future cash flows of such asset. The fair value of an asset is determined based on the price under the sales agreement in an arm's length transaction; if there is no sales agreement but there is an active market, the fair value is determined based on the purchase price of the buyer of such assets; in the absence of both the sales agreement and the active market, the fair value of the asset may be estimated based on the best available information. The disposal expenses include the legal costs, relevant taxes, handling costs related to the disposal of the assets, and the direct expenses incurred to bring the asset to a saleable condition. The present value of the estimated future cash flows of the assets is determined by discounting the estimated future cash flows of the assets during its continuing use and ultimate disposal at an appropriate discount rate. The asset impairment provision is calculated and recognized on a single asset basis. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group to which such asset belongs is determined. The asset group is the smallest asset combination that can independently generate cash inflows.

上述资产减值损失一经确认，以后期间不予转回。

Once the aforesaid asset impairment losses are recognized, they shall not be reversed in subsequent periods.

(十八) 借款费用

(XVIII) Borrowing costs

1. 借款费用确认原则

1. Borrowing costs recognition principles

本公司发生的借款费用，可直接归属于符合资本化条件的资产的购建或者生产的，予以资本化，计入相关资产成本；其他借款费用，在发生时根据其发生额确认为费用，计入当期损益。

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of assets that meet the capitalization criteria are capitalized and included in the costs of the

relevant assets. Other borrowing costs are recognized as expenses based on the amount incurred at the time of occurrence and charged to the current profit or loss.

符合资本化条件的资产，是指需要经过相当长时间的购建或者生产活动才能达到预定可使用或者可销售状态的固定资产、投资性房地产和存货等资产。

The qualifying assets refer to fixed assets, investment - type real estates and inventories that necessarily take a substantial period of time for acquisition, construction, or production activities to be ready for their intended use or sale.

2.借款费用资本化期间

2.Capitalization period for borrowing costs

(1) 开始资本化：当以下三个条件同时具备时，因专门借款而发生的利息，折价或溢价的摊销和汇兑差额开始资本化：

1) 资本支出已经发生；

2) 借款费用已经发生；

3) 为使资产达到预定可使用状态所必要的购建活动已经开始。

(2) 暂停资本化：若固定资产的购建活动发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化，并将其确认为当期费用，直至资产的购建活动重新开始。

(3) 停止资本化：当所购建的固定资产达到预定可使用状态时，停止其借款费用的资本化。

(1) Commencement of capitalization: When the following three conditions are met simultaneously, the capitalization of interest, the amortization of discounts or premiums, and exchange differences arising from specific borrowings shall commence:

1) Capital expenditures have been incurred.

2) Borrowing costs have been incurred.

3) The necessary acquisition and construction activities to bring the assets to their intended use have begun.

(2)Suspension of capitalization: If the acquisition and construction of fixed assets are interrupted abnormally and the interruption lasts for more than three consecutive months, the capitalization of

borrowing costs shall be suspended and recognized as current expenses until the acquisition and construction activities resume.

(3) Cessation of capitalization: Capitalization of borrowing costs shall cease when the fixed assets being acquired and constructed reach their intended use.

3.借款利息资本化金额的确定

3. Determination of the amount of capitalized borrowing interest

(1) 为购建或者生产符合资本化条件的资产而借入专门借款的，应当以专门借款当期实际发生的利息费用，减去将尚未动用的借款资金存入银行取得的利息收入或进行暂时性投资取得的投资收益后的金额确定。

(2) 为购建或者生产符合资本化条件的资产而占用了一般借款的，企业应当根据累计资产支出超过专门借款部分的资产支出加权平均数乘以所占用一般借款的资本化率，计算确定一般借款应予资本化的利息金额。

(1) If specific borrowings are made for the acquisition, construction or production of assets that meet the capitalization criteria, the amount to be capitalized shall be determined as the actual interest expenses incurred on the specific borrowings during the current period, minus the interest income from depositing the unutilized borrowing funds in the bank or the investment income from making temporary investments with such funds.

(2) If general borrowings are utilized for the acquisition, construction or production of assets that meet the capitalization criteria, the enterprise shall calculate and determine the amount of interest on general borrowings to be capitalized by multiplying the weighted average of the asset expenditures in excess of the specific borrowings by the capitalization rate of the general borrowings

4.外币借款的处理

4. Treatment of Foreign-currency Borrowings

在资本化期间，外币专门借款本金及其利息的汇兑差额，应当予以资本化；除外币专门借款之外的其他外币借款本金及其利息所产生的汇兑差额应当作为财务费用，计入当期损益。

During the capitalization period, the exchange differences on the principal and interest of specific

foreign currency borrowings shall be capitalized. The exchange differences arising from the principal and interest of other foreign currency borrowings (other than specific foreign currency borrowings) shall be recognized as financial expenses and charged to the current profit or loss.

(十九) 职工薪酬

(XIX) Payroll and employee benefits payable

1. 职工薪酬包括短期薪酬、离职后福利、辞退福利和其他长期职工福利。

1.Employee compensation includes short-term compensation, post-employment benefits, termination benefits, and other long-term employee benefits.

2. 短期薪酬的会计处理方法

2.Accounting Treatment of Short-Term Employee Benefits

在职工为本公司提供服务的会计期间，将实际发生的短期薪酬确认为负债，并计入当期损益或相关资产成本。

During the accounting period when employees provide services to the company, the company shall recognize the actually incurred short - term employee benefits as liabilities and record them in the current profit or loss or the cost of related assets.

3. 离职后福利的会计处理方法

3. Accounting treatment of post-employment benefits

离职后福利分为设定提存计划和设定受益计划。

The post-employment benefits are classified into defined contribution plans and defined benefit plans.

(1) 在职工为本公司提供服务的会计期间，根据设定提存计划计算的应缴存金额确认为负债，并计入当期损益或相关资产成本。

(1) During the accounting period when employees provide services to the Company, the amount payable calculated in accordance with the defined contribution plans shall be recognized as a liability and recorded in the current profit or loss or the cost of related assets.

(2) 对设定受益计划的会计处理通常包括下列步骤：

1) 根据预期累计福利单位法，采用无偏且相互一致的精算假设对有关人口统计变量和财务变

量等作出估计，计量设定受益计划所产生的义务，并确定相关义务的所属期间。同时，对设定受益计划所产生的义务予以折现，以确定设定受益计划义务的现值和当期服务成本；

2) 设定受益计划存在资产的，将设定受益计划义务现值减去设定受益计划资产公允价值所形成的赤字或盈余确认为一项设定受益计划净负债或净资产。设定受益计划存在盈余的，以设定受益计划的盈余和资产上限两项的孰低者计量设定受益计划净资产；

3) 期末，将设定受益计划产生的职工薪酬成本确认为服务成本、设定受益计划净负债或净资产的利息净额以及重新计量设定受益计划净负债或净资产所产生的变动等三部分，其中服务成本和设定受益计划净负债或净资产的利息净额计入当期损益或相关资产成本，重新计量设定受益计划净负债或净资产所产生的变动计入其他综合收益，并且在后续会计期间不允许转回至损益，但可以在权益范围内转移这些在其他综合收益确认的金额。

The accounting treatment of defined benefit plans usually includes the following steps:

1) Based on the projected unit credit method, make unbiased and consistent actuarial assumptions to estimate relevant demographic and financial variables. Measure the obligations arising from the defined benefit plans and determine the periods to which the related obligations belong. At the same time, discount the obligations arising from the defined benefit plans to determine the present value of the defined benefit plan obligations and the current service cost.

2) If there are assets in the defined benefit plan, recognize the deficit or surplus resulting from subtracting the fair value of the defined benefit plan assets from the present value of the defined benefit plan obligations as a net liability or net asset of the defined benefit plan. If there is a surplus in the defined benefit plan, measure the net asset of the defined benefit plan at the lower of the surplus of the defined benefit plan and the asset ceiling.

3) At the end of the period, recognize the employee compensation costs arising from the defined benefit plan as three components: service cost, the net interest on the net defined benefit liability or asset, and the changes arising from the re - measurement of the net defined benefit liability or asset. Among them, the service cost and the net interest on the net defined benefit liability or asset are recognized in the current profit or loss or the cost of related assets. The changes arising from the re - measurement of the net defined

benefit liability or asset are recognized in other comprehensive income and are not allowed to be reclassified to profit or loss in subsequent accounting periods. However, the amounts recognized in other comprehensive income can be transferred within the scope of equity.

4. 辞退福利的会计处理方法

4. Accounting Treatment of Termination Benefits

向职工提供的辞退福利，在下列两者孰早日确认辞退福利产生的职工薪酬负债，并计入当期损益：

(1) 本公司不能单方面撤回因解除劳动关系计划或裁减建议所提供的辞退福利时；

(2) 本公司确认与涉及支付辞退福利的重组相关的成本或费用时。

For the termination benefits provided to employees, the employee compensation liability arising from the termination benefits shall be recognized on the earlier of the following two dates and recorded in the current profit or loss:

(1) When the Company is unable to unilaterally withdraw the termination benefits offered under the plan to terminate the labor relationship or the redundancy proposal;

(2) When the Company recognizes the costs or expenses related to the restructuring involving the payment of termination benefits.

5. 其他长期职工福利的会计处理方法

5. Accounting Treatment of other long-term employee benefits

向职工提供的其他长期福利，符合设定提存计划条件的，按照设定提存计划的有关规定进行会计处理；除此之外的其他长期福利，按照设定受益计划的有关规定进行会计处理，为简化相关会计处理，将其产生的职工薪酬成本确认为服务成本、其他长期职工福利净负债或净资产的利息净额以及重新计量其他长期职工福利净负债或净资产所产生的变动等组成项目的总净额计入当期损益或相关资产成本。

For other long - term employee benefits provided to employees, if they meet the conditions for defined contribution plans, accounting treatment shall be carried out in accordance with the relevant regulations of defined contribution plans. For other long - term employee benefits that do not meet the above conditions,

accounting treatment shall be carried out in accordance with the relevant regulations of defined benefit plans. To simplify the relevant accounting treatment, the employee compensation cost arising from them shall be recognized as the total net amount of components such as service cost, the net interest on the net liability or net asset of other long - term employee benefits, and the changes arising from the re - measurement of the net liability or net asset of other long - term employee benefits, and this total net amount shall be recognized in the current profit or loss or the cost of related assets.

(二十) 租赁负债

(XX) Lease liabilities

在租赁期开始日，公司对租赁确认使用权资产和租赁负债，应用准则进行简化处理的短期租赁和低价值资产租赁除外。

On the commencement date of the lease term, the Company shall recognize the right - of - use asset and lease liability for the lease, except for short - term leases and low - value asset leases that are subject to simplified treatment in accordance with the relevant standards.

租赁负债按照租赁期开始日尚未支付的租赁付款额的现值进行初始计量。

Lease liabilities shall be initially measured at the present value of the lease payments that are not yet paid as of the commencement date of the lease term.

租赁付款额，是指公司向出租人支付的与在租赁期内使用租赁资产的权利相关的款项，包括：

1.固定付款额及实质固定付款额，存在租赁激励的，扣除租赁激励相关金额；

2.取决于指数或比率的可变租赁付款额，该款项在初始计量时根据租赁期开始日的指数或比率确定；

3.购买选择权的行权价格，前提是本公司合理确定将行使该选择权；

4.行使终止租赁选择权需支付的款项，前提是租赁期反映出本公司将行使终止租赁选择权；

5.根据本公司提供的担保余值预计应支付的款项。

在计算租赁付款额的现值时，本公司采用租赁内含利率作为折现率；无法确定租赁内含利率的，本公司采用增量借款利率作为折现率。

Lease payments refer to the amounts that the Company pays to the lessor in connection with the right

to use the leased asset during the lease term, and include:

1. Fixed payments and payments that are in substance fixed, deducting amounts related to lease incentives if applicable;

2. Variable lease payments dependent on an index or rate, determined at the lease commencement date based on the index or rate as of that date;

3. The exercise price of a purchase option, provided the Company reasonably determines to exercise it;

4. Payments for exercising a lease termination option, if the lease term reflects the Company's intent to terminate;

5. Expected payments based on the guaranteed residual value provided by the Company.

When calculating the present value of lease payments, the Company uses the interest rate implicit in the lease as the discount rate. If such rate cannot be determined, the incremental borrowing rate is applied.

(二十一) 预计负债

(XXI) Provisions

北京东审会计师事务所(特殊普通合伙)

1. 确认原则

1. Recognizing principle

因对外提供担保、诉讼事项、产品质量保证、亏损合同等或有事项形成的义务成为公司承担的现时义务，履行该义务很可能导致经济利益流出公司，且该义务的金额能够可靠的计量时，公司将该项义务确认为预计负债。

When an obligation arising from contingent events such as external guarantees, litigation matters, product quality warranties, loss-making contracts, or other similar circumstances becomes a present obligation assumed by the company, and it is probable that fulfilling this obligation will result in an outflow of economic benefits from the company, and the amount can be measured reliably, the company shall recognize this obligation as a provision.

2.计量方法

2. Measurement method

公司按照履行相关现时义务所需支出的最佳估计数对预计负债进行初始计量，并在资产负债表日对预计负债的账面价值进行复核。

The company shall initially measure provisions at the best estimate of the expenditures required to perform the related present obligations and review the carrying amount of provisions at the balance sheet date.

(二十二) 股份支付

(XXII) Share-based payments

1.股份支付的种类

1. Types of share-based payments

包括以权益结算的股份支付和以现金结算的股份支付。

Includes equity-settled share-based payments and cash-settled share-based payments.

2.实施、修改、终止股份支付计划的相关会计处理

2. Accounting Treatments for Implementing, Amending, and Terminating Share-Based Payment Plans

北京东审会计师事务所（特殊普通合伙）

(1) 以权益结算的股份支付

(1) Equity settled Share-based Payments

授予后立即可行权的换取职工服务的以权益结算的股份支付，在授予日按照权益工具的公允价值计入相关成本或费用，相应调整资本公积。完成等待期内的服务或达到规定业绩条件才可行权的换取职工服务的以权益结算的股份支付，在等待期内的每个资产负债表日，以对可行权权益工具数量的最佳估计为基础，按权益工具授予日的公允价值，将当期取得的服务计入相关成本或费用，相应调整资本公积。

For equity-settled share-based payments that are exercisable immediately after the grant and are in exchange for employee services, the fair value of the equity instruments shall be recognized as relevant costs or expenses at the grant date, and the capital reserve shall be adjusted accordingly.For equity-settled share-based payments that are in exchange for employee services and can only be exercised after the employees have completed the services during the vesting period or met the specified performance

conditions, on each balance sheet date during the vesting period, based on the best estimate of the number of equity instruments expected to vest, the services obtained during the current period shall be recognized as relevant costs or expenses at the fair value of the equity instruments on the grant date, and the capital reserve shall be adjusted accordingly.

换取其他方服务的权益结算的股份支付，如果其他方服务的公允价值能够可靠计量的，按照其他方服务在取得日的公允价值计量；如果其他方服务的公允价值不能可靠计量，但权益工具的公允价值能够可靠计量的，按照权益工具在服务取得日的公允价值计量，计入相关成本或费用，相应增加所有者权益。

For equity-settled share-based payments in exchange for the services of other parties, if the fair value of the services of other parties can be reliably measured, it shall be measured at the fair value of the services of other parties on the acquisition date. If the fair value of the services of other parties cannot be reliably measured, but the fair value of the equity instruments can be reliably measured, it shall be measured at the fair value of the equity instruments on the service acquisition date, and the relevant costs or expenses shall be recognized, with a corresponding increase in the owner's equity.

(2) 以现金结算的股份支付

(2) Cash-settled share-based payments

授予后立即可行权的换取职工服务的以现金结算的股份支付，在授予日按公司承担负债的公允价值计入相关成本或费用，相应增加负债。完成等待期内的服务或达到规定业绩条件才可行权的换取职工服务的以现金结算的股份支付，在等待期内的每个资产负债表日，以对可行权情况的最佳估计为基础，按公司承担负债的公允价值，将当期取得的服务计入相关成本或费用和相应的负债。

For cash-settled share-based payments that are exercisable immediately after the grant and are in exchange for employee services, the fair value of the liability assumed by the Company shall be recognized as relevant costs or expenses on the grant date, and the liability shall be increased accordingly.For cash-settled share-based payments that are in exchange for employee services and can only be exercised after the employees have completed the services during the vesting period or met the specified performance

conditions, on each balance sheet date during the vesting period, based on the best estimate of the number of awards expected to vest, the services obtained during the current period shall be recognized as relevant costs or expenses and the corresponding liability at the fair value of the liability assumed by the company.

(3) 修改、终止股份支付计划

如果修改增加了所授予的权益工具的公允价值，公司按照权益工具公允价值的增加相应地确认取得服务的增加；如果修改增加了所授予的权益工具的数量，公司将增加的权益工具的公允价值相应地确认为取得服务的增加；如果公司按照有利于职工的方式修改可行权条件，公司在处理可行权条件时，考虑修改后的可行权条件。

(3) Modification and termination of share-based payment plans

If the modification increases the fair value of the granted equity instruments, the Company shall recognize the corresponding increase in the services obtained. If the modification increases the number of granted equity instruments, the Company shall recognize the fair value of the additional equity instruments as a corresponding increase in the services obtained. If the Company modifies the vesting conditions in a way that is favorable to the employees, the modified vesting conditions shall be taken into account when dealing with the vesting conditions.

如果修改减少了授予的权益工具的公允价值，公司继续以权益工具在授予日的公允价值为基础，确认取得服务的金额，而不考虑权益工具公允价值的减少；如果修改减少了授予的权益工具的数量，公司将减少部分作为已授予的权益工具的取消来进行处理；如果以不利于职工的方式修改了可行权条件，在处理可行权条件时，不考虑修改后的可行权条件。

If the modification reduces the fair value of the granted equity instruments, the Company shall continue to recognize the amount of services obtained based on the fair value of the equity instruments at the grant date, without considering the reduction in the fair value of the equity instruments. If the modification reduces the number of granted equity instruments, the Company shall treat the reduced portion as a cancellation of the granted equity instruments. If the vesting conditions are modified in a way that is unfavorable to the employees, the modified vesting conditions shall not be taken into account when dealing with the vesting conditions.

如果公司在等待期内取消了所授予的权益工具或结算了所授予的权益工具（因未满足可行权条件而被取消的除外），则将取消或结算作为加速可行权处理，立即确认原本在剩余等待期内确认的金额。

If the Company cancels the granted equity instruments or settles the granted equity instruments during the vesting period (except for cancellations due to non - satisfaction of the vesting conditions), it shall treat the cancellation or settlement as an accelerated vesting event and immediately recognize the amount that would otherwise have been recognized over the remaining vesting period.

(二十三) 收入

(XXIII) Revenue

1. 收入确认原则

1. Revenue recognition principles

于合同开始日，本公司对合同进行评估，识别合同所包含的各单项履约义务，并确定各单项履约义务是在某一时段内履行，还是在某一时点履行。

On the commencement date of the contract, the Company shall evaluate the contract, identify each individual performance obligation included in the contract, and determine whether each individual performance obligation is to be satisfied over a period of time or at a point in time.

满足下列条件之一时，属于在某一时段内履行履约义务，否则，属于在某一时点履行履约义务：

(1) 客户在本公司履约的同时即取得并消耗本公司履约所带来的经济利益；

(2) 客户能够控制本公司履约过程中在建商品或服务；

(3) 本公司履约过程中所产出的商品或服务具有不可替代用途，且本公司在整个合同期间内有权就累计至今已完成的履约部分收取款项。

When one of the following conditions is met, the performance obligation is satisfied over a period of time. Otherwise, it is satisfied at a point in time:

(1) The customer simultaneously obtains and consumes the economic benefits brought about by the Company's performance of the obligation while the Company is performing it.

(2) The customer is able to control the goods or services under construction during the Company's performance of the obligation.

(3) The goods or services produced during the Company's performance of the obligation have an irreplaceable use, and the Company has the right to receive payment for the cumulative amount of performance completed to date throughout the entire contract period.

对于在某一时段内履行的履约义务，本公司在该段时间内按照履约进度确认收入。履约进度不能合理确定时，已经发生的成本预计能够得到补偿的，按照已经发生的成本金额确认收入，直到履约进度能够合理确定为止。对于在某一时点履行的履约义务，在客户取得相关商品或服务控制权时点确认收入。在判断客户是否已取得商品控制权时，本公司考虑下列迹象：

For a performance obligation that is satisfied over a period of time, the Company recognizes revenue over that period in accordance with the progress of the performance. When the progress of the performance cannot be reasonably determined, if the costs already incurred are expected to be recovered, revenue is recognized in an amount equal to the costs already incurred until the progress of the performance can be reasonably determined. For a performance obligation that is satisfied at a point in time, revenue is recognized at the point in time when the customer obtains control of the related goods or services. When determining whether the customer has obtained control of the goods, the Company considers the following indicators:

(1) 本公司就该商品享有现时收款权利，即客户就该商品负有现时付款义务；

(2) 本公司已将该商品的法定所有权转移给客户，即客户已拥有该商品的法定所有权；

(3) 本公司已将该商品实物转移给客户，即客户已实物占有该商品；

(4) 本公司已将该商品所有权上的主要风险和报酬转移给客户，即客户已取得该商品所有权上的主要风险和报酬；

(5) 客户已接受该商品；

(6) 其他表明客户已取得商品控制权的迹象。

(1) The Company has the present right to receive payment for the goods, which means that the customer has the present obligation to pay for the goods.

(2) The Company has transferred the legal title of the goods to the customer, which means that the customer has obtained the legal title of the goods.

(3) The Company has transferred the physical possession of the goods to the customer, which means that the customer has taken physical possession of the goods.

(4) The Company has transferred the significant risks and rewards associated with the ownership of the goods to the customer, which means that the customer has obtained the significant risks and rewards associated with the ownership of the goods.

(5) The customer has accepted the goods.

(6) Other indicators that demonstrate the customer has obtained control of the goods.

2. 收入计量原则

2. Revenue measurement principles

(1) 本公司按照分摊至各单项履约义务的交易价格计量收入。交易价格是本公司因向客户转让商品或服务而预期有权收取的对价金额，不包括代第三方收取的款项以及预期将退还给客户的款项。

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(2) 合同中存在可变对价的，本公司按照期望值或最可能发生金额确定可变对价的最佳估计数，但包含可变对价的交易价格，不超过在相关不确定性消除时累计已确认收入极可能不会发生重大转回的金额。

(3) 合同中存在重大融资成分的，本公司按照假定客户在取得商品或服务控制权时即以现金支付的应付金额确定交易价格。该交易价格与合同对价之间的差额，在合同期间内采用实际利率法摊销。合同开始日，本公司预计客户取得商品或服务控制权与客户支付价款间隔不超过一年的，不考虑合同中存在的重大融资成分。

(4) 合同中包含两项或多项履约义务的，本公司于合同开始日，按照各单项履约义务所承诺商品的单独售价的相对比例，将交易价格分摊至各单项履约义务。

(1) The Company measures revenue based on the transaction price allocated to each individual performance obligation. The transaction price is the amount of consideration that the Company expects to be entitled to receive for transferring goods or services to customers, excluding amounts collected on behalf

of third parties and amounts expected to be refunded to customers.

(2) If there is variable consideration in a contract, the Company determines the best estimate of the variable consideration using either the expected value or the most likely amount. However, the transaction price including variable consideration shall not exceed the amount for which it is highly probable that there will not be a significant reversal of cumulative revenue recognized when the related uncertainty is subsequently resolved.

(3) If a contract contains a significant financing component, the Company determines the transaction price based on the amount that the customer would pay in cash if the customer paid for the goods or services when obtaining control. The difference between the transaction price and the contract consideration is amortized over the contract period using the effective interest method. At the inception of the contract, if the Company expects that the period between the customer's obtaining control of the goods or services and the customer's payment will be no more than one year, the significant financing component in the contract is not considered.

(4) If a contract contains two or more performance obligations, at the inception of the contract, the Company allocates the transaction price to each individual performance obligation in proportion to the relative stand-alone selling prices of the promised goods or services underlying each performance obligation.

(二十四) 政府补助

(XXIV) Government grants

1. 政府补助在同时满足下列条件时予以确认：

(1) 本公司能够满足政府补助所附的条件；

(2) 本公司能够收到政府补助。政府补助为货币性资产的，按照收到或应收的金额计量。政府补助为非货币性资产的，按照公允价值计量；公允价值不能可靠取得的，按照名义金额计量。

1.Government grants are recognized when the following conditions are met simultaneously:

(1) The Company is able to meet the conditions attached to the government grants.

(2) The Company is able to receive the government grants.

If a government grant is in the form of a monetary asset, it is measured at the amount received or receivable. If a government grant is a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount.

2.与资产相关的政府补助判断依据及会计处理方法

2. Judgment basis and accounting treatment for government grants related to assets

本公司取得的、用于购建或以其他方式形成长期资产的政府补助划分为与资产相关的政府补助。与资产相关的政府补助，冲减相关资产的账面价值或确认为递延收益。与资产相关的政府补助确认为递延收益的，在相关资产使用寿命内按照合理、系统的方法分期计入损益。按照名义金额计量的政府补助，直接计入当期损益。相关资产在使用寿命结束前被出售、转让、报废或发生毁损的，将尚未分配的相关递延收益余额转入资产处置当期的损益。

Government grants related to assets reduce the carrying amount of the related assets or are recognized as deferred income. Government grants related to assets recognized as deferred income are recognized in profit or loss over the useful life of the related assets in a systematic and rational manner. Government grants measured at nominal amount are directly recognized in profit or loss for the current period. If the related assets are sold, transferred, scrapped, or damaged before the end of their useful life, the unallocated balance of the related deferred income is transferred to profit or loss for the period of asset disposal.

3.与收益相关的政府补助判断依据及会计处理方法

3. Judging basis and accounting treatment method of income-related government subsidy

除与资产相关的政府补助之外的政府补助划分为与收益相关的政府补助。对于同时包含与资产相关部分和与收益相关部分的政府补助，难以区分与资产相关或与收益相关的，整体归类为与收益相关的政府补助。与收益相关的政府补助，用于补偿以后期间的相关成本费用或损失的，确认为递延收益，在确认相关成本费用或损失的期间，计入当期损益或冲减相关成本；用于补偿已发生的相关成本费用或损失的，直接计入当期损益或冲减相关成本。

Government grants that are not related to assets are classified as government grants related to income. For government grants that contain both asset-related and income-related parts, if it is difficult to distinguish between asset-related or income-related, they are classified as government grants related to income as a

whole. Government grants related to income, which are used to compensate for relevant costs or losses in future periods, are recognized as deferred income, and during the period when the relevant costs or losses are recognized, they are included in the current profit and loss or deducted from the relevant costs; those used to compensate for already incurred relevant costs or losses are directly included in the current profit and loss or deducted from the relevant costs.

4.与本公司日常经营活动相关的政府补助，按照经济业务实质，计入其他收益或冲减相关成本费用。与本公司日常活动无关的政府补助，计入营业外收支。

4. Any governmental subsidy related to the company’s day-to-day activities shall be accounted into other income or reduced the related cost expense. Any governmental subsidy unrelated to the company’s day-to-day activities shall be accounted into non-operating revenue and expenditure.

4.Government grants related to the company's daily operating activities are recorded as other income or deducted from relevant costs and expenses based on the substance of the economic business. Government grants unrelated to the company's daily activities are recorded as non-operating income and expenses.

5.政策性优惠贷款贴息的会计处理方法

5. Accounting treatment method for policy-based preferential loan interest subsidies

(1) 财政将贴息资金拨付给贷款银行，由贷款银行以政策性优惠利率向本公司提供贷款的，以实际收到的借款金额作为借款的入账价值，按照借款本金和该政策性优惠利率计算相关借款费用。

(2) 财政将贴息资金直接拨付给本公司的，将对应的贴息冲减相关借款费用。

(1) If the fiscal authority allocates the interest subsidy funds to the lending bank, and the lending bank provides a loan to the Company at a policy-based preferential interest rate, the amount of the loan actually received shall be recognized as the carrying value of the loan. The related borrowing costs shall be calculated based on the loan principal and the said policy-based preferential interest rate.

(2) If the fiscal authority directly allocates the interest subsidy funds to the Company, the Company shall offset the corresponding interest subsidy against the related borrowing costs.

(二十五) 递延所得税资产、递延所得税负债

(XXV) Deferred tax assets and deferred tax liabilities

1. 根据资产、负债的账面价值与其计税基础之间的差额（未作为资产和负债确认的项目按照税法规定可以确定其计税基础的，该计税基础与其账面数之间的差额），按照预期收回该资产或清偿该负债期间的适用税率计算确认递延所得税资产或递延所得税负债。

1.Deferred tax assets or deferred tax liabilities are recognized based on the difference between the carrying amount of assets and liabilities and their tax bases (for items not recognized as assets and liabilities, the tax bases can be determined according to tax laws, and the difference between the tax bases and their carrying amounts is considered), calculated at the applicable tax rate for the period in which the asset is expected to be recovered or the liability is expected to be settled.

2.确认递延所得税资产以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限。资产负债表日，有确凿证据表明未来期间很可能获得足够的应纳税所得额用来抵扣可抵扣暂时性差异的，确认以前会计期间未确认的递延所得税资产。

2. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available to offset the deductible temporary differences. As of the balance sheet date, if there is sufficient evidence that it is probable that sufficient taxable income will be obtained in future periods to offset the deductible temporary differences, previously unrecognized deferred tax assets from prior accounting periods are recognized.

3.资产负债表日，对递延所得税资产的账面价值进行复核，如果未来期间很可能无法获得足够的应纳税所得额用以抵扣递延所得税资产的利益，则减记递延所得税资产的账面价值。在很可能获得足够的应纳税所得额时，转回减记的金额。

3.At the balance sheet date, the carrying amount of deferred income tax assets is reviewed. If it is highly probable that sufficient taxable income will not be available in future periods to realize the benefits of the deferred income tax assets, the carrying amount of the deferred income tax assets is reduced. When it becomes highly probable that sufficient taxable income will be available, the amount of the reduction previously made is reversed.

4.本公司当期所得税和递延所得税作为所得税费用或收益计入当期损益，但不包括下列情况产生的所得税：

(1) 企业合并；

(2) 直接在所有者权益中确认的交易或者事项。

4.The Company's current income tax and deferred income tax are recognized as income tax expense or income in the current period's profit or loss, except for the income tax arising from the following situations:

(1) Business combinations;

(2) Transactions or events directly recognized in owners' equity.

(二十六)租赁

(XXVI) Leases

1.租赁的识别

1. Identification of leases

在合同开始日，本公司评估合同是否为租赁或者包含租赁，如果合同中一方让渡了在一定期间内控制一项或多项已识别资产使用的权利以换取对价，则该合同为租赁或者包含租赁。为确定合同是否让渡了在一定期间内控制已识别资产使用的权利，本公司评估合同中的客户是否有权获得在使用期间内因使用已识别资产所产生的几乎全部经济利益，并有权在该使用期间主导已识别资产的使用。

On the commencement date of a contract, the Company shall assess whether the contract is a lease or contains a lease. If one party to the contract conveys the right to control the use of one or more identified assets for a certain period of time in exchange for consideration, then the contract is a lease or contains a lease. To determine whether a contract conveys the right to control the use of an identified asset for a certain period of time, the Company will evaluate whether the customer under the contract has the right to obtain substantially all of the economic benefits arising from the use of the identified asset during the use period, and has the right to direct the use of the identified asset during that use period.

2.单独租赁的识别

2. Identification of separate leases

合同中同时包含多项单独租赁的，本公司将合同予以分拆，并分别各项单独租赁进行会计处

理。同时符合下列条件的，使用已识别资产的权利构成合同中的一项单独租赁：

(1) 承租人可从单独使用该资产或将其与易于获得的其他资源一起使用中获利；

(2) 该资产与合同中的其他资产不存在高度依赖或高度关联关系。

If the contract contains multiple separate leases, the company will separate the contract and account for each separate lease individually. The right to use the identified asset constitutes a separate lease in the contract if it meets the following conditions:

(1) The lessee can benefit from using the asset on its own or by combining it with readily available other resources;

(2) There is no high dependency or highly interrelated relationship between the asset and other assets in the contract.

3.公司作为承租人的会计处理方法

3. Accounting treatment method of the company as the lessee

在租赁期开始日，本公司将租赁期不超过 12 个月，且不包含购买选择权的租赁认定为短期租赁；将单项租赁资产为全新资产时价值较低的租赁认定为低价值资产租赁。本公司转租或预期转租租赁资产的，原租赁不认定为低价值资产租赁。

On the lease commencement date, the company recognizes leases with a lease term of no more than 12 months and without purchase options as short-term leases; leases of individual leased assets that are new and have a lower value are recognized as low-value asset leases. If the company subleases or expects to sublease leased assets, the original lease is not recognized as a low-value asset lease.

对于所有短期租赁和低价值资产租赁，将租赁付款额计入相关资产成本或当期损益。

For all short-term leases and low-value asset leases, the lease payments shall be recognized as part of the relevant asset costs or recorded in the current period's profit and loss.

除上述采用简化处理的短期租赁和低价值资产租赁外，在租赁期开始日，本公司对租赁确认使用权资产和租赁负债。

Except for the short-term leases and low - value asset leases that are subject to the simplified treatment, on the commencement date of the lease term, the Company shall recognize the right - of - use asset and the

lease liability for the lease.

在租赁开始日，本公司将尚未支付的租赁付款额的现值确认为租赁负债。计算租赁付款额现值时采用租赁内含利率作为折现率，无法确定租赁内含利率的，采用公司增量借款利率作为折现率。租赁付款额与其现值之间的差额作为未确认融资费用，在租赁期各个期间内按照确认租赁付款额现值的折现率确认利息费用，并计入当期损益。未纳入租赁负债计量的可变租赁付款额于实际发生时计入当期损益。

On the lease commencement date, the company recognizes the present value of the unpaid lease payments as a lease liability. When calculating the present value of lease payments, the implicit interest rate in the lease is used as the discount rate; if the implicit interest rate cannot be determined, the company's incremental borrowing rate is used as the discount rate. The difference between the lease payments and their present value is recognized as unrecognized financing costs, and interest expenses are recognized in each period of the lease term at the discount rate used to recognize the present value of lease payments, and included in the current profit and loss. Variable lease payments not included in the measurement of lease liabilities are recognized in the current profit and loss when incurred.

租赁期开始日后，当实质固定付款额发生变动、担保余值预计的应付金额发生变化、用于确定租赁付款额的指数或比率发生变动、购买选择权、续租选择权或终止选择权的评估结果或实际行权情况发生变化时，本公司按照变动后的租赁付款额的现值重新计量租赁负债。

After the commencement date of the lease term, when there is a change in the substantially fixed payment amount, a change in the estimated payable amount of the guaranteed residual value, a change in the index or rate used to determine the lease payments, or a change in the assessment result or actual exercise of the purchase option, renewal option, or termination option, the Company shall re - measure the lease liability based on the present value of the revised lease payments.

4.本公司作为出租人的会计处理方法

4. Accounting treatment method of the company as the lessor

在租赁开始日，本公司将实质上转移了与租赁资产所有权有关的几乎全部风险和报酬的租赁划分为融资租赁，除此之外的均为经营租赁。

On the lease commencement date, the company classifies leases that substantially transfer almost all risks and rewards related to the ownership of the leased asset as finance leases; all others are classified as operating leases.

(1)经营租赁

(1) Operating leases

本公司在租赁期内各个期间按照直线法将租赁收款额确认为租金收入，发生的初始直接费用予以资本化并按照与租金收入确认相同的基础进行分摊，分期计入当期损益。本公司取得的与经营租赁有关的未计入租赁收款额的可变租赁付款额在实际发生时计入当期损益。

During each period of the lease term, the Company shall recognize lease receipts as rental income on a straight-line basis. Any initial direct expenses incurred shall be capitalized and amortized on the same basis as the recognition of rental income, and recognized in the current profit and loss in installments. Variable lease payments related to operating leases that are not included in lease receipts shall be recognized in the current profit and loss when they actually occur.

经营租赁发生变更的，本公司自变更生效日起将其作为一项新租赁进行会计处理，与变更前租赁有关的预收或应收租赁收款额视为新租赁的收款额。

If there is a modification to an operating lease, the Company shall account for it as a new lease from the effective date of the modification. Any prepaid or receivable lease payments related to the lease before the modification shall be regarded as payments received for the new lease.

(2) 融资租赁

(2) Finance lease

在租赁开始日，本公司按照租赁投资净额（未担保余值和租赁期开始日尚未收到的租赁收款额按照租赁内含利率折现的现值之和）确认应收融资租赁款，并终止确认融资租赁资产。在租赁期的各个期间，本公司按照租赁内含利率计算并确认利息收入。

On the lease commencement date, the Company shall recognize finance lease receivables based on the net investment in the lease (the sum of the unguaranteed residual value and the present value of lease payments not yet received as of the commencement date, discounted at the implicit interest rate of the lease),

and derecognize the finance lease asset. During each period of the lease term, the Company shall calculate and recognize interest income based on the implicit interest rate of the lease."-基于第三版修改

本公司取得的未纳入租赁投资净额计量的可变租赁付款额在实际发生时计入当期损益。

Any variable lease payments obtained by the Company that are not included in the measurement of the net investment in the lease shall be recorded in the current period's profit and loss when they actually occur.

5.租赁变更的会计处理

5.Accounting treatment of lease modifications

(1) 租赁变更作为一项单独租赁

租赁发生变更且同时符合下列条件的，本公司将该租赁变更作为一项单独租赁进行会计处理：

1) 该租赁变更通过增加一项或多项租赁资产的使用权而扩大了租赁范围；

2) 增加的对价与租赁范围扩大部分的单独价格按该合同情况调整后的金额相当。

(1) The lease modification is accounted for as a separate lease

If a lease is modified and the following conditions are met simultaneously, the Company shall account for the lease modification as a separate lease:

a. The lease modification expands the scope of the lease by adding the right - to - use of one or more underlying assets;

b. The additional consideration is commensurate with the amount of the standalone price of the expanded part of the lease scope adjusted according to the circumstances of the contract.

(2)租赁变更未作为一项单独租赁

① 本公司作为承租人

在租赁变更生效日，本公司重新确定租赁期，并采用修订后的折现率对变更后的租赁付款额进行折现，以重新计量租赁负债。在计算变更后租赁付款额的现值时，本公司采用剩余租赁期间的租赁内含利率作为折现率；无法确定剩余租赁期间的租赁内含利率的，采用租赁变更生效日的公司增量借款利率作为折现率。

(2) The lease modification is not accounted for as a separate lease

① The Company as the lessee

On the effective date of the lease modification, the Company shall re-determine the lease term and use the revised discount rate to discount the modified lease payments for the re-measurement of the lease liability. When calculating the present value of the modified lease payments, the Company shall use the implicit interest rate in the lease for the remaining lease term as the discount rate. If the implicit interest rate in the lease for the remaining lease term cannot be determined, the Company's incremental borrowing rate as of the effective date of the lease modification shall be used as the discount rate.

就上述租赁负债调整的影响，本公司区分以下情形进行会计处理：

In respect of the impact of the above - mentioned adjustment to the lease liability, the Company shall conduct accounting treatment according to the following scenarios.

a.租赁变更导致租赁范围缩小或租赁期缩短的，本公司调减使用权资产的账面价值，并将部分终止或完全终止租赁的相关利得或损失计入当期损益。

b.其他租赁变更，本公司相应调整使用权资产的账面价值。

a. If the lease modification results in a reduction of the lease scope or a shortening of the lease term, the Company shall decrease the carrying amount of the right - of - use asset and recognize the related gains or losses from the partial or full termination of the lease in the current period's profit or loss.

b. For other lease modifications, the Company shall adjust the carrying amount of the right - of - use asset accordingly.

② 本公司作为出租人

如果租赁变更在租赁开始日生效，该租赁会被分类为经营租赁的，本公司自租赁变更生效日开始将其作为一项新租赁进行会计处理，并以租赁变更生效日前的租赁投资净额作为租赁资产的账面价值。如果租赁变更在租赁开始日生效，该租赁会被分类为融资租赁的，本公司按照《企业会计准则第 22 号——金融工具确认和计量》关于修改或重新议定合同的规定进行会计处理。

② The Company as the Lessor

If a lease modification takes effect on the commencement date of the lease and the lease would be classified as an operating lease, the Company shall account for it as a new lease from the effective date of

the lease modification. The net investment in the lease before the effective date of the lease modification shall be regarded as the carrying amount of the leased asset. If a lease modification takes effect on the commencement date of the lease and the lease would be classified as a finance lease, the Company shall conduct accounting treatment in accordance with the provisions of "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" regarding contract modification or renegotiation.

6.售后租回

售后租回交易中的资产转让属于销售的，本公司按原资产账面价值中与租回获得的使用权有关的部分，计量售后租回所形成的使用权资产，并仅就转让至出租人的权利确认相关利得或损失。如果销售对价的公允价值与资产的公允价值不同，或者出租人未按市场价格收取租金，本公司将销售对价低于市场价格的款项作为预付租金进行会计处理，将高于市场价格的款项作为出租人向承租人提供的额外融资进行会计处理；同时按照公允价值调整相关销售利得或损失。售后租回交易中的资产转让不属于销售的，本公司继续确认被转让资产，同时确认一项与转让收入等额的金融负债。

6. Sale and Leaseback

If the transfer of assets in a sale and leaseback transaction is deemed a sale, the Company shall measure the right-of-use asset formed from the sale and leaseback based on the portion of the original carrying amount of the asset that is related to the right-of-use obtained from the leaseback. The Company shall recognize the relevant gains or losses only for the rights transferred to the lessor. If the fair value of the consideration for the sale is different from the fair value of the asset, or if the lessor does not charge the rent at the market price, the Company shall account for the amount by which the consideration for the sale is lower than the market price as prepaid rent, and account for the amount by which it is higher than the market price as additional financing provided by the lessor to the lessee. At the same time, the relevant gains or losses from the sale shall be adjusted according to the fair value. If the transfer of assets in a sale and leaseback transaction is not deemed a sale, the Company shall continue to recognize the transferred asset and, at the same time, recognize a financial liability equal to the transfer proceeds.

四、重要会计政策、会计估计变更、重大会计差错更正的说明

IV. Explanation of Changes in Important Accounting Policies, Changes in Accounting Estimates, and Correction of Major Accounting Errors

(一) 会计政策变更

(I) Changes in accounting policies

本公司报告期内不存在会计政策变更事项。

The Company has no changes in accounting policies during the reporting period

(二) 会计估计变更

(II) Changes in accounting estimates

本公司报告期内不存在会计估计变更事项。

The Company has no changes in accounting estimates during the reporting period.

(三) 重大会计差错

(III) Significant accounting errors

本公司报告期内无重大会计差错更正事项。

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The Company has no material accounting error correction items during the reporting period.

五、税项

V. Tax matters

(一) 主要税种及税率列示如下：

税 种	计税依据	税 率
增值税	按税法规定计算的销售货物和应税劳务收入为基础计算销项税额，在扣除当期允许抵扣的进项税额后，差额部分为应交增值税	13%、6%
城市维护建设税	流转税额	7%
教育费附加	流转税额	3%
地方教育附加	流转税额	2%
企业所得税	应纳税所得额	25%
个人所得税	---	---

(I)Main Taxes and Tax Rates are Presented as Follows

Tax item	Tax basis	Tax rate
Value-added Tax (VAT)	The output tax is calculated on the basis of the income from the sales of goods and taxable services calculated in accordance with tax laws and regulations. After deducting the input tax that is allowable to be deducted in the current period, the difference shall be the value-added tax payable.	13%、6%
Urban maintenance and construction Tax	Turnover tax amount	7%
Education surcharge	Turnover tax amount	3%
Local Education Surcharge	Turnover tax amount	2%
Corporate Income Tax (CIT)	Taxable income	25%
Individual Income Tax	---	---

(二) 税收优惠政策

(II)Preferential Tax Policy

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本公司没有享受相关税收优惠政策。

This company didn't enjoy the relevant preferential tax policies.

六、会计报表主要项目注释

VI. Notes to Main Items of Financial Statements

(一) 资产负债表项目注释

(I) Notes to Items in Balance Sheet

1.**货币资金**

项 目	期末余额	期初余额
现 金	74,999.88	67,983.06
银行存款	1,024,446.72	5,496,537.74
其他货币资金	0.00	0.00
合 计	1,099,446.60	5,564,520.80

1.Cash and cash equivalents

Item	Closing balance	Opening balance
Cash	74,999.88	67,983.06
Bank deposits	1,024,446.72	5,496,537.74
Other monetary funds	0.00	0.00
Total	1,099,446.60	5,564,520.80

2.应收账款

项 目	期末余额	期初余额
应收账款净额	11,937,247.25	13,766,130.01

2.ACCOUNTS RECEIVABLE

Item	Closing balance	Opening balance
Net accounts receivable	11,937,247.25	13,766,130.01

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（1）按账龄列示

账 龄	期末余额	占余额比例	坏账准备	期初余额	占余额比例	坏账准备
1 年以内	11,937,247.25	100.00%	0.00	13,766,130.01	100.00%	0.00
1 -2 年	0.00	0.00%	0.00	0.00	0.00%	0.00
2-3 年	0.00	0.00%	0.00	0.00	0.00%	0.00
3 年以上	0.00	0.00%	0.00	0.00	0.00%	0.00
合 计	11,937,247.25	100.00%	0.00	13,766,130.01	100.00%	0.00

（1）Aged analysis

Aging	Closing Balance	Proportion of book balance	Bad Debt Provision	Opening Balance	Proportion of book balance	Bad Debt Provision
Within one year	11,937,247.25	100.00%	0.00	13,766,130.01	100.00%	0.00
1 to 2 years	0.00	0.00%	0.00	0.00	0.00%	0.00
2 to 3 years	0.00	0.00%	0.00	0.00	0.00%	0.00
More than 3 years	0.00	0.00%	0.00	0.00	0.00%	0.00
Total	11,937,247.25	100.00%	0.00	13,766,130.01	100.00%	0.00

（2）按欠款方归集的期末余额前五名的应收账款情况如下：

单位名称	期末余额	占应收账款余额比例	账龄
Retail Customer	11,937,247.25	100.00%	1 年以内
合 计	11,937,247.25	100.00%	——

（2）Top five accounts receivable based on debtors:

Entity	Closing balance	Proportion of accounts receivable balance	Aging
Retail Customer	11,937,247.25	100.00%	Within one year
Total	11,937,247.25	100.00%	——

3.预付款项

3.Prepayments

(1) 按账龄列示：

账 龄	期末余额	占余额比例	期初余额	占余额比例
1 年以内	924,583.38	100.00%	1,380,729.51	100.00%
1 -2 年	0.00	0.00%	0.00	0.00%
2-3 年	0.00	0.00%	0.00	0.00%
3 以上	0.00	0.00%	0.00	0.00%
合 计	924,583.38	100.00%	1,380,729.51	100.00%

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(1) Aging analysis

Aging	Closing Balance	Proportion of book balance	Opening Balance	Proportion of book balance
Within 1 year	924,583.38	100.00%	1,380,729.51	100.00%
1-2 years	0.00	0.00%	0.00	0.00%
2-3 years	0.00	0.00%	0.00	0.00%
More than 3 years	0.00	0.00%	0.00	0.00%
Total	924,583.38	100.00%	1,380,729.51	100.00%

（2）按预付对象归集的期末余额前五名的预付款情况如下：：

单位名称	期末余额	占预付款项余额比例	账龄
Advance To Vendor	284,430.55	30.76%	1 年以内
Prepaid Expenses	221,191.89	23.92%	1 年以内
Vendor domestic(inv)	214,518.83	23.20%	1 年以内
ven-ser(interium)	154,637.51	16.73%	1 年以内
Capex advances	31,477.20	3.40%	1 年以内
合 计	906,255.98	98.01%	——

(2) Top five prepayments based on the payers:

Entity	Closing balance	Proportion of Prepayments balance	Aging
Advance To Vendor	284,430.55	30.76%	Within 1 year
Prepaid Expenses	221,191.89	23.92%	Within 1 year
Vendor domestic(inv)	214,518.83	23.20%	Within 1 year
ven-ser(interium)	154,637.51	16.73%	Within 1 year
Capex advances	31,477.20	3.40%	Within 1 year
Total	906,255.98	98.01%	——

北京东审会计师事务所(特殊普通合伙)

4.其他应收款

项 目	期末余额	期初余额
应收利息	0.00	0.00
应收股利	0.00	0.00
其他应收款	211,392.53	4,083,230.05
合 计	211,392.53	4,083,230.05

Item	Closing balance	Opening balance
Interest Receivable	0.00	0.00
Dividend receivable	0.00	0.00
Other Receivables	211,392.53	4,083,230.05
Total	211,392.53	4,083,230.05

(1) 其他应收款

(1)Other Receivables

① 按账龄列示

账 龄	期末余额	占余额比例	坏账准备	期初余额	占余额比例	坏账准备
1 年以内	211,392.53	100.00%	0.00	4,083,230.05	100.00%	0.00
1 -2 年	0.00	0.00%	0.00	0.00	0.00%	0.00
2-3 年	0.00	0.00%	0.00	0.00	0.00%	0.00
3 年以上	0.00	0.00%	0.00	0.00	0.00%	0.00
合 计	211,392.53	100.00%	0.00	4,083,230.05	100.00%	0.00

北京东审会计师事务所（特殊普通合伙）

（1）Aged analysis

Aging	Closing Balance	Proportion of book balance	Bad Debt Provision	Opening Balance	Proportion of book balance	Bad Debt Provision
Within one year	211,392.53	100.00%	0.00	4,083,230.05	100.00%	0.00
1 to 2 years	0.00	0.00%	0.00	0.00	0.00%	0.00
2 to 3 years	0.00	0.00%	0.00	0.00	0.00%	0.00
More than 3 years	0.00	0.00%	0.00	0.00	0.00%	0.00
Total	211,392.53	100.00%	0.00	4,083,230.05	100.00%	0.00

② 按欠款方归集的期末余额共一名的其他应收款情况如下：

（2）Only one other receivables based on debtors:

单位名称	期末余额	占其他应收款余额的比例	账龄
Intercompany	211,392.53	100.00%	1 年以内
合 计	211,392.53	100.00%	——

Entity	Closing balance	Proportion of other receivables balance	Aging
Intercompany	211,392.53	100.00%	Within one year
Total	211,392.53	100.00%	——

5.存货

项 目	期末账面余额	期末跌价准备余额	期初账面余额	期初跌价准备余额
库存商品	5,289,499.08	0.00	4,772,895.97	0.00
合 计	5,289,499.08	0.00	4,772,895.97	0.00

5.Inventory

项 目	Book balance at the end of the reporting period	Closing Balance of Impairment Provision	Book balance as at the beginning of the reporting period	Opening balance of impairment provision
Finish goods	5,289,499.08	0.00	4,772,895.97	0.00
Total	5,289,499.08	0.00	4,772,895.97	0.00

6.其他流动资产

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项 目	期末余额	期初余额
其他流动资产	345,425.33	385,600.00
合 计	345,425.33	385,600.00

6. Other Current Assets

Item	Closing balance	Opening balance
Other current assets	345,425.33	385,600.00
Total	345,425.33	385,600.00

7.固定资产

项 目	期末余额	期初余额
固定资产	3,957,723.48	4,735,768.42
固定资产清理	0.00	0.00
合 计	3,957,723.48	4,735,768.42

7. FIXED ASSETS

Item	Closing balance	Opening balance
Fixed assets	3,957,723.48	4,735,768.42
Disposal of fixed assets	0.00	0.00
Total	3,957,723.48	4,735,768.42

（1）固定资产

类 别	期初余额	本期增加	本期减少	期末余额
一、原价合计	9,462,574.92	742,254.54	0.00	10,204,829.46
电子设备	8,865,758.78	710,337.54	0.00	9,576,096.32
办公设备	596,816.14	31,917.00	0.00	628,733.14
二、累计折旧合计	4,726,806.50	1,520,299.48	0.00	6,247,105.98
电子设备	4,498,890.98	1,407,262.83	0.00	5,906,153.81
办公设备	227,915.52	113,036.65	0.00	340,952.17
三、固定资产账面价值合计	4,735,768.42	——	——	3,957,723.48
电子设备	4,366,867.80	——	——	3,669,942.51
办公设备	368,900.62	——	——	287,780.97

(1) Fixed Assets

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1、Total original cost	9,462,574.92	742,254.54	0.00	10,204,829.46
Electronic Equipment	8,865,758.78	710,337.54	0.00	9,576,096.32
Office Equipment	596,816.14	31,917.00	0.00	628,733.14
2、Total accumulated depreciation	4,726,806.50	1,520,299.48	0.00	6,247,105.98
Electronic Equipment	4,498,890.98	1,407,262.83	0.00	5,906,153.81
Office Equipment	227,915.52	113,036.65	0.00	340,952.17
3、Total carrying amount	4,735,768.42	——	——	3,957,723.48
Electronic Equipment	4,366,867.80	——	——	3,669,942.51

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Office Equipment	368,900.62	——	——	287,780.97

8.应付账款

8.Accounts payable

（1）按账龄列示

账 龄	期末余额	占余额比例	期初余额	占余额比例
1 年以内	51,061,539.16	100.00%	42,039,205.65	100.00%
1-2 年	0.00	0.00%	0.00	0.00%
2-3 年	0.00	0.00%	0.00	0.00%
3 年以上	0.00	0.00%	0.00	0.00%
合 计	51,061,539.16	100.00%	42,039,205.65	100.00%

(1) Aging analysis

Aging	Closing Balance	Proportion of book balance	Opening Balance	Proportion of book balance
Within 1 year	51,061,539.16	100.00%	42,039,205.65	100.00%
1-2 years	0.00	0.00%	0.00	0.00%
2-3 years	0.00	0.00%	0.00	0.00%
More than 3 years	0.00	0.00%	0.00	0.00%
Total	51,061,539.16	100.00%	42,039,205.65	100.00%

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（2）按债权单位归集的期末余额共三名的应付账款情况如下：

单位名称	期末余额	占应付账款余额的比例	账龄
Vendor-Import(inv)	47,533,879.23	93.09%	1 年以内
Vendor Balance Reval	3,522,196.12	6.90%	1 年以内
Liab for Fixed Asset	5,463.81	0.01%	1 年以内
合 计	51,061,539.16	100.00%	——

（2）Only three accounts payable based on the creditor unit:

Entity	Closing balance	Proportion of accounts payable balance	Aging
Vendor-Import(inv)	47,533,879.23	93.09%	Within 1 year
Vendor Balance Reval	3,522,196.12	6.90%	Within 1 year
Liab for Fixed Asset	5,463.81	0.01%	Within 1 year

Total	51,061,539.16	100.00%	——

9.应付职工薪酬

9.Payroll and employee benefits payable

（1）短期薪酬列示

(1) **Short-term benefits** disclosure

项 目	期末余额	期初余额
一、工资、奖金、津贴和补贴	723,350.58	140,133.31
二、社会保险费	100,345.01	0.00
三、住房公积金	125,285.50	0.00
合 计	948,981.09	140,133.31

Item	Closing balance	Opening balance
1.Wages or salaries, bonuses, allowances and subsidies	723,350.58	140,133.31
2.Social security contributions	100,345.01	0.00
3. Housing funds	125,285.50	0.00
Total	948,981.09	140,133.31

10.应交税费

项 目	期末余额	期初余额
增值税	-501,641.87	-56,707.97
合 计	-501,641.87	-56,707.97

10. Taxes payable

Item	Closing balance	Opening balance
Value added tax	-501,641.87	-56,707.97
Total	-501,641.87	-56,707.97

11.其他应付款

项 目	期末余额	期初余额
应付利息	74,429.77	0.00
应付股利	0.00	0.00
其他应付款	0.00	3,871,841.40
合 计	74,429.77	3,871,841.40

38.Other payables

Item	Closing balance	Opening balance
Interests payable	74,429.77	0.00
Dividends payable	0.00	0.00
Other payables	0.00	3,871,841.40
Total	74,429.77	3,871,841.40

(1) 应付利息

项 目	期末余额	期初余额
应付利息	74,429.77	0.00
合 计	74,429.77	0.00

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(1)Interests payable

Item	Closing balance	Opening balance
Pro for Int on Loan	74,429.77	0.00
Total	74,429.77	0.00

(2) 其他应付款

(2)Other payables

①按账龄列示

账 龄	期末余额	占余额比例	期初余额	占余额比例
1 年以内	0.00	0.00%	3,871,841.40	100.00%
1-2 年	0.00	0.00%	0.00	0.00%
2-3 年	0.00	0.00%	0.00	0.00%
3 年以上	0.00	0.00%	0.00	0.00%
合 计	0.00	0.00%	3,871,841.40	100.00%

①Aging analysis

Aging	Closing Balance	Proportion of book balance	Opening Balance	Proportion of book balance
Within 1 year	0.00	0.00%	3,871,841.40	100.00%
1-2 years	0.00	0.00%	0.00	0.00%
2-3 years	0.00	0.00%	0.00	0.00%
More than 3 years	0.00	0.00%	0.00	0.00%
Total	0.00	0.00%	3,871,841.40	100.00%

12.其他流动负债

项 目	期末余额	期初余额
Other current liabilities	8,818,843.42	11,769,658.88
合 计	8,818,843.42	11,769,658.88

12.Other current liabilities

Item	Closing balance	Opening balance
Other current liabilities	8,818,843.42	11,769,658.88
Total	8,818,843.42	11,769,658.88

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13.实收资本

投资者名称	期初余额	本期增加	本期减少	期末余额
Intercompany Balance	14,200,331.92	0.00	0.00	14,200,331.92
合 计	14,200,331.92	0.00	0.00	14,200,331.92

13.Paid-in Capital

Investor Name	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Intercompany Balance	14,200,331.92	0.00	0.00	14,200,331.92
Total	14,200,331.92	0.00	0.00	14,200,331.92

14.未分配利润

项 目	本期发生额	上年同期发生额
调整前上期末未分配利润	-37,275,588.43	-35,050,544.29

调整期初未分配利润合计数(调增+，调减-)	0.00	0.00
调整后期初未分配利润	-37,275,588.43	-35,050,544.28
加：本期净利润	-13,561,581.52	-2,225,044.15
减：提取法定盈余公积	0.00	0.00
提取任意盈余公积	0.00	0.00
提取一般风险准备	0.00	0.00
应付普通股股利	0.00	0.00
转作股本的普通股股利	0.00	0.00
其他	-4.11	0.00
期末未分配利润	-50,837,165.84	-37,275,588.43

14.Retained earnings

项 目	本期发生额	上年同期发生额
Before adjustment: retained earnings of the prior period	-37,275,588.43	-35,050,544.29
Adjustment: Total retained earnings at the beginning of the reporting period (increase "+", decrease "-")	0.00	0.00
After adjustment: retained earnings at the beginning of the reporting period	-37,275,588.43	-35,050,544.28
Add: Net profit for the current period	-13,561,581.52	-2,225,044.15
Less: Transfer to statutory surplus reserve	0.00	0.00
Transfer to discretionary surplus reserve	0.00	0.00
Transfer to general risk reserve	0.00	0.00
Declaration of dividends on ordinary shares	0.00	0.00
Conversion of ordinary shares' dividends into share capital	0.00	0.00
Other	-4.11	0.00
Retained earnings at the end of the reporting period	-50,837,165.84	-37,275,588.43

北京东审会计师事务所(特殊普通合伙)

(二) 利润表项目注释

(II) Note to Income Statement Item

1. 营业收入和营业成本

项 目	本期营业收入	本期营业成本	上期营业收入	上期营业成本
主营业务	51,083,469.20	57,715,375.69	54,907,728.59	49,482,653.57
合 计	51,083,469.20	57,715,375.69	54,907,728.59	49,482,653.57

1.Operating revenue and costs of sales

Item	Revenue in the current period	Cost in the current period	Revenue in the prior period	Cost in the prior period
Principal operating activities	51,083,469.20	57,715,375.69	54,907,728.59	49,482,653.57
Total	51,083,469.20	57,715,375.69	54,907,728.59	49,482,653.57

2. 税金及附加

项 目	本期发生额	上年同期发生额
税金及附加	48,594.01	0.00
合 计	48,594.01	0.00

2. TAXES AND SURCHARGES

Item	Amount incurred in the curren period	Amount incurred in the prior
Taxes and surcharges	48,594.01	0.00
合 计	48,594.01	0.00

3.管理费用

项 目	本期发生额	上年同期发生额
管理费用	4,175,022.25	5,979,717.46
合 计	4,175,022.25	5,979,717.46

3.General and administrative expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Administration Expense	4,175,022.25	5,979,717.46
Total	4,175,022.25	5,979,717.46

4.财务费用

项 目	本年发生额	上年发生额
利息支出	0.00	9,752.00
减：利息收入	9,083.06	8,561.14
汇兑损失	2,096,272.26	1,061,442.29
减：汇兑收益	0.00	81,238.50
手续费	45,931.31	97,618.06
合 计	2,239,576.78	1,079,012.71

4.Research and development expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Interest expenses	0.00	9,752.00
Less: interest income	9,083.06	8,561.14
Exchange losses	2,096,272.26	1,061,442.29
Less: exchange gains	0.00	81,238.50
Handling charges expenses	152,387.58	107,370.06
Total	2,239,576.78	1,079,012.71

北京东审会计师事务所（特殊普通合伙）

5.信用减值损失（损失以“-”号填列）

项 目	本期发生额	上年同期发生额
信用减值损失	-528,632.00	-528,526.00
合 计	-528,632.00	-528,526.00

5.Credit impairment losses / (losses)

Item	Amount incurred in the current period	Amount incurred in the prior period
Credit impairment losses	-528,632.00	-528,526.00
Total	-528,632.00	-528,526.00

6.营业外收入

项 目	本期发生额	上年同期发生额
营业外收入	70,363.40	0.00

合 计	70,363.40	0.00

6.Non-operating income

Item	Amount incurred in the current period	Amount incurred in the prior period
Non-operating income	70,363.40	0.00
Total	70,363.40	0.00

7.营业外支出

项 目	本期发生额	上年同期发生额
营业外支出	8,213.39	62,863.00
合 计	8,213.39	62,863.00

7.Non-operating expense

Item	Amount incurred in the current period	Amount incurred in the prior period
Non-operating expense	8,213.39	62,863.00
Total	8,213.39	62,863.00

北京东审会计师事务所（特殊普通合伙）

(三) 现金流量表补充资料

(III) Supplementary information to the cash flow statement

补充资料 Supplementary information	本期金额 Current period	上期金额 Prior period
1．将净利润调节为经营活动现金流量： 1.Reconciliation of net profit to cash flow from operating activities:	——	——
净利润 Net profit	-13,561,581.52	-2,225,044.15
加：资产减值准备 Add: Provision for impairment losses of assets	0.00	0.00
信用减值损失 Credit impairment loss	528,632.00	528,526.00
固定资产折旧、油气资产折耗、生产性生物资产折旧 Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	1,520,301.54	1,591,122.05
使用权资产折旧 Depreciation of use right asset	0.00	0.00
无形资产摊销 Amortization of intangible assets	0.00	0.00
长期待摊费用摊销 Amortization of long-term prepaid expenses	0.00	0.00

处置固定资产、无形资产和其他长期资产的损失（收益以“—”号填列） Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "—")	0.00	72,631.74
固定资产报废损失（收益以“—”号填列） Losses on retirement of fixed assets (gains are indicated by "—")	0.00	0.00
公允价值变动损失（收益以“—”号填列） Losses on changes in fair values (gains are indicated by "—")	0.00	0.00
财务费用（收益以“—”号填列） Financial expenses (income is indicated by "—")	0.00	9,752.00
投资损失（收益以“—”号填列） Losses arising from investments (gains are indicated by "—")	0.00	0.00
递延所得税资产减少（增加以“—”号填列） Decrease in deferred tax assets (increase is indicated by "—")	0.00	0.00
递延所得税负债增加（减少以“—”号填列） Increase in deferred tax liabilities (decrease is indicated by "—")	0.00	0.00
存货的减少（增加以“—”号填列） Decrease in inventories (increase is indicated by "—")	-516,603.11	-1,971,077.41
经营性应收项目的减少（增加以“—”号填列） Decrease in receivables from operating activities (increase is indicated by "—")	2,717,596.02	-6,503,849.28
经营性应付项目的增加（减少以“—”号填列） Increase in payables from operating activities (decrease is indicated by "—")	5,588,835.76	14,411,934.18
其他 Others	0.00	0.00
经营活动产生的现金流量净额 Net cash flow from operating activities	-3,722,819.31	5,913,995.13
2．不涉及现金收支的重大投资和筹资活动： 2.Significant investing and financing activities that do not involve cash receipts and payments	——	——
债务转为资本 Conversion of debt into capital	0.00	0.00
一年内到期的可转换公司债券 Convertible bonds due within one year	0.00	0.00
融资租入固定资产 Fixed assets acquired under finance leases	0.00	0.00
3．现金及现金等价物净变动情况： 3.Net changes in cash and cash equivalents:	——	——
现金的期末余额 Closing balance of cash	1,099,446.60	5,564,520.80

北京东审会计师事务所(特殊普通合伙)

减：现金的期初余额 Less: Opening balance of cash	5,564,520.80	4,545,208.57
加：现金等价物的期末余额 Add: Closing balance of cash equivalents	0.00	0.00
减：现金等价物的期初余额 Less: Opening balance of cash equivalents	0.00	0.00
现金及现金等价物净增加额 Net increase in cash and cash equivalents	-4,465,074.20	1,019,312.23

七、关联方关系及关联方交易

VII.Related parties and related party transactions

(一) 关联方关系

(I) Related parties relationship

1、本公司的股东

关联方名称	对本公司的持股比例	对本公司的表决权比例
NIXEN PAUL FRANCIS	100.00%	100.00%

1．Shareholders of the company

Name of related parties	Shareholding ratio in the company	Proportion of voting rights in the company
NIXEN PAUL FRANCIS	100.00%	100.00%

北京东审会计师事务所（特殊普通合伙）

八、其他重要事项

VIII. Other significant matters

(一) 或有事项

(I) Contingent event

截至 2024 年 12 月 31 日，本公司不存在应披露的未决诉讼、对外担保等或有事项。

As of December 31, 2024, the Company has not involved in any pending litigations, external guarantee and other contingencies that need be disclosed.

(二) 承诺事项

(II) Commitments

截至 2024 年 12 月 31 日，本公司不存在应披露的承诺事项。

As of December 31, 2024, the Company has not made any commitments that need be to disclosed.

(三) 资产负债表日后非调整事项

(III) Non-adjusting events after balance sheet date

截至审计报告日，本公司不存在应披露的资产负债表日后非调整事项。

As of the audit report date, the company has no non-adjusting events after the balance sheet date that need to be disclosed.

(四) 其他

(IV) Other

截至 2024 年 12 月 31 日，本公司不存在应披露的其他重要事项。

As of December 31, 2024, the Company has no other important matters that need to be disclosed.

九、会计报表的批准报出

IX. Approval for Publishing of the Accounting Statements

本会计报表已经本公司董事会（股东会）于 2025 年 05 月 28 日批准报出。

The accounting statements have been approved to be published by the Company's Board of Directors (Board of Shareholders) on May 28, 2025.

迪吉图文制作（上海）有限公司

Digiphoto Entertainment Imaging(Shanghai) Co., Ltd.

2025 年 05 月 28 日

May 28, 2025

姓名：黄文花
证书编号：
110101505132

证书编号：
No. of Certificate 110101505132

批准注册协会：
Authorized Institute of CPA 北京注册会计师协会

发证日期：
Date of Issuance 2016 年 06 月 13 日

4

年度检验登记
Annual Renewal Registration

继续有效一年。
or another year after

2017 年 3 月 26 日

5

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

天职国际会计师事务所（特殊普通合伙）

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

同意调入
Agree the holder to be transferred to

天职国际会计师事务所（特殊普通合伙）新疆分所

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2016 年 12 月 1 日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

天职国际会计师事务所（特殊普通合伙）新疆分所

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2019 年 7 月 1 日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2021 年 6 月 22 日
/y /m /d

11

姓名 Full name 黄文花
性别 Sex 女
出生日期 Date of birth 1986-03-09
工作单位 Working unit 天职国际会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 142021198609095124

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

仅供年检使用

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

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事务所
CPAs

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2021 -09- 15 日
/y /m /d

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CPAs

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Stamp of the transfer-in Institute of CPAs

2021 -09- 15 日
/y /m /d

12

注意事项

一、注册会计师执行业务，必要时须向委托方出示本证书。
二、本证书只限于本人使用，不得转让、涂改。
三、注册会计师停止执行法定业务时，应将本证书缴还主管注册会计师协会。
四、本证书如遗失，应立即向主管注册会计师协会报告，登报声明作废后，办理补发手续。

NOTES

1. When practising, the CPA shall show the client this certificate when necessary.
2. This certificate shall be exclusively used by the holder. No transfer or alteration shall be allowed.
3. The CPA shall return the certificate to the competent Institute of CPAs when the CPA stops conducting statutory business.
4. In case of loss, the CPA shall report to the competent Institute of CPAs immediately and go through the procedure of reissue after making an announcement of loss on the newspaper.

曾修敏 110003950036

证书编号：
No. of Certificate 11000395[illegible]

批准注册协会：
Authorized Institute of CPAs 北京注册会计师协会

发证日期：
Date of Issuance 2022 年 /y 1[illegible] 月 /m 29 日 /d

6

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 /y 月 /m 日 /d

5

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS 中国注册会计师协会

北京东审事务所(特殊普通合伙) 1101061047620

姓名 Full name 曾修敏
性别 Sex 女
出生日期 Date of birth 1989-01-06
工作单位 Working unit 北京东审会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 500234198901062604

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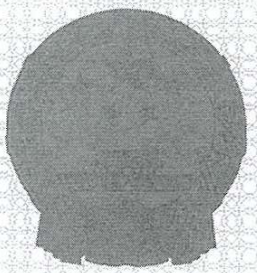

会计师事务所

执业证书

名　　称：北京东审会计师事务所（特殊普通合伙）

首席合伙人：崔军胜

主任会计师：

经营场所：北京市东城区崇文门外大街7、9号1幢11层11-1

组织形式：特殊普通合伙

执业证书编号：11000395

批准执业文号：京财会[2005]1668号

批准执业日期：2005年10月11日

证书序号：0022671

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

2025 年 1 月 28 日

中华人民共和国财政部制

统一社会信用代码

911101027817008267

营业执照

(副 本) (2-1)

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名　　称　北京东审会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　崔军胜、李丽

经营范围　审计企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关的报告；基本建设年度决算审计；代理记帐；会计咨询、税务咨询、管理咨询、财务会计培训；法律、法规规定的其它业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

出　资　额　1000 万元

成立日期　2005 年 10 月 17 日

主要经营场所　北京市东城区崇文门外大街 7、9 号 1 幢 11 层 11-1

登记机关　北京市东城区市场监督管理局

2021 年 01 月 20 日

仅供审计报告使用

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国家市场监督管理总局监制

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请致电或访问官方网站

400-139-4131
www.dscpa.cn

企业公众号

拜访东审

北京市东城区崇文门外大街9号正仁大厦11-12层／北京市海淀区知春路113号银网中心B座20层／北京市朝阳区琨莎中心3座3层／北京市朝阳区中国红街3号楼4层/上海市虹口区长阳路235号鼎立大厦14层／深圳市福田区泰然六路50号红松大厦A座10C／浙江省杭州市萧山区宁围街道博地中心A座1802室／江苏省南京市雨花台区锦绣街北绿地之窗C4座1010室

响应碳中和　你我都有责

Report of the Directors

Audited Financial Statements

DIGIPHOTO ENTERTAINMENT IMAGING LIMITED

31 December 2024

DIGIPHOTO ENTERTAINMENT IMAGING LIMITED

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DIGIPHOTO ENTERTAINMENT IMAGING LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2024.

Directors
The names of the person who were the directors of the Company during the period beginning with the end of the financial year and ending on the date of this report is as follows:

Ramakrishnan KALAPATHY SHANKAR
Sanghamitra Ramakrishnan KALAPATHY

Principal activity
The principal activity is provision for souvenir imaging provider to theme parks.

Permitted indemnity provision
At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more Directors of the Company.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more Directors of the Company.

Management contracts
No contracts concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the financial year.

Business review
The Company falls within reporting exemption for the financial year. Accordingly, the Company is exempted from preparing a business review.

Equity-linked agreements
During the financial year, no equity-linked agreements were entered into by the Company.

At the end of the financial year, the Company was not party to any equity-linked agreements.

Approval of Directors' report
This report was approved by the Directors on 21 July 2025.

ON BEHALF OF THE DIRECTORS

.....
Ramakrishnan KALAPATHY SHANKAR
Director
Hong Kong,

AN INDEPENDENT AUDITORS' REPORT

To the members of DIGIPHOTO ENTERTAINMENT IMAGING LIMITED
(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of DIGIPHOTO ENTERTAINMENT IMAGING LIMITED ("the Company") set out on pages 4 to 11, which comprise the statement of financial position as at 31 December 2024, and the income statement for the year then ended, and accounting policies and explanatory notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

詹訓龍會計師事務所
香港灣仔莊士敦道181號大有大廈908-9室
Rm 908 - 9, Tai Yau Bldg., 181 Johnston Road, Wanchai, Hong Kong
Tel: (852) 3101 0818
Fax: (852) 3101 0821
E-mail: flchim@flchimandco.com.hk
louis@flchimandco.com.hk

AN INDEPENDENT AUDITORS' REPORT

To the members of DIGIPHOTO ENTERTAINMENT IMAGING LIMITED
(incorporated in Hong Kong with limited liability)

Responsibilities of directors and those charged with governance for the financial statements
The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements
It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at HKICPA's website at http://www.hkicpa.org.hk/file/media/section6_standards/standards/Audit-n-assurance/auditre/fs_cf.pdf This description forms part of our auditor's report.

The Certified Public Accountant (Practising) responsible for this audit is Chim Fun Lung (practicing certificate number: P03353)

F. L. Chim & Co.
Certified Public Accountants
Hong Kong
Date of the auditor's report: 21 July 2025

詹訓龍會計師事務所
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DIGIPHOTO ENTERTAINMENT IMAGING LIMITED

INCOME STATEMENT

Year ended 31 December 2024

	Notes	2024 HK$	2023 HK$
Revenue	2	23,190,080	24,931,073
Cost of services		(19,449,134)	(16,054,932)
Gross profit		3,740,946	8,876,141
Other revenue	2	1,358,021	859,018
Administrative expenses		(3,001,762)	(6,754,619)
Profit before income tax expense	3	2,097,205	2,980,540
Income tax expense	5	-	-
Profit for the year		2,097,205	2,980,540

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK$	2023 HK$
NON-CURRENT ASSETS			
Property, plant and equipment	6	314,627	244,658
CURRENT ASSETS			
Inventories	7	376,491	597,852
Accounts receivable		20,417,028	21,300,610
Other receivable		1	57,129
Prepayment and deposit		35,149	59,181
Cash and bank balances		213,849	964,533
		21,042,518	22,979,305
CURRENT LIABILITIES			
Accounts payable		31,927,076	34,984,620
Accruals		488,793	1,395,272
		32,415,869	36,379,892
NET CURRENT (LIABILITIES)		(11,373,351)	(13,400,587)
NET (LIABILITIES)		(11,058,724)	(13,155,929)
EQUITY			
Share capital			
Issued and fully paid: 100 ordinary shares	8	100	100
(Accumulated losses)		(11,058,824)	(13,156,029)
TOTAL (NEGATIVE EQUITY)		(11,058,724)	(13,155,929)

Approved on behalf of the directors by:

.....

Ramakrishnan KALAPATHY SHANKAR
Director

.....

Sanghamitra Ramakrishnan KALAPATHY
Director

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

DIGIPHOTO ENTERTAINMENT IMAGING LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2024

REPORTING ENTITY

DIGIPHOTO ENTERTAINMENT IMAGING LIMITED is a company incorporated in Hong Kong with limited liability. The Company's registered office is located at 15/F, Effectual Building, 16 Hennessy Road, Wanchai, Hong Kong. The Company's principal activity is provision for souvenir imaging provider to theme parks.

In the opinion of the directors, the ultimate holding company of the Company is DEI Holdings Limited, a private company incorporated in Dubai, UAE.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordiance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern that the Company's sole shareholder agreed to provide sufficient financial resources to maintain the Company's going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably, on the following bases:

(i) Sales income is recognised when the goods had been passed to customers;
(ii) Services income are recognised when the services had been rendered; and
(iii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

(b) Foreign exchange

The reporting currency of the Company is Hong Kong dollars ("HK$"), which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into HK$ using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

(c) Income tax expense

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is not provided.

(d) Accounts and other receivables

Accounts and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systemic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Computer and equipment	20%
Fixture and fittings	20%

(f) Impairment of assets

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

(g) Inventories

Inventories for re-sale are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. At each reporting date, inventories for re-sales are assessed for impairment and the carrying amount is reduced to its selling price less costs to complete and sell with the impairment loss recognised immediately in income statement.

(h) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the income statement on a straight-line basis over the lease years.

2. REVENUE AND OTHER REVENUE

An analysis of the Company's revenue and other revenue is as follows:

	2024 HK$	2023 HK$
Services income	23,190,080	24,931,073
Other revenue		
Bank interest income	5,930	-
Exchange gain, net	1,352,091	-
Other income	-	859,018
	1,358,021	859,018
	24,548,101	25,790,091

3. PROFIT BEFORE INCOME TAX EXPENSE

This is arrived at after charging:

	2024 HK$	2023 HK$
Auditor's remuneration	12,000	13,000
Exchange loss, net	-	350,612
Depreciation	117,695	46,718
Staff cost, excluding directors' remuneration	338,937	4,805,813

4. DIRECTORS' REMUNERATION

The directors are regarded as key management of the Company. None of the directors received or will receive any fees or other emoluments in respect of their services to the Company during the year (2023: Nil).

5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Company incurred a tax loss for the year (2023: Nil).

6. PROPERTY, PLANT AND EQUIPMENT

	Computer and equipment HK$	Fixtures and fittings HK$	Total HK$
Cost:			
At 1 January 2024	622,861	35,744	658,605
Addition	132,651	43,681	176,332
at 31 December 2024	755,512	79,425	834,937
Accumulated depreciation:			
At 1 January 2024	382,028	31,919	413,947
Charge for the year	94,101	12,262	106,363
At 31 December 2024	476,129	44,181	520,310
Net carrying amount:			
At 31 December 2024	279,383	35,244	314,627
At 31 December 2023	240,833	3,825	244,658

7. INVENTORIES

	2024 HK$	2023 HK$
Inventories for re-sales, at cost	376,491	597,852

8. SHARE CAPITAL

	Number of shares	HK$
Issued and fully paid:		
As at 1 January 2024 and 31 December 2024		
100 ordinary shares with no par value	100	100

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the general meeting of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

9. CHANGES IN EQUITY

	Share capital HK$	(Accumulated losses) HK$	Total HK$
Balance brought forward	100	(13,156,029)	(13,155,929)
Profit for the year	-	2,097,205	2,097,205
As at 31 December 2024	100	(11,058,824)	(11,058,724)

10. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2024, the Company had future aggregate minimum lease payments under non-cancellable operating leases under land and buildings as follows:

	2024 HK$	2023 HK$
Operating lease commitments:		
Not later than one year	-	120,700
Between two to five years, inclusive	-	-
	-	120,700

11. RELATED PARTIES TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these accounts, the Company had the following transactions with related parties during the year:

(a) Transactions with related parties:

	2024 HK$	2023 HK$
Cost of service from fellow subsidiaries	1,686,713	1,031,454

(b) Balances with related parties:

	2024 HK$	2023 HK$
Accounts receivable due from fellow subsidiaries	20,382,148	12,567,160
Accounts payable due to fellow subsidiaries	(32,754,281)	(1,390,827)

In the opinion of the directors of the Company, the above related parties transactions were entered into by the Company in the ordinary course of business.

12. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Company's Board of Directors on 21 July 2025.

DIGIPHOTO IMAGING (MACAU) LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2024

HO MEI VA
Certified Public Accountant

DIGIPHOTO IMAGING (MACAU) LIMITED

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何美華執業會計師
HO MEI VA Auditor de Contas
HO MEI VA Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

TO THE MANAGEMENT OF
DIGIPHOTO IMAGING (MACAU) LIMITED
(Incorporated in Macau with limited liability)

I have audited the financial statements of the Digiphoto Imaging (Macau) Limited (the "Company") set out on pages 3 to 16, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The management of the Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Financial Reporting Standards issued by the Government of Macau Special Administrative Region. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and maintaining proper and accurate accounting records.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit and to report my opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. I do not assume responsibility towards or accept liability to any other person for the contents of this report. I conducted my audit in accordance with the General Auditing Standards issued by the Government of Macau Special Administrative Region. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and the true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

何 美 華 執 業 會 計 師

HO MEI VA Auditor de Contas

HO MEI VA Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MANAGEMENT OF
DIGIPHOTO IMAGING (MACAU) LIMITED
(Incorporated in Macau with limited liability)

Opinion

In my opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Digiphoto Imaging (Macau) Limited as at 31 December 2024 and of its operating results and cash flows for the year then ended in accordance with Financial Reporting Standards of Macau Special Administrative Region.

Use of report

This report has been prepared solely for the management purpose of the Company and is not intended for any other purpose.

Ho Mei Va
Certified Public Accountant

Macau, 10 June 2025

DIGIPHOTO IMAGING (MACAU) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 December 2024

	Notes	2024 MOP	2023 MOP
REVENUE	5	22,959,215	19,554,218
Partner revenue share		(10,983,115)	(9,504,894)
Direct operating expenses	6	(9,618,990)	(6,851,232)
Depreciation		(96,133)	(121,460)
Other operating and administrative expenses		(2,826,314)	(2,871,933)
(LOSS) / PROFIT BEFORE TAX	7	(565,337)	204,699
Income tax expense	8	-	-
TOTAL COMPREHENSIVE (EXPENSE) / INCOME FOR THE YEAR		(565,337)	204,699

DIGIPHOTO IMAGING (MACAU) LIMITED
STATEMENT OF FINANCIAL POSITION
31 December 2024

	Notes	2024 MOP	2023 MOP
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	9	364,175	48,981
CURRENT ASSETS			
Amount due from immediate holding company	10	25,000	25,000
Amounts due from fellow subsidiaries	11	246,655	1,638,807
Inventories	12	719,504	1,050,343
Accounts receivable		1,574,280	1,272,035
Prepayments, deposits and other receivables		30,628	5,239
Cash and bank balances		1,485,077	727,709
		4,081,144	4,719,133
TOTAL ASSETS		4,445,319	4,768,114
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	13	25,000	25,000
Legal reserve	14	12,500	12,500
Accumulated losses		(10,262,710)	(9,697,373)
		(10,225,210)	(9,659,873)
CURRENT LIABILITIES			
Accounts payable		509,398	407,534
Other payables and accruals		871,100	883,876
Amounts due to fellow subsidiaries	11	13,290,031	13,136,577
		14,670,529	14,427,987
TOTAL EQUITY AND LIABILITIES		4,445,319	4,768,114

Director

Director

DIGIPHOTO IMAGING (MACAU) LIMITED
STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2024

	Share capital MOP	Legal reserve MOP	Accumulated losses MOP	Total MOP
At 1 January 2023	25,000	12,500	(9,902,072)	(9,864,572)
Total comprehensive income for the year	-	-	204,699	204,699
At 31 December 2023 and 1 January 2024	25,000	12,500	(9,697,373)	(9,659,873)
Total comprehensive expense for the year	-	-	(565,337)	(565,337)
At 31 December 2024	25,000	12,500	(10,262,710)	(10,225,210)

DIGIPHOTO IMAGING (MACAU) LIMITED
STATEMENT OF CASH FLOWS
Year ended 31 December 2024

	2024 MOP	2023 MOP
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before tax	(565,337)	204,699
Adjustments for:		
Depreciation	96,133	121,460
	(469,204)	326,159
Decrease / (increase) in amounts due from fellow subsidiaries	1,392,152	(390,503)
Decrease / (increase) in inventories	330,839	(531,587)
Increase in accounts receivable	(302,245)	(955,571)
(Increase) / decrease in prepayments, deposits and other receivables	(25,389)	110,144
Increase in accounts payable	101,864	225,526
(Decrease) / increase in other payables and accruals	(12,776)	482,510
Increase in amounts due to fellow subsidiaries	153,454	1,208,036
Net cash from operating activities	1,168,695	474,714
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(411,327)	-
Net cash used in investing activities	(411,327)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	757,368	474,714
Cash and cash equivalents at beginning of year	727,709	252,995
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,485,077	727,709

1. GENERAL INFORMATION

Digiphoto Imaging (Macau) Limited (the "Company") is a limited liability company incorporated in Macau on 26 February 2014. The address of its registered office is Calcada de Santo Agostinho, no.19, 7 andar, Macau. The principal activities of the Company are provision of services of souvenir photography and sales of photos and products related with photography.

The Company's immediate holding company is DEI Holdings Limited, a company incorporated in United Arab Emirates. The Directors consider Fairfax Financial Holdings Limited, a company incorporated in Canada, to be the Company's ultimate holding company.

2. BASIS OF PREPARATION

The financial statements of the Company are prepared in accordance with the financial reporting standards of Macau SAR, pursuant to the Dispatch No. 44/2020 of Secretary of Economy and Finance of Macau SAR. These financial statements are prepared solely to report to the shareholders as a whole. These financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values.

As at 31 December 2024, the Company's current liabilities exceeded its total assets by approximately MOP10,230,000. In the opinion of the Directors, as the Company's immediate holding company has agreed to provide adequate funds for the Company to meet its liabilities as and when they fall due, accordingly these financial statements have been prepared on the going concern basis.

Pursuant to the Announcement No. 2/2024/CPC, Professional Committee of Accountants of Macau SAR has issued the new Accounting Standards of Macau SAR. The new Accounting Standards which include a new set of financial reporting standards will be effective for early adoption for accounting periods beginning on or after 1 January 2026, and the mandatory effective date will be on or after 1 January 2028. The Company has not early applied the new financial reporting standards for the financial statements, and is in the process of making an assessment of the impact of these new financial reporting standards upon initial application which would affect the presentation, disclosure and measurement of the financial statements of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably, on the following bases:

i) Revenue in respect of services and goods sold is recognised in the period in which the souvenir photography services are rendered;
ii) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rate applicable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation of plant and equipment is calculated using straight-line method to write off cost to their residual values over their estimated useful lives as follows:

Computer equipment	3 - 5 years
Furniture and fixtures	3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

Gains or losses arising from disposal or retirement are determined as the difference between the net sales proceeds and the carrying amounts of the assets and are recognised in profit or loss on the date of the assets' disposal or retirement.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists, the Company makes an estimate of the asset's recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of the impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. The reversal of the impairment loss is credited to profit or loss in the year in which it arises.

Inventories

Inventories of materials and consumables are stated at the lower of cost and net realisable value, and are expensed when consumed in operations. Cost is determined on a weighted average basis.

Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount has been reliably measured.

Where it is not probable that outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligations are disclosed as contingent liabilities, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax expense

Income tax expense represents current income tax expense. Income tax payable represents the anticipated amount payable to the tax authorities, using the tax rates that have been substantively enacted by the statement of financial position.

Deferred tax is provided using the liability method on temporary differences at the date of statement of financial position arising between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes. Deferred tax liabilities are provided in full while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks. For the purpose of the statement of cash flows, cash and cash equivalents include cash in hand, and other short term highly liquid investments with original maturities of three months or less when acquired.

Employee benefit

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

The Company made contributions to the social security fund in accordance with the provisions of Macau Law No. 4/2010 "Social Security System", which are recognised in the profit or loss when incurred.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

4. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the carrying amounts of revenues, expenses, assets and liabilities and their disclosures, as well as the disclosure of contingent liabilities at the date of the statement of financial position. However, the consequences of uncertainties in these assumptions and estimates could result in material adjustments which affected carrying amounts of assets or liabilities in the future.

4. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

Estimation uncertainty

The following are key assumptions at the date of the statement of financial position and other key sources of estimation uncertainty, which may result in material adjustments regarding the amount of assets and liabilities in further accounting periods.

Useful lives of plant and equipment
Plant and equipment are depreciated on a straight-line basis over their expected useful lives, taking into account of their residual values. Management regularly reviews the expected useful lives of assets to determine the amount of depreciation to be recognised in each reporting period. The expected useful life is determined by the company based on the past experience of similar assets with expected changes in technology. Any changes in the expected useful lives would affect profit or loss in future years.

5. REVENUE

The revenue represents the gross service income for the provision of services of souvenir photography and sales of photos and products related with photography during the year.

6. DIRECT OPERATING EXPENSES

	2024 MOP	2023 MOP
Cost of materials and consumables	3,058,224	2,072,988
Direct and outsourced labour costs	6,481,794	4,700,902
Other direct expenses	78,972	77,342
	9,618,990	6,851,232

7. (LOSS) / PROFIT BEFORE TAX

(Loss) / profit before tax is arrived at after charging:

	2024 MOP	2023 MOP
Depreciation	96,133	121,460
Exchange difference, net	(242,874)	229,081

8. INCOME TAX EXPENSE

Macau complementary tax is provided at the applicable tax rates on the estimated assessable profit for the year.

	2024 MOP	2023 MOP
Macau complementary tax		
- Provision for current year	-	-

No Macau complementary tax has been provided as the Company did not generate any assessable profit attributable to its operations during the year.

Reconciliation between tax expense and accounting (loss) / profit in the financial statements is as follows:

	2024 MOP	2023 MOP
(Loss) / profit before tax	(565,337)	204,699
Tax at the applicable tax rate of 12% (2023: 12%)	(67,840)	24,564
Effect of non-deductible expenses	-	50,311
Effect of non-taxable income	(52,042)	-
Effect of deductible temporary differences not previously recognised for deferred tax purposes	526	234
Effect of tax losses not recognised	119,356	(75,109)
Tax expense	-	-

No deferred tax asset has been recognised in respect of the tax loss due to the reason that company's assessment shows insufficient profits in the near future to absorb deferred tax assets (2023: nil).

9. PLANT AND EQUIPMENT

	Computer equipment MOP	Furniture and fixtures MOP	Total MOP
Cost			
At 1 January 2023	1,279,930	526,684	1,806,614
Additions	-	-	-
At 31 December 2023	1,279,930	526,684	1,806,614
Additions	376,727	34,600	411,327
At 31 December 2024	1,656,657	561,284	2,217,941
Accumulated depreciation			
At 1 January 2023	1,192,859	443,314	1,636,173
Charge for the year	59,697	61,763	121,460
At 31 December 2023	1,252,556	505,077	1,757,633
Charge for the year	72,679	23,454	96,133
At 31 December 2024	1,325,235	528,531	1,853,766
Net book value			
At 31 December 2024	331,422	32,753	364,175
At 31 December 2023	27,374	21,607	48,981

10. AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY

The amount due from immediate holding company is unsecured, interest free and has no fixed terms of repayment.

11. AMOUNTS DUE FROM / (TO) FELLOW SUBSIDIARIES

The amounts due from / (to) fellow subsidiaries are unsecured, interest free and have no fixed terms of repayment.

12. INVENTORIES

	2024 MOP	2023 MOP
Materials and consumables, at cost	719,504	1,050,343

13. SHARE CAPITAL

	2024 MOP	2023 MOP
Registered quota share capital Two quota shares of MOP12,500 each	25,000	25,000

14. LEGAL RESERVE

In accordance with the provisions of Macau Commercial Code, the Company is required to transfer a minimum of 25% of its annual net profit to a legal reserve until the balance of such reserve equals 50% of the registered share capital. This reserve is not distributable in form of dividends or otherwise to the shareholders of the Company.

15. RETIREMENT BENEFITS SCHEMES

Employees of the Company in Macau SAR are members of government-managed social benefits schemes operated by the Macau SAR government. The Company is required to pay a monthly fixed contribution to the social benefits schemes to fund the benefits. The only obligation of the Company with respect to the social benefits schemes operated by the Macau SAR government is to make the required contributions under the schemes.

16. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of cash at banks and cash in hand and equity attributable to owners of the Company, comprising share capital and reserves as disclosed in these financial statements. The Company's overall strategy remains unchanged from the prior year.

The Company's operation is mainly financed by the fellow subsidiaries. In this connection, the immediate holding company of the Company has agreed to provide adequate fund through fellow subsidiaries to enable the Company to meet in full its financial obligations as and when they fall due in the foreseeable future and not to demand for repayment of the balances due from the Company until it is in a financial position to do so.

The management of the Company reviews the capital structure regularly. The Company considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure.

17. FINANCIAL INSTRUMENTS

Financial risk management objectives

Financial instruments are fundamental to the Company's daily operations. The risks associated with financial instruments and the policies on how to mitigate these risks are set out below. Details of these financial instruments are disclosed in the respective notes. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Categories of financial instruments

	2024 MOP	2023 MOP
Financial assets		
- Amortised cost / loans and receivables (including cash and cash equivalents)	3,339,568	3,663,869
Financial liabilities		
Amortised costs	14,670,529	14,427,987

Currency risk

Most of the revenue and expenses of the Company are recognised in their respective functional currencies. The Company is exposed to foreign exchange risk from net monetary assets and liabilities that are denominated in a currency that is not the Company's functional currency. Those risk-related currencies are Hong Kong Dollars ("HKD"). As the exchange rate of MOP is stable as well as HKD, the Company expects there will not be any significant currency risk regarding the movement of exchange rate of those currencies. Therefore, the management considers the risk of movements in exchange rates between MOP and HKD to be insignificant.

The Company currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risk

Bank balances at floating interest rate are exposed to cash flow interest rate risk. In the opinion of the management, the Company has minimal exposure to interest rate risk.

Credit risk

The Company's maximum exposure to credit risk which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

The credit risk of short term bank deposits and bank balances is limited because these counterparties are banks with high credit–rating assigned by international credit–rating agencies. Thus, the Company does not have significant credit risk.

17. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

In the management of the liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance its operations and mitigate the effects of fluctuations in cash flows. The Company also considers that the Company's holding of bank balances and cash, bank deposits, together with net cash flow from operating activities and committed credit facilities, can provide adequate sources of funding to enable the Company to meet in full its financial obligations due for the foreseeable future and manage its liquidity position.

Fair value measurement of financial instruments

The management of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3).

(a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

(b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values at 31 December 2024 and 31 December 2023.

18. RELATED PARTY TRANSACTIONS

(a) Except as disclosed elsewhere in the financial statements, the significant related party transactions, which were carried out in the normal course of the business, are as follows:

Relationship	Nature of transactions	2024 MOP	2023 MOP
Fellow subsidiary	Service fee	2,461,291	1,932,260

(b) The directors of the Company consider that they are the only key management personnel of the Company. No directors' remuneration was paid for the financial year.

19. OPERATING LEASE COMMITMENTS

The Company leases its office under operating lease arrangement with term of one year. At 31 December 2024, the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2024 MOP	2023 MOP
Within one year	45,309	-

20. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Company's directors on 10 June 2025.

DEI Solutions Limited
Management Account for the year ended as on Dec 31, 2024

Amt in MUR

Particulars	Notes	As at 31st Dec, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:		-	-
Property, plant and equipment	1	14,21,234	14,21,234
Financial assets		-	
Other non-current assets		-	-
Total non-current assets		**14,21,234**	**14,21,234**
Current assets:			
Inventories	2	-0	5,608
Financial assets:-			
- Trade receivables	3	1,18,499	18,137
- Cash and cash equivalents	4	7,139	4,72,902
- Other financial assets	5	34,000	34,000
Current Tax Assets (Net)			
Other current assets	6	17,222	-
Total current assets		**1,76,860**	**5,30,647**
TOTAL ASSETS		**15,98,094**	**19,51,881**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7(a)	1,00,000	1,00,000
Other equity			
Reserve and surplus	7(b)	(4,09,29,636)	(4,31,53,678)
Total Equity		**(4,08,29,636)**	**(4,30,53,678)**
LIABILITIES			
Non-current liabilities			
Provision			-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
- Borrowings		-	-
- Trade payables	8	4,23,34,342	4,49,12,171
Provision	9	76,372	76,372
Current Tax Liabilities		-	-
Other current liabilities	10	17,015	17,015
Total current liabilities		**4,24,27,729**	**4,50,05,559**
TOTAL LIABILITIES		**4,24,27,729**	**4,50,05,559**
TOTAL EQUITY AND LIABILITIES		**15,98,093**	**19,51,881**

DEI Solutions Limited

Management Statement of Profit And Loss for the year ended as on 31st December, 2023

Amt in MUR

Particulars	Notes	For the year ended as on Dec 31, 2024	For the year ended as on Dec 31, 2023
Income			
Revenue from operations	11	-	19,62,800
Other gains (net)	12	-71,263	25,810
Total income		**-71,263**	**19,88,610**
Expenses			
Cost of services		5,608	57,90,725
Employee benefits expense	13	-	21,55,335
Finance Cost	14	7,165	48,273
Advertisement Expenses		-	16,205
Depreciation and amortisation expense	15	-	8,89,656
Other expenses	16	-23,08,079	16,57,493
Total expenses		**-22,95,305**	**1,05,57,686**
Profit before exceptional item		**22,24,042**	**(85,69,076)**
Add Exceptional items:			
Less Exceptional items:		-	
(Loss)/Profit before tax		**22,24,042**	**(85,69,076)**
Less : Tax expense			
Current tax		-	
Deferred tax		-	-
Total tax expenses		**-**	**-**
(Loss)/Profit for the year (A)		**22,24,042**	**(85,69,076)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**22,24,042**	**(85,69,076)**

DEI Solutions Limited
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 1: Property, plant and equipment:

Particulars	Furniture and Fixtures	Computers	Total
Gross carrying amount			
Opening as at 1st January, 2024	**9,81,851**	**66,66,595**	**76,48,446**
Additions	-	-	-
Disposals/transfer		-	-
Closing gross carrying amount	**9,81,851**	**66,66,595**	**76,48,446**
Accumulated depreciation			
Opening as at 1st January, 2024	**6,71,435**	**55,55,777**	**62,27,212**
Depreciation charge during the year	-	-	-
Disposals		-	-
Change in Dep Policy			-
Closing accumulated depreciation	**6,71,435**	**55,55,777**	**62,27,212**
Net carrying amount as at 31st Dec, 2023	**3,10,416**	**11,10,818**	**14,21,234**
Net carrying amount as at 31st Dec, 2024	**3,10,416**	**11,10,818**	**14,21,234**

DEI Solutions Limited
Notes forming part of the Financial Statements
Note 7: Other Non-Current Assets:

Note 2: Inventories

Particulars	31st Dec, 2024	31st Dec, 2023
Raw material, consumables and other supplies	-0	5,608
Total	**-0**	**5,608**

Note 3: Trade receivables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade receivables	1,18,499	18,137
Less : Allowance for doubtful debts	-	-
Total receivables	**1,18,499**	**18,137**
Break up of Security Details		
Unsecured, considered good	1,18,499	18,137
Unsecured, considered doubtful	-	-
Total	**1,18,499**	**18,137**
Less : Allowance for doubtful debts	-	-
Total	**1,18,499**	**18,137**

Note 4: Cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Balances with banks :		
In current accounts	5,540	4,72,608
Cash on hand (including foreign currencies- Notes and paid documents)	1,599	294
Total	**7,139**	**4,72,902**

Note 5: Other financial Assets

Particulars	31st Dec, 2024	31st Dec, 2023
Security Deposits	34,000	34,000.0
Other Receivable	-	-
	-	
Total	**34,000**	**34,000**

Note 6: Other Current Assets:

Particulars	31st Dec, 2024	31st Dec, 2023
Advance to Suppliers		
Unsecured, considered good	-	0
Prepaid expenses	-	-
Balances receivables from Govt. authorities	17,222	-
Total	**17,222**	**-**

DEI Solutions Limited
Notes forming part of the Financial Statements

Note 7(a): Share Capital and Other Equity:

Particulars	Equity Share Capital as at Dec 31, 2024	
	31st Dec, 2024	31st Dec, 2023
AUTHORISED	1,00,000	1,00,000
As at 1st Jan, 2023	1,00,000	1,00,000
Shares issued	-	-
As at 31st Dec, 2023	1,00,000	1,00,000

Note 7(b): Reserves and surplus

Particulars	31st Dec, 2024	31st Dec, 2023
Retained Earnings	(4,09,29,636)	(4,31,53,678)
Total	(4,09,29,636)	(4,31,53,678)

Particulars	31st Dec, 2024	31st Dec, 2023
Opening Balance [Jan 01, 2023]	(4,31,53,678)	(3,45,84,602)
Net Profit For the period	22,24,042	(85,69,076)
Closing Balance	(4,09,29,635.9)	(4,31,53,677.9)

DEI Solutions Limited
Notes forming part of the Financial Statements

Note 8: Trade Payables

Particulars	31st Dec, 2024		31st Dec, 2023	
	Non-Current	Current	Non-Current	Current
Other Trade Payable	-	4,23,34,342	-	4,49,12,171
Total	**-**	**4,23,34,342**	**-**	**4,49,12,171**

Note 9: Provision

Particulars	31st Dec, 2024		31st Dec, 2023	
	Non-Current	Current	Non-Current	Current
Gratuity		-	-	-
Other Employee benefits payable		76,372		76,372
Total	**-**	**76,372**	**-**	**76,372**

Note 10: Other Current Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Statutory Dues	9,871	9,871
Others	7,145	7,145
Total	**17,015**	**17,015**

DEI Solutions Limited
Notes forming part of the Financial Statements

Note 11: Revenue from Operations

Particulars	31st Dec, 2024	31st Dec, 2024
Sale of Services	-	19,62,800
Total	**-**	**19,62,800**

Note 12: Other Income and other gains/(losses)

Particulars	31st Dec, 2024	31st Dec, 2024
Profit on sale of property, plant and equipment (Net)	-	2,208.6
Exchange gain/Loss	-71,263	23,601
Total	**-71,263**	**25,810**

Note 13: Employee Benefit Expense

Particulars	31st Dec, 2024	31st Dec, 2024
Salaries Wages and Bonus	-	15,89,767
Contribution to Provident and Other Funds	-	78,227
Gratuity	-	3,32,048
Staff Welfare Expenses	-	1,07,779
Staff Training, Recruitment and Other Costs	-	24,164
Incentives to Staff	-	23,349.5
Total	**-**	**21,55,335**

Note 14: Finance Costs

Particulars	31st Dec, 2024	31st Dec, 2024
Other Finance Charges	7,165	48,273
Total	**7,165**	**48,273**

Note 15: Depreciation and Amortisation Expense

Particulars	31st Dec, 2024	31st Dec, 2024
Depreciation on Tangible Assets	-	8,89,656
Total	**-**	**8,89,656**

Note 16: Other Expenses

Particulars	31st Dec, 2024	31st Dec, 2024
Rent	-	67,187
Stores and tools consumed	-	950
Electricity	-	20,942
Repairs to Others	-	58,304
Insurance	-	12,630
Licence Fees	550	2,644
Travelling Expenses	-30,661	2,87,529
Legal and Professional Charges (refer note 21 (a))	1,14,811	2,30,343
Group Resource Cost [GRC]Expenses	-	5,24,312
Printing and Stationery	-	394
Equipment hire charges	-	80,629
Communication expenses	-	43,342
Exchange gain/Loss	-23,92,778	2,72,805
Miscellaneous Expenses	-	55,482
Total	**-23,08,079**	**16,57,493**

Financial Statements

Digiphoto SAE
For the year ended 31 December 2024

Prepared by Abdallah Shalash & Co.

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Auditor's Report on Separate Financial Statements

Digiphoto SAE
For the year ended 31 December 2024

TO THE SHAREHOLDERS OF DIGIPHOTO SAE

Report on the Financial Statements

We have audited the accompanying financial statements of Digiphoto SAE ('the Company'), represented in statement of financial position as of 2024 , and the related statements of profit or loss, comprehensive income, cash flow and the changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

The financial statements are the responsibility of the Company's Management, as Management is responsible for the preparation and fair presentation of the financial statements in accordance with Egyptian Accounting Standards and applicable Egyptian laws. Management responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, include the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

In our opinion the financial statements refereed to above, give true and fair view, in all material respects, of the separate financial position of Digiphoto SAE as of 2024, and its financial performance and its cash flow for the period from 1 January 2024 till 31 December 2024 in accordance with Egyptian Accounting Standards and the related applicable Egyptian laws and regulations.

Report on other Legal and Regulatory Requirements

The company maintains proper accounting records that comply with the laws and the Company's articles of association and the financial statements agree with the Company's records

The financial information included in the Management Report, prepared in accordance with Law No. 159 of 2981 and its executive regulation, is in agreement with the books of the Company insofar as such information recorded therein.

Ramy Shaleh

RAA 26825

[Cairo]

Dated: 30 June 2025

Separate Statement of Financial Position

Digiphoto SAE
As at 31 December 2024

	31 DEC 2024	31 DEC 2023
Assets		
Fixed assets		
Computer Equipment	2,469,230	2,027,512
Less Accumulated Depreciation on Computer Equipment	(1,988,030)	(1,847,347)
Fixture & Fittings	346,741	477,991
Less Accumulated Depreciation on Fixture & Fittings	(345,787)	(325,004)
Total Fixed assets	**482,155**	**333,153**
Current Assets		
Cash and Cash Equivalents		
Cash and cash equivalents		
CIB EGP	7,280,344	4,714,582
Petty Cash	9,075	49,602
CIB_CPS	8,391	15,461
Paymob	269	1,226
Total Cash and cash equivalents	**7,298,079**	**4,780,872**
Total Cash and Cash Equivalents	**7,298,079**	**4,780,872**
Trade and Other Receivables		
Trade receivables		
Accounts Receivable	9,552,341	2,389,925
Total Trade receivables	**9,552,341**	**2,389,925**
Prepayments		
Prepayments	57,666	86,438
Total Prepayments	**57,666**	**86,438**
Total Trade and Other Receivables	**9,610,008**	**2,476,363**
Current Tax Asset	1,147,752	870,762
Inventories		
Inventories	422,220	596,439
Total Inventories	**422,220**	**596,439**
Total Current Assets	**18,478,058**	**8,724,436**
Total Assets	**18,960,214**	**9,057,589**
Equity and Liabilities		
Equity		
Share Capital		
Share capital	62,500	62,500
Total Share Capital	**62,500**	**62,500**
Retained Earnings	(24,950,807)	(14,516,767)
Total Equity	**(24,888,307)**	**(14,454,267)**

ديجيفوتو للتصوير ش.م.م
سجل تجارى ٩٥٣٤٠
بطاقة ضريبية ٧١٥ / ٣٦٢ / ٥٢٦
ملف ضريبى ١٨٩ / ٠١١٩٢ / ٥

	31 DEC 2024	31 DEC 2023
Liabilities		
Non-Current Liabilities		
Other Non-Current Liabilities	13,634,464	6,611,472
Total Non-Current Liabilities	**13,634,464**	**6,611,472**
Current Liabilities		
Trade and Other Payables		
Trade payables	22,880,850	9,741,483
Related party payables (current)	4,681,288	4,669,888
Total Trade and Other Payables	**27,562,138**	**14,411,371**
Current Tax Liability		
Tax		
Payroll Tax Payable FT	(36,891)	5,746
Social Insurance Payable	16,345	17,638
Withholding Tax Payable (WHT)	1,909,803	1,915,496
Value Added Tax Payable (VAT)	145,897	133,571
Total Tax	**2,035,154**	**2,072,451**
Total Current Tax Liability	**2,035,154**	**2,072,451**
Other Current Liabilities		
Current liabilities		
Accrued Expenses	586,817	377,006
Suspense	29,946	39,556
Total Current liabilities	**616,763**	**416,562**
Total Other Current Liabilities	**616,763**	**416,562**
Total Current Liabilities	**30,214,056**	**16,900,384**
Total Liabilities	**43,848,520**	**23,511,856**
Total Equity and Liabilities	**18,960,214**	**9,057,589**

Exchange rates used to convert foreign currency into EGP are shown below. Rates are provided by XE.com unless otherwise stated.

- **31 Dec 2024**
  - 0.0722386 AED (United Arab Emirates Dirham)
  - 1.68329 INR (Indian Rupee)
  - 0.0196701 USD (United States Dollar)
- **31 Dec 2023**
  - 0.118838 AED (United Arab Emirates Dirham)
  - 2.69197 INR (Indian Rupee)
  - 0.0323588 USD (United States Dollar)

ديجيفوتو للتصوير ش.م.م
سجل تجارى ٩٥٣٤٠
بطاقة ضريبية ٧١٥ / ٣٦٢ / ٥٢٦
ملف ضريبى ١٨٩ / ٠١١٩٢ / ٥

Separate Statement of Profit or Loss

Digiphoto SAE

For the year ended 31 December 2024

	2024	2023
Revenue		
Revenue	21,999,056	13,286,536
Total Revenue	**21,999,056**	**13,286,536**
Cost of Sales		
Revenue Share	3,268,766	1,761,331
Direct Labour	3,276,624	3,068,731
Direct Material	4,807,886	3,723,542
Direct Marketing and Projects	11,000	-
Direct IT and Telco	156,090	20,670
Direct Others	120,398	4,333
Direct Depreciation	159,790	241,394
Total Cost of Sales	**11,800,554**	**8,820,002**
Gross Profit	**10,198,502**	**4,466,534**
Expenses		
Operating Expenses		
IT and Telco	527,415	66,450
Travel and Entertainment	457,933	586,195
Marketing and Advertising	12,541	-
Postage and Stationary	12,552	30,871
Legal and Professional	839,103	985,909
Bank and Credit Card Charges	41,579	39,743
Misc Exp	23,835	266,981
Rates and Taxes	76,685	263,243
Central Service Fee	5,083,609	4,015,789
Overhead Allocation	703,263	-
Unrealised foreign currency gains and losses	12,854,027	2,709,594
Total Operating Expenses	**20,632,541**	**8,964,774**
Total Expenses	**20,632,541**	**8,964,774**
Profit (Loss) Before Tax	**(10,434,039)**	**(4,498,239)**
Profit (Loss) for the Period from Continuing Operations	**(10,434,039)**	**(4,498,239)**
Profit (Loss) for the Period	**(10,434,039)**	**(4,498,239)**
Total Comprehensive Income for the Period	**(10,434,039)**	**(4,498,239)**

ديجيفوتو للتصوير ش.م.م
سجل تجارى ٩٥٣٤٠
بطاقة ضريبية ٧١٥ / ٣٦٢ / ٥٢٦
ملف ضريبى ١٨٩ / ٠١١٩٢ / ٥

Statement of Cash Flows - Indirect Method

Digiphoto SAE

For the year ended 31 December 2024

	2024	2023
Operating Activities		
Profit after taxation	(10,434,039)	(4,498,239)
Adjustments for non-cash items		
Depreciation	159,790	241,394
Changes in operating assets and liabilities		
Accounts receivable	(7,162,416)	918,676
Inventory	174,219	(256,732)
Other current assets	(276,990)	(286,558)
Accounts payable	7,262,849	5,570,206
Other current liabilities	211,601	109,743
Net cash provided by operating activities	**(10,064,986)**	**1,798,489**
Investing Activities		
Proceeds from sale of property, plant & equipment		
Fixture & Fittings	131,250	-
Payment for property, plant & equipment	(441,717)	(1,300)
Other cash items from investing activities		
Prepayments	28,772	(26,757)
Net cash provided by investing activities	**(281,696)**	**(28,057)**
Financing Activities		
Other cash items from financing activities		
Payroll Tax Payable PT	6,697	(6,713)
Vendors FX Revaluation	7,014,805	2,306,180
Veterans Fund	1,491	1,144
Snow Settlement	-	-
Net cash provided by financing activities	**7,022,992**	**2,300,611**
Net Cash Flows	**(3,323,689)**	**4,071,043**
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	4,780,872	737,735
CIB EGP	2,565,762	4,050,013
Petty Cash	(40,527)	10,771
Ramy's Cash	-	(6,391)
CIB_CPS	(7,070)	(4,886)
Paymob	(957)	(6,371)
Cash and cash equivalents at end of period	7,298,079	4,780,872
Net change in cash for period	**2,517,208**	**4,043,136**

Notes to the Separate Financial Statements

Digiphoto SAE
For the year ended 31 December 2024

1. Introduction

Digiphoto Company (S.A.E) (the company) is an Egyptian joint stock company incorporated on 20 July 2016 under the provisions of companies' law No. 159 for the year 1981. The company was registered in the commercial register under registration No. 95340 on 20 JULY 2016.

The purpose of the company is photography, general trading and distribution. The Company may have interest or participate by any means with corporates and others, which practice business simitar to lts business or which may assist it to achieve its purpose ln Egypt or abroad, as it may merge in the aforementioned bodies or acquire it and this is according to provisions of law and its executive regulation.
The company registered office is at 18 El Obour Buildings, Salah Salem Street. Nasr City, Cairo, Egypt

The company's parent is UAE company DEI HOLDINGS LIMITED.

2. Accounting Policies

The following is a summary of the most significant accounting policies applied in the preparation of these separate financial statements:

2-1 BASIS OF PREPARATION

The separate financial statements of the company are prepared in accordance with Egyptian Accounting Standards ("EAS") and the related applicable laws and regulations.

The financial statement shave been prepared in Egyptian pounds (LE), which is the Company's functional and presentation currency.

The financial statement shave been prepared under the going concern assumption on a historical cost basis.

2-2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumption sand estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimate sand their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The key judgement and estimates that have significant impact on the financial statement of the Company are discussed below:

Judgement

The general personal judgments for implementation of the company accounting policies:

In general the application of the company's accounting policies does not require from management the use of personal judgment (except relating to significant accounting estimate and judgments described below which might have a major impact on the value recognized at the financial statement).

Estimations

Estimates and adjustments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Taxes

The Company is subject to income taxes in Egypt. Significant judgment is required to determine the total provision for current and deferred taxes. The Company established provisions,based on reasonable estimates, for possible consequences of audits by the tax authorities in Egypt. The amount of such provision is based on various factors,such as experience of previous tax audits and differing interpretations of tax regulations by the Company and the responsible tax authority. Such differences of interpretations may arise on a wide variety of issues depending on the conditions prevailing in Egypt.

2-3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foreign currencies

Transactions in foreign currencies rerecorded at the rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. All differences are recognized in the statement of income.

Non monetary items that are measured at historical cost in foreign currency are translated using the exchange rates prevailing at the dates of the initial recognition.

Non monetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair values determined.

Accounts receivable and other debit balances

Accounts receivable and other debit balances are stated at original invoice amount less any impairment losses.

Provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.Impairment losses are measured as the difference between the receivables carrying amount and the present value of estimated future cash flows.

Suppliers and accrued expenses

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Trade parables are generally carried at the value of goods or services received from others, whether invoiced or not. Trade parables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trades payable are recognized initially at fair value, and subsequently measured at amortized cost using the effective interest method, where material.

Expenses

All expenses including operating expenses,general and administrative expenses and other expenses are recognized and charged to the statement of income in the financial year in which these expenses were incurred.

Related party transactions

Related parties represent in parent company ,associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the boards of directors.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months less bank overdrafts.

Statement of cash flows

The statement of cash flows is prepared using the indirect method.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurements based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted assets, fair value is determined by reference to the market value of similar asset or is based on the expected discounted cash flows.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservant inputs.

All assets and liabilities for which fair values measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are adjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e.derived from prices).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that aren't based on observable market data (unobservant inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3. Capital

The Company's authorized capital amounts LE 2,500,000, the issued capital is LE 250,000, shares are divided over 2,500 of par value LE 100 each while the Company's paid up capital amounts LE 62,500 as follows:

Shareholder	Number of shares	Participation %	Issued Capital LE	Paid up Capital LE
RAMAKRISHNAN KALAPATHY SHANKAR	25	1%	2,500	625
SANGHAMITRA RAMAKRISHNAN KALPATHY	25	1%	2,500	625

DEI HOLDINGS LIMITED	2,450	98%	245,000	61,250
Total	2,500	100%	250,000	62,500

4. Fair Values of Financial Instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets of the company include bank balances and cash, trade receivables, prepayments and due from related parties.Financial liabilities of the company include trade and accrued expenses, due to related parties and tax liability.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

5. Related Parties

Forthe purpose of these financial statements, parties are considered to be relatedto the Company, if the Company has the ability, directly or indirectly, tocontrol the party or exercise significant influence over the party in makingfinancial and operating decisions, or vice versa, or where the Company and theparty are subject to common control. Related parties may be individuals orother entities.

Transactions with related parties represent transactions with theultimate shareholders and their associates and subsidiaries.

Year end balances arising from transactions with related partiesare summarized below :

6. Tax Position

Due to the nature of the procedures for estimating tax liabilities in the Arab Republic of Egypt, the final results of this estimate by the tax authority may not be realistic. Therefore, there may be additional contingent liabilities arising from the tax assessment of the Company's tax payable. The following is a summary of the tax position of the Company as of date.

Corporate income tax
The Company submitted its tax return on regular basis since inception till date according to the tax law no. 91/2005. The Company's books currently under inspection.

Payroll tax
The company deducted the salaries tax according to tax law no. 91/2005 and the Company's books has been inspected since company establishment till 2022 and the company paid the original tax differences due.

Value Added Tax

The Company submit VAT returns on regular basis since inception till date. The Company's books have not been inspected yet.

Withholding tax
The Company applies the withholding tax provision on its transaction with private sector according to tax law no. 91/2005 and the Company's books have not been inspected yet.

Stamp Tax

The Company books has been inspected since company establishment till December 2021 and the company paid the original tax differences due.

Digiphoto Entertainment Imaging Co.,Ltd.

Annual Financial Statements

For the year ended 31 December 2024

Independent Auditor's Report

To the Shareholders of Digiphoto Entertainment Imaging Co., Ltd.

Opinion

I have audited the financial statements of Digiphoto Entertainment Imaging Co., Ltd. (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of income, and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (revised 2022).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The Emphasis Information and Events

Without qualifying our opinion as discussed in Notes 8, as at December 31, 2024, the Company has current liabilities over than current assets of Baht 38.02 million, the Company has deficit over share capital of Baht 13.91 million. These matters raise substantial doubt about its ability to continue as a going concern. However, the company's managements from related party have committed to provide financial support to the company for continuing its business and to meet its funding requirement to pay creditors when due. These financial statements are prepared with generally accepted accounting principles under the going concern basis.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (revised 2022), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit . I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Suvit Chanamporn)
CPA No. 3800
April 17, 2025
Tsedeq Accounting and Tax Co., Ltd.
98/162 Soi Ramkhamheang 39, Wangthonglang, Bangkok

Digiphoto Entertainment Imaging Co., Ltd

Statement of Financial Positions

As at December 31, 2024

Assets

	Note	Baht	
Current assets		**2024**	**2023**
Cash and Cash equivalent	4	2,037,311.82	1,795,863.36
Accounts Receivable and other current receivable		2,745,599.22	7,604,174.45
Inventories		1,647,594.87	1,467,616.18
Other current assets		314,549.31	238,329.33
Total current assets		6,745,055.22	11,105,983.32
Non current assets			
Long term loan to related person	5	21,812,450.72	21,812,450.72
Property, Plant and Equipment	6	2,304,641.60	1,203,915.53
Total non current assets		24,117,092.32	23,016,366.25
Total assets		30,862,147.54	34,122,349.57

The statutory financial statements were approved by The Annual Meeting of Shareholders on 30 April 2025.

(Mr Ramakrishnan Kalapathy Shankar)

Director

The accompanying notes are an integral part of these financial statements

Digiphoto Entertainment Imaging Co., Ltd

Statement of Financial Positions

As at December 31, 2024

Liabilities and Shareholders' equity

	Note	Baht	
Current liabilities		**2024**	**2023**
Account Payable and other current payable	7	44,635,122.15	48,821,109.91
Other Current Liabilities		135,319.35	97,659.20
Total current liabilities		44,770,441.50	48,918,769.11
Total liabilities		44,770,441.50	48,918,769.11
Shareholders' equity			
Share capital			
Registered			
20,000 ordinary shares of baht 1,000 each		20,000,000.00	20,000,000.00
Issued, and fully Paid-up			
20,000 ordinary shares of baht 1,000 each		20,000,000.00	20,000,000.00
Retained earning (deficit)		(33,908,293.96)	(34,796,419.54)
Total shareholders' equity		(13,908,293.96)	(14,796,419.54)
Total liabilities and shareholders' equity		30,862,147.54	34,122,349.57

(Mr Ramakrishnan Kalapathy Shankar)

Director

The accompanying notes are an integral part of these financial statements

Digiphoto Entertainment Imaging Co., Ltd

Statements of income

For year ended December 31, 2024

	Baht	
Revenue	**2024**	**2023**
Service income	18,647,353.42	16,715,314.59
Other income	1,857,273.72	319,510.74
Total revenue	20,504,627.14	17,034,825.33
Cost and Expenses		
Cost of Service	11,955,524.47	11,040,298.15
Selling expenses	462,186.87	50,160.86
Administrative expenses	7,198,790.22	6,284,985.67
Total cost and expenses	19,616,501.56	17,375,444.68
Net profit (loss) for the year	888,125.58	(340,619.35)

(Mr Ramakrishnan Kalapathy Shankar)

Director

The accompanying notes are an integral part of these financial statements

Digiphoto Entertainment Imaging Co., Ltd

Statements of changes in shareholders' equity

For year ended December 31, 2024

in baht

	Issued and paid up ordinary shares	Retained earnings (deficit)	Total equity of the Company's shareholders
Balance at January 1, 2023	20,000,000.00	(34,455,800.19)	(14,455,800.19)
Net loss for the year	-	(340,619.35)	(340,619.35)
Balance at December 31, 2023	20,000,000.00	(34,796,419.54)	(14,796,419.54)
Net profit for the year	-	888,125.58	888,125.58
Balance at December 31, 2024	20,000,000.00	(33,908,293.96)	(13,908,293.96)

(Mr Ramakrishnan Kalapathy Shankar)

Director

The accompanying notes are an integral part of these financial statements

1 General Information

Digiphoto Entertainment Imaging Co., Ltd "the Company", is incorporated in Thailand on August 21, 2012 and has its registered office at 19 Soi Therdthai 77, Bangwa, Pasricharoen District, Bangkok.
The company has registration number 0105555122356

The principal activities of the Company is providing customized imaging solutions to theme parks, resorts and entertainment arenas as well as retail sale of accessories and frames.

2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022); guidelines promulgated by the Federation of Accounting Professions. And their presentation has been made in compliance with the stipulations of the announcement of the Departmen of Business Development on the abbreviation of items required in the financial statements for B.E. 2566 (2023) issued under the Accounting Act B.E. 2543 (2000).

3 Significant accounting policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Thai Baht at the foreign exchange closing rates ruling for the period then ended. Foreign exchange differences arising on translation are recognized in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash balances, current accounts and call deposits.

(c) Trade accounts receivable

Trade accounts receivable are stated at their invoice value less allowance for doubtful accounts.

Any allowance for loss on doubtful account is assessed primarily on analysis of payment histories and future expectations of customer payments. Allowance made are based on historical write-off patterns and the aging of accounts receivable. Bad debts are written off when incurred.

(d) Inventories

Inventories are stated at the lower of cost and net realizable value.
Cost is calculated using the weighted-average.

.....

(Mr Ramakrishnan Kalapathy Shankar)

Director

(e) Property, plant and equipment; and Depreciation

- Property is stated at cost, while plant and equipment are stated at cost less accumulated depreciation and allowance for decline in value (if any).

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. The estimated depreciation rates are 3-5 years.

(f) Provision

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Employee benefit

Obligations for retired benefits are recognised using the best estimated method at the reporting date.

(g) Revenues

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Services rendered

Service income is recognised as services are provided.

(h) Income tax

Income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date and income tax expense recognized in the statement of income by using income tax payable method net from withholding tax refundable and record as liability.

4 Cash and cash equivalents

	Baht	
	2024	**2023**
Cash on hand	9,999.81	10,000.10
Cash deposit in current account	2,027,312.01	1,785,863.26
Total	2,037,311.82	1,795,863.36

5 Long term loan to related person

The Company has long-term loan to director amounting to 20 million baht with no interest charge since 2016.

There is no specific date of repayment and no colleateral against loan.

The balance of loan comprise of the following:-

	Baht	
	2024	**2023**
Principal of loan	20,000,000.00	20,000,000.00
Accrued interest	1,812,450.72	1,812,450.72
Total	21,812,450.72	21,812,450.72

(Mr Ramakrishnan Kalapathy Shankar)

Director

6 Property, Plant and Equipment

	Baht			
	1 January 2023	Increase	Decrease	31 December 2024
Cost				
Computer & Equipment	5,927,958.42	1,912,009.61	-	7,839,968.03
Fixtures&Fittings	721,533.00	26,525.00	-	748,058.00
Total	6,649,491.42	1,938,534.61	-	8,588,026.03
Accumulated Depreciation				
Computer & Equipment	4,795,507.37	780,709.93	-	5,576,217.30
Fixtures&Fittings	650,068.52	57,098.61	-	707,167.13
Total	5,445,575.89	837,808.54	-	6,283,384.43
Net Book Value	1,203,915.53			2,304,641.60

7 Account Payable and other current payable

	Baht	
	2024	2023
Trade payable to related parties	43,494,895.34	46,176,442.70
Others payable	1,140,226.81	2,644,667.21
Total	44,635,122.15	48,821,109.91

8 Going concern

As at December 31, 2024, the Company's current liabilities exceeded its current assets by Baht 38.02 million, and the the accumulated losses exceeded the share capital by Baht 13.91 million.

These circumstances may cast significant doubt on the Company's ability to continue as a going concern.

However, the Company's managements from related party have committed to provide financial support to the company for comtinuing its business and to meet its funding requirement to pay creditors when due. These financial statements are prepared with generally accepted accounting principles under the going concern basis.

9 Reclassification of financial statements

The Company has reclassified some items in the 2023 financial statements for comparative purposes to be consistent with the presentation in the 2024 financial statements, without any effect on the financial position and results of operations.

10 The approval of financial statement

The financial statements were authorised for issue by the directors on April 17, 2025.

(Mr Ramakrishnan Kalapathy Shankar)

Director

DEI HOLDINGS LIMITED

P.O. Box No. 214745, Dubai, United Arab Emirates

Standalone Financial Statements and Auditor's Report

For the year ended December 31, 2024

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- Statement of Cash Flows 7

Notes to the Standalone Financial Statements 8 to 23

A FAIRFAX Company

Board of Director's Report to the Shareholders

The board of director submits its report and audited standalone financial statements for the year ended December 31, 2024.

Results

The net loss for the year amounted to USD 456,161 as compared to net loss of USD 30,830 in the previous year 2023.

Review of the business

The activity of the Company is to own properties, which are approved by Jebel Ali Free Zone Authority (JAFZA) and to act as a holding Company.

Auditors

A resolution to re-appoint N. R. Doshi & Partners Public Accountants LLC as auditors and fix their remuneration will be put to the shareholders at the Annual General Meeting.

On Behalf of the Board

DEI HOLDINGS LIMITED DUBAI - U.A.E.

Mr. Ramakrishnan Kalapathy Shankar
Director

Date : June 18, 2025

N R DOSHI & PARTNERS -
PUBLIC ACCOUNTANTS L.L.C.
2401, Burjuman Office Tower
P O Box 13742, Dubai, UAE
+971 4 352 8001

Independent Auditor's Report to the Shareholders of

DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

Report on the audit of the standalone financial statements

We have audited the standalone financial statements of **DEI Holdings Limited** ("the Company"), which comprise the statement of financial position as at December 31, 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including summary of significant accounting policies.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

These financial statements are standalone financial statements of DEI Holdings Limited only. In order to ascertain the state of affairs of the group including the Company and its subsidiaries as a whole, reference should be made to the consolidated financial statements of DEI Holdings Limited which includes figures of subsidiary companies.

Responsibilities of management and those charged with governance for the financial statements

The Management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Articles of Association of the Company and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(Independent auditor's report continued on next page...)

P.O. Box: 13742
DUBAI - U.A.E
N R Doshi & Partners Public Accountants L.L.C

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kinnari Doshi
Partner
N R Doshi and Partners Public Accountants LLC
Registration No. 840
Dubai, United Arab Emirates

N R Doshi & Partners Public Accountants L.L.C
P.O. Box: 13742
DUBAI - U.A.E

Date : June 18, 2025

DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

DEI
A FAIRFAX Company

Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2024 All figures are expressed in US Dollars	**Notes**	**2024**	**2023**
Continuing operations			
Revenue		0	0
Cost of revenue		0	0
Gross profit		0	0
Other income	6	384,550	394,079
Other administrative expenses	7	(425,711)	(396,616)
Net impairment losses on financial assets		(350,000)	0
Operating Loss		(391,161)	(2,537)
Finance cost	8	(2,011,666)	(2,533,450)
Finance income		1,946,666	2,505,157
Loss from continuing operations		(456,161)	(30,830)
Discontinued operations			
Loss for the year from discontinued operations		0	0
Loss for the year		**(456,161)**	**(30,830)**
Attributable to :			
Shareholders of the Company		(456,161)	(30,830)
Non-controlling interest		0	0
Loss for the year		(456,161)	(30,830)
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		0	0
- Items that may be reclassified subsequent to profit or loss		0	0
Other comprehensive income for the year		**0**	**0**
Total Comprehensive income for the year		**(456,161)**	**(30,830)**
Attributable to:			
Shareholders of the Company		(456,161)	(30,830)
Non-controlling interest		0	0
		(456,161)	(30,830)

These standalone financial statements on pages 4 to 23 were authorised for issue on June 18, 2025 by the board of director and signed on behalf of the board by:

Mr. Ramakrishnan Kalapathy Shankar
Director

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

DEI HOLDINGS LIMITED ★ DUBAI - U.A.E ★

P.O. Box: 13742 DUBAI - U.A.E
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DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

A FAIRFAX Company

Statement of Financial Position

As at December 31, 2024 All figures are expressed in US Dollars	**Notes**	**31.12.2024**	**31.12.2023**
ASSETS			
Non-Current Assets			
Investments in subsidiaries	9	2,594,950	2,594,950
Investments in joint venture	10	0	95,368
Financial assets at amortised cost	11	25,413,169	24,896,465
Total non-current assets		28,008,119	27,586,783
Current Assets			
Financial assets at amortised cost	11	953,871	1,004,556
Cash and bank balances	12	45,231	18,973
Other assets	13	684	15,044
Total current assets		999,786	1,038,573
Total assets		**29,007,905**	**28,625,356**
LIABILITIES			
Current Liabilities			
Financial liabilities at amortised cost	14	4,663,751	3,355,507
Total current liabilities		4,663,751	3,355,507
Total liabilities		**4,663,751**	**3,355,507**
Net assets		**24,344,154**	**25,269,849**
EQUITY			
Share capital	1.1	13,615	13,615
Shareholders' loan accounts	15	25,843,767	26,313,301
Retained earnings	16	(1,513,228)	(1,057,067)
Total equity		**24,344,154**	**25,269,849**

These standalone financial statements on pages 4 to 23 were authorised for issue on June 18, 2025 by the board of director and signed on behalf of the board by:

Mr. Ramakrishnan Kalapathy Shankar
Director

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

DEI HOLDINGS LIMITED DUBAI - U.A.E.

P.O. Box: 13742 DUBAI - U.A.E

DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

DEI
A FAIRFAX Company

Statement of Changes in Equity

For the year ended December 31, 2024
All figures are expressed in US Dollars

	Share Capital	Retained Earnings	Shareholders' Loan Accounts	Total
Balance as at January 1, 2023	**13,615**	**(1,026,237)**	**24,570,000**	**23,557,378**
Loss for the year	0	(30,830)	0	(30,830)
Other comprehensive income	0	0	0	0
Total comprehensive income for the year	0	(30,830)	0	(30,830)
Transaction with shareholders recorded directly in equity	0	0	0	0
Funds introduced (net)	0	0	1,743,301	1,743,301
Balance as at December 31, 2023	**13,615**	**(1,057,067)**	**26,313,301**	**25,269,849**
Loss for the year	0	(456,161)	0	(456,161)
Other comprehensive income	0	0	0	0
Total comprehensive income for the year	0	(456,161)	0	(456,161)
Transaction with shareholders recorded directly in equity	0	0	0	0
Funds withdrawn (net)	0	0	(469,534)	(469,534)
Balance as at December 31, 2024	**13,615**	**(1,513,228)**	**25,843,767**	**24,344,154**

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

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DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

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Statement of Cash Flows

For the year ended December 31, 2024 All figures are expressed in US Dollars	**Notes**	**2024**	**2023**
I. Cash flow from operating activities			
Net loss for the year		(456,161)	(30,830)
Adjustments for:			
Finance cost		2,011,666	2,533,450
Finance income		(1,946,666)	(2,505,157)
Cash used in operations before working capital changes		(391,161)	(2,537)
Changes in financial assets at amortised cost		50,685	2,696,178
Changes in other assets		14,360	0
Net cash flow from in operating activities		**(326,116)**	**2,693,641**
II. Cash flow from investing activities			
Changes in investment in subsidiaries		0	(20,999)
Changes in investment in joint ventures		95,368	0
Changes in financial assets at amortised cost		(516,704)	(3,289,590)
Interest received		1,946,666	2,505,157
Net cash flow from / (used in) investing activities		**1,525,330**	**(805,432)**
III. Cash flow from financing activities			
Funds withdrawn		(469,534)	1,743,301
Interest paid		(2,011,666)	(2,533,450)
Changes in financial liabilities at amortised cost		1,308,244	(1,177,783)
Net cash used in financing activities		**(1,172,956)**	**(1,967,932)**
Increase / (Decrease) in cash and cash equivalents	**(I + II + III)**	**26,258**	**(79,723)**
Cash and cash equivalents as at beginning of the year	(Note 5.7, 17)	18,973	98,696
Cash and cash equivalents as at end of the year	(Note 5.7, 17)	**45,231**	**18,973**
Non-cash financing and investing activities		**Nil**	**Nil**

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

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DEI HOLDINGS LIMITED
P.O. Box No. 214745, Dubai, United Arab Emirates

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A FAIRFAX Company

Notes to the Standalone Financial Statements

For the year ended December 31, 2024
All figures are expressed in US Dollars

1 Legal Status, Business Activities and Management

1.1 Legal Status

DEI HOLDINGS LIMITED ("the Company") is registered as an Offshore Company with Jebel Ali Free Zone Authority with Limited liability under the registration number 171866 in accordance with Offshore Companies Regulations of Jebel Ali Free Zone of 2003. The Jebel Free Zone Offshore Companies Regulations 2018 replaces existing regulations.

The address of the Company is kept with their registered agent, Trident Trust Company (UAE) Limited, P.O. Box 214745, Dubai, United Arab Emirates.

The share capital of the Company is AED 50,000 divided into 50,000 shares of AED 1 each which is equivalent to USD 13,615.

As per the Addendum to the Memorandum of Association dated March 28, 2019, the following are the shareholders of the Company:

Name	No. of Shares	AED
Travel Circle International (Mauritius) Ltd	25,500	25,500
Mr. Ramakrishnan Kalapathy Shankar	12,500	12,500
Mrs. Sanghamitra Ramakrishnan Kalapathy	12,000	12,000
Total	**50,000**	**50,000**

1.2 Business Activities

The activity of the Company is to own properties, which are approved by Jebel Ali Free Zone Authority (JAFZA) and to act as a holding Company.

1.3 Management

The Board of Directors and Secretary of the Company are as follows:

Board of Directors
Mr. Ramakrishnan Kalapathy Shankar
Mrs. Sanghamitra Ramakrishnan Kalapathy
Mr. Dabasis Nandy
Mr. Mahesh Chandran Iyer

Secretary
Mr. Nixen Paul Francis

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Notes to the Standalone Financial Statements

2 Basis of Preparation

2.1 Compliance with International Financial Reporting Standard

The financial statements of the Company has been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretation Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

2.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value.

2.3 Functional and Presentation Currency

The financial statements are presented in US Dollar, which is the Company's functional currency. All financial information presented in US Dollar has been rounded to the nearest US Dollar.

3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements in conformity with IFRSs required management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

3.1 Impairment of Financial Assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3.2 Impairment of Non-Financial Assets

The Company assesses whether there are any indicators for impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amount may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

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3.3 Fair Value Measurement of Financial Instrument

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

4.1 New Standards, Interpretations and Amendments to Existing Standards

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing from January 1, 2024. Although these new standards and amendments applied for the first time, they did not have a material impact on the financial statements of the Company. The new standard or amendment is described below

IAS / IFRS	Brief Description
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants
Amendments to IFRS 16	Lease Liability in Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

4.2 Standards and Interpretations Issued but not yet Effective

Certain new accounting standards and interpretations have been published that are not mandatory for December 31, 2024 reporting period and have not been early adopted by the Company.

IAS / IFRS	Effective Date (Annual reporting period commencing from)	Brief Description
Amendments to IAS 21	January 1, 2025	Lack of Exchangeability
Amendments to IFRS 9 and IFRS 7	January 1, 2026	Classification and Measurement of Financial Instruments
IFRS 19	January 1, 2027	Subsidiaries without Public Accountability: Disclosures
IFRS 18	January 1, 2027	Presentation and Disclosure in Financial Statements

4.3 The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

5 Summary of Significant Accounting Policies

The accounting policies used by the Company in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

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Notes to the Standalone Financial Statements

5.1 Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

5.2 Royalty Income

The Company recognises income from royalty when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. It is recognised on accrual basis in accordance with the substance of the relevant agreement.

5.3 Investments and Other Financial Assets

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as fairvalue through profit or loss (FVTPL):

i. It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

ii. It's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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Derecoginition

Financial asset at amortised cost is derecognised when:

i. The right to receive cash flows from the asset have expired,

ii. The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to the third party under a 'pass-through' arrangement,

iii. The Company has transferred its right to receive cash flow from the asset and either:
- has transferred substantially all the risks and rewards of the asset, or
- has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

All financial assets are recognised and derecognised on trade date and when the purchase and sale of financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by the market concern.

5.4 Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses,including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

5.5 Impairment of Financial Assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) on other financial assets measured at amortised cost.

i. Trade receivables

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

ii. Other financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

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Notes to the Standalone Financial Statements

Measurement of ECL :

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

5.6 Impairment of Non-Financial Assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

5.7 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank current and call accounts and bank fixed deposits free from lien with a maturity date of three months or less from the date of deposit.

5.8 Investment in Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Investment in subsidiary companies are recognised at cost. The cost method is a method of accounting for an investment whereby the investment is recognised at cost. The investor recognises income from the investment only to the extent that the investor receives distributions from accumulated profits of the investee arising after the date of acquisition. Distributions received in excess of such profits are regarded as recovery of investment and are recognised as a reduction of cost of the investment.

These financial statements relates to the accounts of the DEI Holdings Limited (Standalone) only. In order to ascertain the state of affairs of the group including the Company and its subsidiaries as a whole, reference should be made to the consolidated financial statements of DEI Holdings Limited which includes figures of subsidiaries.

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Notes to the Standalone Financial Statements

5.9 Investments in Joint Ventures

5.9.1 Joint Arrangements

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. DEI Holdings has joint ventures.

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the financial statement.

5.9.2 Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses of the investee in profit or loss, and the company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the company and its associates are eliminated to the extent of the company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

Changes in ownership interests

When the company ceases to equity account for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

5.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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Notes to the Standalone Financial Statements

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material.)

6 Other Income

	31.12.2024	31.12.2023
Royalty income	384,550	376,463
Other miscellaneous income	0	17,616
	384,550	394,079

7 Other Administrative Expenses

Professional fees	21,191	38,209
Central service fee	277,549	236,672
Other expenses	126,971	121,735
	425,711	396,616

8 Finance Cost

Interest on shareholders' loan	2,011,666	2,354,288
	2,011,666	2,354,288

9 Investments in Subsidiaries

Investment in Digiphoto Entertainment Imaging Inc., Canada	7,398	7,398
Investment in DEI General Trading LLC, UAE	81,674	81,674
Investment in DEI Solutions Ltd, Mauritius	3,015	3,015
Investment in Digiphoto Electronics Repairing LLC, UAE	81,674	81,674
Investment in Digiphoto Entertainment Imaging LLC, UAE	100	100
Investment in Digiphoto Entertainment Imaging (Shanghai) Co. Limited, China	2,200,000	2,200,000
Investment in Digiphoto Entertainment Imaging Co.Ltd., Thailand	100	100
Investment in Digiphoto Entertainment Imaging Korea LLC, Korea	200,000	200,000
Investment in Digiphoto Entertainment Imaging Limited, Hongkong	100	100
Investment in Digiphoto Entertainment Imaging LLC, KSA	13,601	13,601
Investment in Digiphoto Entertainment Imaging Pte. Ltd., Singapore	100	100
Investment in Digiphoto Entertainment Imaging SDN.BHD, Malaysia	100	100
Investment in Digiphoto Imaging (Macau) Limited, Macau	100	100
Investment in Digiphoto, Joint Stock Company, Egypt	6,888	6,888
Investment in PT Digiphoto Imaging Indonesia, Indonesia	100	100
	2,594,950	2,594,950

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Notes to the Standalone Financial Statements

9.1 Investments are made in following subsidiary companies:

Name of Company	Incorporate in	Ownership (%)	Beneficial Ownership (%)
Digiphoto Entertainment Imaging Inc.	Canada	100.00	100.00
DEI General Trading LLC (note 9.4)	UAE	49.00	100.00
DEI Solutions Ltd.	Mauritius	100.00	100.00
Digiphoto Electronics Repairing LLC (note 9.4)	UAE	49.00	100.00
Digiphoto Entertainment Imaging LLC (note 9.4)	UAE	49.00	100.00
Digiphoto Entertainment Imaging (Shanghai) Co. Limited	China	100.00	100.00
Digiphoto Entertainment Imaging Co.Ltd. (note 9.5)	Thailand	48.99	100.00
Digiphoto Entertainment Imaging Korea LLC	Korea	100.00	100.00
Digiphoto Entertainment Imaging Limited	Hong Kong	100.00	100.00
Digiphoto Entertainment Imaging LLC, KSA	KSA	100.00	100.00
Digiphoto Entertainment Imaging Pte Ltd.	Singapore	100.00	100.00
Digiphoto Entertainment Imaging SDN.BHD	Malaysia	100.00	100.00
Digiphoto Imaging (Macau) Limited (note 9.6)	Macau	100.00	100.00
Digiphoto, joint stock Company (note 9.7)	Egypt	98.00	100.00
PT Digiphoto Imaging Indonesia	Indonesia	99.80	100.00

9.2 These financial statements are standalone financial statements of DEI Holdings Limited only and does not include results, assets and liability of subsidiary companies. In order to ascertain the state of affairs of the group including the Company and its subsidiaries as a whole, reference should be made to the consolidated financial statements of DEI Holdings Limited which includes figures of subsidiaries. The consolidated financial statements is separately prepared by the DEI Holdings Limited and can be obtained at P.O. Box 214745, Jebel Ali Free Zone, Dubai, U.A.E.

9.3 Investments in subsidiaries in these financial statements are recognised at cost.

9.4 51% ownership of Digiphoto Entertainment Imaging LLC and Digiphoto electronics repairing is in the name of Mr. Ahmed Al Sabri, local resident of UAE, 49% of shares is held by DEI Holdings Limited, however the beneficial ownership lies with DEI Holdings Limited.

9.5 50% of the shares of Digiphoto Entertainment Imaging Co.Ltd is held by Ms. Supranee Jogkaew, local resident of Thailand, 0.005% of shares is held by Mr. Ramakrishnan Kalapathy Shankar and another 0.005% is held by Mrs.Sanghamitra Ramakrishnan Kalapathy, however the beneficial ownership of all these shares lies with DEI Holdings Limited. Remaining shares are held by the Company.

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9.6 1% of the shares of Digiphoto, Joint Stock Company (Egypt), is held by Mr.Ramakrishnan Kalapathy Shankar and another 1% is held by Mrs.Sanghamitra Ramakrishnan Kalapathy, however the beneficial ownership of all these shares lies with DEI Holdings Limited.

9.7 0.20% of the shares of PT Digiphoto Imaging Indonesia is held by Mr. Ramakrishnan Kalapathy Shankar, however the beneficial ownership lies with DEI Holdings Limited.

10 Investments in Joint Ventures

Investment in joint venture

Investment in associates represents net asset value of the company's investment in its associate company:

Name of Joint Ventures	Place of Incorporation and Principal Place of Busines	Holding Percentage	Carrying Value as on 31.12.2024	Carrying Value as on 31.12.2023
500FT SPV Limited	UAE	50%	0	95,368

a. The above joint venture is accounted for using the equity method in these financial statements.

b. 500 FT SPV Limited ("the Company") is registered as an Private Company Limited by Shares in accordance with the provisions of Abu Dhabi Global Market.

The registered office of the Company is located at 2407ResCowork02, 24, Al Sila Tower, ADGM Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

c. The Company is an investment holding Company.

d. As per the joint venture agreement, the parties to the agreement have agreed to take all the decision about the relevant activities of the joint venture by unanimous consent of the all parties.

e. The following table contains summarised balance sheet of net assets as on December 31, 2024 and result for year of joint venture company.

a. **Summarised balance sheet**	(figures in AED) **31.12.2024**	**31.12.2023**
Cash and cash equivalent	14,234	16,754
Other current assets	23,890,577	21,425,251
Non - current assets	300,000	300,000
Other current liabilities	21,685,625	19,201,294
Net Assets	2,519,186	2,540,711

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Notes to the Standalone Financial Statements

Summarised statement of comprehensive income	**31.12.2024**	**31.12.2023**
Revenue	0	0
loss from Continuing Operations	(21,525)	(23,835)
loss from Discontinued Operations	0	0
loss for the year	(21,525)	(23,835)
Other comprehensive income/ (loss) for the year	0	0
Total comprehensive income for the year	(21,525)	(23,835)
Dividends received from the joint venture during the year	0	0

b. Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the financial statements.

Opening net assets as at the beginning of the year	2,540,711	2,564,546
Loss for the year	(21,525)	(23,835)
Other comprehensive income for the year	0	0
Dividends paid	0	0
Funds introduced during the year	0	0
Closing net assets as at the ending of the year	2,519,186	2,540,711
Proportion of the company's ownership interest in the joint venture	50%	50%
Carrying amount of the company's interest in the joint venture	1,259,593	1,270,356

10.1 Investment in joint venture

Investment in joint venture	350,000	95,368
less: Allowance (refer note 10.2)	(350,000)	0
	0	95,368

10.2 The closing loss allowances for investment in joint venture as at December 31, 2024 reconcile to the opening loss allowances as follows

Balance at the beginning of the year	0	0
Increase in loss allowance during the year	350,000	0
Balance as at end of the year	350,000	0

11 Financial Assets at Amortised Cost

Long term financial assets at amortised cost

Loan given to related party (note 11.1)	18,236,012	19,486,811
Interest recievable	7,177,157	5,409,654
	25,413,169	24,896,465

Short term financial assets at amortised cost

Due from related parties (note 11.2)	854,100	920,568
Other receivables	12,815	15,296
VAT receivable	86,956	68,692
	953,871	1,004,556

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11.1 Interest has been charged at 6 months LIBOR + 2.10% per annum in respect of loan given of USD 17,862,407 (As at December 31, 2023 AED 19,031,703) to Digiphoto Entertainment Imaging LLC, UAE, 3.8% + 1.5% spread in respect of the loan of USD 228,500 to Digiphoto Entertainment Imaging Korea (As at December 31, 2023 USD 228,500), 5.3% inrespect of loan of USD 145,105 to Digiphoto Entertainment Imaging LLC (USA) (As at December 31, 2023 USD 225,000).

11.2 Due from related parties is interest free and repayable on demand.

12	**Cash and Bank Balances**	**31.12.2024**	**31.12.2023**
	Balance with bank in current account	45,231	18,973
		45,231	18,973

13	**Other Assets**		
	Prepayments	684	15,044
		684	15,044

14 Financial Liabilities at Amortised Cost

Short term financial liabilities at amortised cost

Short term loan	999,920	897,492
Interest payable on loan received	261,116	220,130
Accruals	16,942	34,524
Other Payables	163,348	0
Due to related parties	3,222,425	2,203,361
	4,663,751	3,355,507

14.1 Due to related parties are unsecured, interest free and repayable on demand.

15 Shareholders' Loan Accounts

Travel Circle International (Mauritius) Ltd	12,870,000	15,270,000
Ramakrishnan Kalapathy Shankar	6,200,000	6,200,000
Interest payable on loan received	6,773,767	4,843,301
	25,843,767	26,313,301

15.1 Interest has been paid at 9.82% per annum on loan received from Travel Circle International (Mauritius) Ltd (USD 12,870000) and 9.82 % per annum on loan received from Ramakrishnan Kalapathy Shankar balance (USD 6,200,000).

16 Retained Earnings

Balance as at beginning of the year	(1,057,067)	(1,026,237)
Net loss for the year	(456,161)	(30,830)
Balance as at end of the year	(1,513,228)	(1,057,067)

17 Cash and Cash Equivalents

Balance with bank in current account	45,231	18,973
	45,231	18,973

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Notes to the Standalone Financial Statements

18 Related Party and Transactions with Related Parties

For the purpose of these financial statements, parties are considered to be related to the Company, if the party has the ability, directly or indirectly, to control the Company or exercise the significant influence over the Company in making financial or operating decisions, or vice versa, or where the Company and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

18.1 Related Party Transactions

During the year, the following the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

a. Shareholders	**31.12.2024**	**31.12.2023**
Finance cost	2,011,666	2,533,450
b. Subsidiary companies		
Royalty income	384,550	376,463
Finance income	1,946,666	2,289,551
Other administrative expenses	335,700	292,562

18.2 Related Party Balances

Significant related party balances are as follows:

a. Shareholders		
Shareholders' loan accounts	19,070,000	21,470,000
Interest payable on loan received	6,773,767	4,843,301
b. Subsidiary companies		
Loan given to related party	18,236,012	19,486,811
Loan taken from related party	999,920	897,492
Interest payable on loan received	261,116	220,130
Interest receivable on loan given	7,178,676	5,409,654
Due to related parties	3,222,425	2,203,361
Due from related parties	854,100	920,568

19 Fair Values of Financial Instruments

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique :

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Level 1 : The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There were no transfers between different categories for recurring fair value measurements during the year.

20 Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

20.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL) and deposits with banks and financial institutions, as well as credit exposures customers.

a. Other Financial Assets and Cash and Cash Equivalents

With respect to credit risk arising from the other financial assets of the Company, which comprise bank balances and cash, other receivables and deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets. These are considered to have low credit risk. No loss allowance is necessary considering 12 month expected loss.

Credit risk from balances with banks and financial institutions is low since the bank current accounts and bank margins are placed with high credit quality financial institutions and considering the profile of them, the management does not expect any counterparty to fail in meeting its obligations.

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20.2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual maturity dates:

Year Ended: December 31, 2024	Contractual cash flows	12 months or less	Above 12 months
Non-derivative financial liabilities			
- Financial liabilities at amortised cost	4,663,751	4,663,751	0
Derivative financial liabilities	0	0	0
Total financial liabilities	**4,663,751**	**4,663,751**	**0**

Year Ended: December 31, 2023	Contractual cash flows	12 months or less	Above 12 months
Non-derivative financial liabilities			
- Financial liabilities at amortised cost	3,355,507	3,355,507	0
Derivative financial liabilities	0	0	0
Total financial liabilities	**3,355,507**	**3,355,507**	**0**

At present, the Company expects to pay all liabilities at their contractual maturity. In order to meet such cash commitments, the Company expects the operating activity to generate sufficient cash inflows. In addition, the Company holds financial assets for which there is a liquid market and that are readily available to meet liquidity needs.

20.3 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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Notes to the Standalone Financial Statements

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

a. Exposure to Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

i. Interest has been paid at 9.82% per annum in respect of loan received from shareholders. (Previous year at 8.86% per annum.)

ii. Interest charged on loan given to related parties is @ 2.50% to 8.86% p.a.

iii. Due from related parties and due to related parties are interest free.

b. Exposure to Exchange Rate Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's significant monetary assets and liabilities denominated in foreign currencies are in USD. As the AED is currently pegged to the USD, balances in USD are not considered to represent significant currency risk.

20.4 Capital Management

Capital includes equity attributable to the shareholder of the Company. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's capital management strategy is to ensure that it maintains a healthy capital gearing ratio in order to support its business and maximise shareholder value.

21 Significant Events Occurring After the Date of Statement of Financial Position

There were no significant events occurring after the financial position date which require disclosure in the financial statements.

22 Comparative Figures

Previous year's figures are regrouped and reclassified wherever necessary so as to conform to the current year's presentation.

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DEI General Trading LLC
Balance Sheet as at 31st Dec, 2024

Amt in AED

Particulars	Notes	As at 31st Dec, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:		-	-
Total non-current assets		-	-
Current assets:			
Inventories	1	1,928	1,928
Financial assets:-			
- Trade receivables	2	31,027,844	21,223,694
- Cash and cash equivalents	3	7,032	4,412
- Other Financial Assets	4	-	-
Other current assets	5	328,777	55,361
Total current assets		**31,365,581**	**21,285,395**
TOTAL ASSETS		**31,365,581**	**21,285,395**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	6(a)	300,000	300,000
Other equity			
Reserve and surplus	6(b)	(61,830)	(141,612)
Total Equity		**238,170**	**158,388**
LIABILITIES			
Non-current liabilities		-	-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
- Trade payables	7	31,127,411	20,936,435
Other current liabilities	8	-	190,573
Total current liabilities		**31,127,411**	**21,127,007**
TOTAL LIABILITIES		**31,127,411**	**21,127,007**
TOTAL EQUITY AND LIABILITIES		**31,365,581**	**21,285,395**

DEI General Trading LLC
Statement of Profit And Loss for the year ended as on 31st December, 2024

Amt in AED

Particulars	Notes	For the year ended as on Dec 31, 2024	For the year ended as on Dec 31, 2023
Income			
Revenue from operations	9	598,884	35,726.4
Other gains (net)	10	45,082	14,453
Total income		**643,967**	**50,179**
Expenses			
Cost of services		525,022	9,383
Employee benefits expense	11	-	14,180
Finance Cost	12	6,342	6,092
Advertisement Expenses		5,565	18,004.0
Other expenses	13	27,255	99,439
Total expenses		**564,184**	**147,097**
Profit before exceptional item		**79,782**	**(96,918)**
Add Exceptional items:			
Less Exceptional items:		-	
(Loss)/Profit before tax		**79,782**	**(96,918)**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		**-**	**-**
(Loss)/Profit for the year (A)		**79,782**	**(96,918)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**79,782**	**(96,918)**

DEI General Trading LLC
Notes forming part of the Financial Statements

Note 3: Inventories

Particulars	31st Dec, 2024	31st Dec, 2023
Raw material, consumables and other supplies	1,928	1,928
Total	**1,928**	**1,928**

Note 2: Trade receivables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade receivables	31,027,844	21,223,694
Less : Allowance for doubtful debts	-	-
Total receivables	**31,027,844**	**21,223,694**
Break up of Security Details		
Secured, considered good	-	-
Unsecured, considered good	31,027,844	21,223,694
Unsecured, considered doubtful	-	-
Total	**31,027,844**	**21,223,694**
Less : Allowance for doubtful debts	-	-
Total	**31,027,844**	**21,223,694**

Note 3: Cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Balances with banks :	-	
In current accounts	7,032	4,412
Total	**7,032**	**4,412**

Note 4: Other financial Assets

Particulars	31st Dec, 2023	31st Dec, 2023
Other Receivable	-	-
Total	**-**	**-**

Note 5: Other Current Assets:

Particulars	31st Dec, 2024	31st Dec, 2023
Prepaid expenses	51,177	40,457
Balances receivables from Govt. authorities	1,799	14,904
Advance to Suppliers	275,801	-
Total	**328,777**	**55,361**

DEI General Trading LLC
Notes forming part of the Financial Statements

Note 6(a): Share Capital and Other Equity

Particulars	Equity Share Capital	
	No of Shares (In lakhs)	Amount
AUTHORISED	300	300,000
As at 1st Jan, 2024	300	300,000
Shares issued	-	-
As at 31st Dec, 2024	**300**	**300,000**

Note 6(b): Reserves and surplus

Particulars	31st Dec, 2024	31st Dec, 2023
Retained Earnings	(61,830)	(141,612)
Total	**(61,830)**	**(141,612)**

Particulars	31st Dec, 2024	31st Dec, 2023
Opening Balance [Jan 01, 2024]	(141,612)	(44,694)
Net Profit For the period	79,782	(96,918)
Closing Balance	**(61,830)**	**(141,612)**

DEI General Trading LLC
Notes forming part of the Financial Statements

Note 7: Trade Payables

Particulars	31st Dec, 2024		31st Dec, 2023	
	Non-Current	Current	Non-Current	Current
Other Trade Payable	-	31,127,411	-	20,936,435
Total	**-**	**31,127,411**	**-**	**20,936,435**

Note 8: Other Current Liabilities

Particulars	31st Dec, 2023	31st Dec, 2023
Advance receipts	-	147,000
Liabilities against expense	-	43,573
Total	**-**	**190,573**

DEI General Trading LLC
Notes forming part of the Financial Statements

Note 9: Revenue from Operations

Particulars	31st Dec, 2024	31st Dec, 2023
Sale of Services	598,884	35,726
Total	**598,884**	**35,726**

Note 10: Other Income
Other Income (net)

Particulars	31st Dec, 2024	31st Dec, 2023
Exchange gain/Loss	30,752	14,453
Miscelleneous Income	14,330	-
Total	**45,082**	**14,453**

Note 11: Employee Benefit Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Staff Training, Recruitment and Other Costs	-	14,180
Total	**-**	**14,180**

Note12: Finance Costs

Particulars	31st Dec, 2024	31st Dec, 2023
Other Finance Charges	6,342	6,092
Total	**6,342**	**6,092**

Note 13: Other Expenses

Particulars	31st Dec, 2024	31st Dec, 2023
Stores and tools consumed	1,803	116,092
Licence Fees	-	3,283
Legal and Professional Charges	-	150
Printing and Stationery	-	1,990
Communication expenses	-	2,460
Exchange gain/Loss	25,452	(33,736)
Miscellaneous Expenses	-	9,200
Total	**27,255**	**99,439**

Digi Photo Electronics Repairing LLC
Balance Sheet as at 31st Dec, 2024

Currency - AED

Particulars	Notes	As at 31st Dec, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:		-	-
Total non-current assets		-	-
Current assets:			
- Other financial assets	1	300,000	300,000
Total current assets		**300,000**	**300,000**
TOTAL ASSETS		**300,000**	**300,000**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2	300,000	300,000
Other equity			
Total Equity		**300,000**	**300,000**
LIABILITIES			
Non-current liabilities			
Total non-current liabilities		-	-
Current liabilities			
Total current liabilities		-	-
TOTAL LIABILITIES		-	-
TOTAL EQUITY AND LIABILITIES		**300,000**	**300,000**

Digiphoto Entertainment Imaging Korea LLC
Balance Sheet as at 31st Dec, 2024

Currency - KRW

Particulars	Notes	As at 31st Dec, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	-	164,173,094
Financial assets:-			
'- Other financial assets	4	-	27,511
Total non-current assets		**-**	**164,200,605**
Current assets:			
Inventories	5	0	118,497,109
Financial assets:-			
- Trade receivables	6(a)	392,075,370	109,380,986
- Cash and cash equivalents	6(b)	19,814,663	19,815,663
Other current assets	7	35,016,603	35,016,603
Total current assets		**446,906,636**	**282,710,360**
TOTAL ASSETS		**446,906,636**	**446,910,965**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8(a)	240,000,000	240,000,000
Other equity			
Reserve and surplus	8(b)	(1,096,562,691)	(1,081,453,993)
Total Equity		**(856,562,691)**	**(841,453,993)**
LIABILITIES			
Current liabilities			
Financial liabilities			
- Borrowings	9	293,535,428	293,535,428
- Trade payables	10(a)	930,860,400	923,869,425
- Other financial liabilities	10(b)	31,645,636	23,532,242
Employee Benefit Payable		-	-
Other current liabilities	11	47,427,863	47,427,863
Total current liabilities		**1,303,469,327**	**1,288,364,958**
TOTAL LIABILITIES		**1,303,469,327**	**1,288,364,958**
TOTAL EQUITY AND LIABILITIES		**446,906,636**	**446,910,965**

Digiphoto Entertainment Imaging Korea LLC
Statement of Profit And Loss for the for the year ended as on 31st December, 2024

Currency - KRW

Particulars	Notes	For the year ended as on Dec 31, 2024	For the year ended as on Dec 31, 2023
Income			
Revenue from operations	12	-	301,434,703
Total income		**-**	**301,434,703**
Expenses			
Cost of services		-	134,746,517
Employee benefits expense	13	-	584,997,307
Finance Cost	14	8,114,394	12,859,360
Advertisement Expenses		-	378,434
Depreciation and amortisation expense	15	-	40,673,048
Depreciation - Right of Use Assets - Buildings		-	-
Other expenses	16	6,994,304	248,573,464
Total expenses		**15,108,698**	**1,022,228,130**
Profit before exceptional item		**(15,108,698)**	**(720,793,427)**
(Loss)/Profit before tax	-	**(15,108,698)**	**(720,793,427)**
Less : Tax expense			
Current tax			-
Deferred tax			-
Total tax expenses			**-**
(Loss)/Profit for the year (A)		**(15,108,698)**	**(720,793,427)**
Earnings/(Loss) per equity share (Face value of INR 1 each)			
- Basic earnings/(loss) per share			(3,003)
- Diluted earnings/(loss) per share			(3,003)

Note 4: Other financial assets

Particulars	31st Dec, 2024	31st Dec, 2023
Security deposits [Loans] - Non current - Unsecured	-	27,511
Total	**-**	**27,511**

Note: 5 Inventories

Particulars	31st Dec, 2024	31st Dec, 2023
Raw material, consumables and other supplies	-0	118,497,109
Total	**-0**	**118,497,109**

6(a)Trade receivables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade receivables	392,075,370	**109,380,986**
Less : Allowance for doubtful debts		-
Total receivables	**392,075,370**	**109,380,986**

6(b) Cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Balances with banks :		
In current accounts	15,415,109	15,416,109
Cash on hand (including foreign currencies- Notes and paid documents)	4,399,554	4,399,554
Total Cash and cash equivalents	**19,814,663**	**19,815,663**

Note 7: Other Current Assets:

Particulars	31st Dec, 2024	31st Dec, 2023
Balances receivables from Govt. authorities	35,016,603	35,016,603
Total	**35,016,603**	**35,016,603**

Digiphoto Entertainment Imaging Korea LLC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 8(a) Share Capital and Other Equity:

Particulars	Equity Share Capital#	
	No of Shares (In lakhs)	Amount
AUTHORISED		
As at 1st Jan, 2023	240,000	240,000,000
Add: Additional share issue		
Less: Forfeiture of shares	-	-
As at 31st Dec, 2023	**240,000**	**240,000,000**

#Consists of following:
240,000 Equity Shares of 1000/- each

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	Equity share capital	
	No of Shares (In lakhs)	Amount
As at 1st Jan, 2024	**240,000**	**240,000,000**
Less: Share Forfeited		
Add: Additional share issue		
Add: exercise of options-proceeds received		
Add: Additional share issue		
As at 31st Dec, 2024	**240,000**	**240,000,000**

Digiphoto Entertainment Imaging Korea LLC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 8(b) Reserves and surplus

Particulars	31st Dec, 2024	31st Dec, 2023
Retained Earnings	(1,096,562,691)	(1,081,453,993)
Total reserves and surplus	**(1,096,562,691)**	**(1,081,453,993)**

(vii) Retained Earnings

Particulars	31st Dec, 2024	31st Dec, 2023
Opening Balance [Jan 01, 2023]	(1,081,453,993)	-
Net Profit For the period	(15,108,698)	(1,081,453,993)
Closing Balance	**(1,096,562,691)**	**(1,081,453,993)**

Note 9: Current Borrowings

Particulars	31st Dec, 2024	31st Dec, 2023
Unsecured		
Loans from Related Parties - Unsecured	293,535,428	293,535,428
Total Current Borrowings	**293,535,428**	**293,535,428**

Note 10: Financial Liabilities:

10(a) Other Financial Liabilities

Particulars	31st Dec, 2024		31st Dec, 2023	
	Non-Current	Current	Non-Current	Current
Liabilities against expense		11,060,898		11,060,898
Interest payable to Related parties		20,584,738		12,471,344
Total Other Financial Liabilities		**31,645,636**	-	**23,532,242**

10(b)Trade Payables

Particulars	31st Dec, 2024		31st Dec, 2023	
	Non-Current	Current	Non-Current	Current
-Dues of micro enterprises and small enterprises				-
-Dues of creditors other than micro enterprises and small enterprises				
(i) Acceptances				
(ii) Trade pyable to Related Parties				-
(iii) Trade pyable to Inter companies				-
(iv) Other Trade Payable		930,860,400		923,869,425
Total Trade Payables		**930,860,400**	-	**923,869,425**

Note 11: Other Current Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Statutory Dues	47,181,597	47,181,597
Others	246,266	246,266
Total	**47,427,863**	**47,427,863**

Digiphoto Entertainment Imaging Korea LLC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 12: Revenue from Operations

Particulars	31st Dec, 2024	31st Dec, 2023
Sale of Services	-	301,434,703
Total	**-**	**301,434,703**

Note 13: Employee Benefit Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Salaries Wages and Bonus	-	462,472,881
Staff Welfare Expenses	-	61,656,372
Staff Training, Recruitment and Other Costs	-	60,868,053
Total	**-**	**584,997,307**

Note 14: Finance Costs

Particulars	31st Dec, 2024	31st Dec, 2023
Interest and finance charges on financial liabilities not at fair value through profit and loss	8,113,394	12,471,344
Other Finance Charges	1,000	388,016
Total	**8,114,394**	**12,859,360**

Note 15: Depreciation and Amortisation Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Depreciation on Tangible Assets	-	40,673,048
Total	**-**	**40,673,048**

Note 16: Other Expenses

Particulars	31st Dec, 2024	31st Dec, 2023
Rent	27,511	3,164,939
Stores and tools consumed	-	5,807,057
Electricity	-	245,000
Repairs to Building	-	353,417
Repairs to Plant and machinery	-	1,181,818
Licence Fees	-	890,863
Travelling Expenses	-	25,662,845
Vehicle Running and Maintenance Expenses	-	380,000
Legal and Professional Charges	-	15,810,434
Group Resource Cost [GRC]Expenses	-	173,332,155
Printing and Stationery	-	8,565,037
Communication expenses	-	5,463,988
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	4,239,010	4,768,930
Miscellaneous Expenses	2,727,783	2,946,981
Total	**6,994,304**	**248,573,464**

Digiphoto Entertainment Imaging INC
Balance Sheet as at 31st Dec, 2024

Particulars	Notes	As at 31st Dec, 2024	As at 31st Dec, 2023
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	-	-
Financial assets:-			
'- Other financial assets	4	-	-
Total non-current assets		-	-
Current assets:			
Inventories	5	957	957
Financial assets:-			
- Trade receivables	6(a)	-	29,440
- Cash and cash equivalents	6(b)	-46	2,783
Other current assets	7		-
Total current assets		**911**	**33,180**
TOTAL ASSETS		**911**	**33,180**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8(a)	10,000	10,000
Other equity			
Reserve and surplus	8(b)	(60,753)	(57,081)
Total Equity		**(50,753)**	**(47,081)**
LIABILITIES			
Current liabilities			
Financial liabilities			
- Borrowings	9	-	-
- Trade payables	10(a)	51,663	80,261
- Other financial liabilities	10(b)	-	-
Employee Benefit Payable		-	-
Other current liabilities	11	-	-
Total current liabilities		**51,663**	**80,261**
TOTAL LIABILITIES		**51,663**	**80,261**
TOTAL EQUITY AND LIABILITIES		**911**	**33,180**

Digiphoto Entertainment Imaging INC
Statement of Profit And Loss for the for the year ended as on 31st December, 2024

Particulars	Notes	For the year ended as on Dec 31, 2024	For the year ended as on Dec 31, 2023
Income			
Revenue from operations	12	9,597	1,47,588
Other gains (net)	13	-	4,168
Total income		**9,597**	**1,51,756**
Expenses			
Cost of services		-	52,426
Employee benefits expense	14	2,118	95,208
Finance Cost	15	(411)	70
Advertisement Expenses		-	-
Depreciation and amortisation expense	16	-	-
Depreciation - Right of Use Assets - Buildings		-	-
Other expenses	17	11,561	61,133
Total expenses		**13,268**	**2,08,837**
Profit before exceptional item		**(3,671)**	**(57,081)**
(Loss)/Profit before tax	-	**(3,671)**	**(57,081)**
Less : Tax expense			
Current tax			
Deferred tax			
Total tax expenses			
(Loss)/Profit for the year (A)		**(3,671)**	**(57,081)**
Earnings/(Loss) per equity share (Face value of INR 1 each)			
- Basic earnings/(loss) per share			
- Diluted earnings/(loss) per share			

Digiphoto Entertainment Imaging INC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 5: Investments:

Particulars	31st Dec, 2024	31st Dec, 2023

Note 4: Other financial assets

Particulars	31st Dec, 2024	31st Dec, 2023
Security deposits [Loans] - Non current - Unsecured	-	-
Total	**-**	**-**

Note: 5 Inventories

Particulars	31st Dec, 2024	31st Dec, 2023
Raw material, consumables and other supplies	957	957
Total	**957**	**957**

6(a)Trade receivables

Particulars	31st Dec, 2024	31st Dec, 2023
Trade receivables	-	29,440
Less : Allowance for doubtful debts		
Total receivables	**-**	**29,440**
Break up of Security Details		
Secured, considered good		
Unsecured, considered good	-	29,440
Unsecured, considered doubtful	-	-
Total	**-**	**29,440**
Less : Allowance for doubtful debts		
Total Trade Receivables	**-**	**29,440**
Trade recievables from Related Parties		
Trade recievables From Inter companies		

6(b) Cash and cash equivalents

Particulars	31st Dec, 2024	31st Dec, 2023
Balances with banks :		
In current accounts	-46	2,783
Cash on hand (including foreign currencies- Notes and paid documents)	-	-
Total Cash and cash equivalents	**-46**	**2,783**

Note 7: Other Current Assets:

Particulars	31st Dec, 2024	31st Dec, 2023
Balances receivables from Govt. authorities	-	-
Total	**-**	**-**

Digiphoto Entertainment Imaging INC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 8(a) Share Capital and Other Equity:

	Equity Share Capital#
Particulars	**No of Shares (In lakhs)**
AUTHORISED	
As at 1st Jan, 2023	
Add: Additional share issue	**10,000**
Less: Forfeiture of shares	-
As at 31st Dec, 2023	**10,000**

#Consists of following:
240,000 Equity Shares of 1000/- each

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	Equity share capital
	No of Shares (In lakhs)
As at 1st Jan, 2023	
Add:Shares allotment as on March 15, 2023	
Less: Share Forfeited	
Add: Addition on account of stock options allotment	
Add: exercise of options-proceeds received	
As at 1st Jan, 2024	-
Less: Share Forfeited	
Add: Additional share issue	
Add: exercise of options-proceeds received	
Add: Additional share issue	
As at 31st Dec, 2024	-

Digiphoto Entertainment Imaging INC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 8(b) Reserves and surplus

Particulars	31st Dec, 2024	31st Dec, 2023
Capital Reserve		
Capital Redemption Reserve		
Debenture Redemption Reserve		
Share Option Outstanding Amount		
OCI		
General Reserve		
Foreign currency translation reserve		
Retained Earnings	**(60,753)**	(57,081)
Total reserves and surplus	**(60,753)**	**(57,081)**

(vii) Retained Earnings

Particulars	31st Dec, 2024	31st Dec, 2023
Opening Balance [Jan 01, 2023]	(57,081)	-
Net Profit For the period	-3,671	(57,081)
Closing Balance	**(60,753)**	**(57,081)**

Digiphoto Entertainment Imaging INC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 9: Current Borrowings

Particulars	31st Dec, 2024	31st Dec, 2023
Unsecured		
Loans from Related Parties - Unsecured		
Total Current Borrowings		

Note 10: Financial Liabilities:

10(a) Other Financial Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Liabilities against expense		
Liabilities against Fixed Assets [Capital Creditors]		
Interest payable to Related parties		
Derivative financial liabilities		
Guarantees given to bank and others on behalf of subsidiaries		
Other financial liabilities - Inter Company - Current		
Other financial liabilities - Related Parties - Current		
Others		
Total Other Financial Liabilities	-	-

10(b)Trade Payables

Particulars	31st Dec, 2024	31st Dec, 2023
-Dues of micro enterprises and small enterprises		
-Dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances		
(ii) Trade pyable to Related Parties		
(iii) Trade pyable to Inter companies		
(iv) Other Trade Payable	51,663.4	1,12,615
Total Trade Payables	**51,663**	**1,12,615**

Note 11: Other Current Liabilities

Particulars	31st Dec, 2024	31st Dec, 2023
Statutory Dues		
Others		
Total		

Digiphoto Entertainment Imaging INC
Notes forming part of the Financial Statements as at and for the for the year ended as on 31st December, 2024

Note 12: Revenue from Operations

Particulars	31st Dec, 2024	31st Dec, 2023
Sale of Services	9,597	1,47,588
Total	**9,597**	**1,47,588**

Note 13: Other Income and other gains/(losses)

(b) Other gains (net)

Particulars	31st Dec, 2024	31st Dec, 2023
Exchange gain other than in the normal course of business as an authorised foreign exchange dealer		4,168
Total	**-**	**4,168**

Note 14: Employee Benefit Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Salaries Wages and Bonus	2,118	1,17,328
Staff Welfare Expenses	-	-22,121
Staff Training, Recruitment and Other Costs	-	-
Total	**2,118**	**95,208**

Note 15: Finance Costs

Particulars	31st Dec, 2024	31st Dec, 2023
Interest and finance charges on financial liabilities not at fair value through profit and loss	-	-
Other Finance Charges	-411	70
Total	**(411)**	**70**

Note 16: Depreciation and Amortisation Expense

Particulars	31st Dec, 2024	31st Dec, 2023
Depreciation on Tangible Assets	-	-
Total	**-**	**-**

Note 17: Other Expenses

Particulars	31st Dec, 2024	31st Dec, 2023
Rent	-	-
Stores and tools consumed	-	-
Electricity	-	-
Repairs to Building	-	-
Repairs to Plant and machinery	-	-
Rates and Taxes	-	-
Licence Fees	171	535
Travelling Expenses	760	25,968
Vehicle Running and Maintenance Expenses	-	-
Legal and Professional Charges	5,885	34,385
Group Resource Cost [GRC]Expenses	-	-
Printing and Stationery	-	-
Communication expenses	-	-
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	460	245
Miscellaneous Expenses	4,286	-
Total	**11,561**	**61,133**

Digiphoto Entertainment Imaging LLC (Single Member Company)

(Limited Liability Company) Riyadh – Kingdom of Saudi Arabia

Financial Statements and Independent Auditor's Report

For the Financial Period Ended December 31, 2024

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7	Statement of Cash Flows for the Period Ended December 31, 2024 (D)
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Independent Auditor's Report

To:
Digiphoto Entertainment Imaging LLC – Single Person Company
(Limited Liability Company)
Riyadh, Kingdom of Saudi Arabia

Dear Sirs,

Opinion:

We have reviewed the attached financial statements of Digiphoto Entertainment Imaging LLC – Single Person Company (a Limited Liability Company), which include the statement of financial position as at 31 December 2024, the statements of comprehensive income, changes in shareholders' equity, and cash flows for the financial period then ended, along with the accompanying notes from (1) to (9), including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2024, and its financial performance, cash flows, and changes in shareholders' equity for the period then ended, in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) as adopted in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion:

We conducted our review in accordance with International Standards on Auditing (ISAs) endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the relevant ethical requirements of professional conduct in the Kingdom of Saudi Arabia, and we have fulfilled our other ethical responsibilities under those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

- These are the first audited financial statements issued for the company, covering the period from 10 August 2023 to 31 December 2024.
- As disclosed in the financial statements, the company's accumulated losses have exceeded 50% of the share capital, and therefore, Article 182 of the Companies Law applies. Accordingly, the shareholder must decide whether to continue or dissolve the company before the contractually specified deadline. The owner has decided to support the company and continue its operations.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of the financial statements in accordance with IFRS for SMEs as adopted in the Kingdom of Saudi Arabia and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

Report on Legal and Regulatory Requirements:

In our opinion, the above-mentioned financial statements are in compliance, in all material respects, with the requirements of the Companies Law and the company's Articles of Association with regard to the preparation and presentation of financial statements.

Statement of Financial Position as of December 31, 2024 (A)

Assets	Notes	2024 (SAR)
Current Assets		
Cash and Cash Equivalents	(2)	451,145
Trade Receivables		9,638
Other Receivables	(3)	258,910
Inventory		216,994
Total Current Assets		936,687
Non-Current Assets		
Property, Plant and Equipment, Net	(4)	281,107
Total Non-Current Assets		281,107
Total Assets		1,217,794
Liabilities and Partners' Equity		
Current Liabilities		
Trade Payables		603,723
Other Payables	(5)	400,578
Income Tax Provision	(9-b)	-
Total Current Liabilities		1,004,301
Non-Current Liabilities		
Due to Related Parties	(6)	1,751,013
Total Liabilities		2,755,314
Partners' Equity		
Capital	(7)	50,000
Retained Losses		(1,587,520)
Total Partners' Equity		(1,537,520)
Total Liabilities and Partners' Equity		1,217,794

The accompanying notes from (1) to (9) form an integral part of these financial statements.

Statement of Comprehensive Income for the Period Ended December 31, 2024 (B)

Description	Notes	2024 (SAR)
Revenues		3,114,858
Cost of Revenues		(2,787,494)
Gross Profit		327,364
General and Administrative Expenses	(8)	(1,914,884)
Net Loss Before Tax		(1,587,520)
Income Tax Expense	(9-a)	-
Net Loss		(1,587,520)
Other Comprehensive Income		-
Total Comprehensive Loss		(1,587,520)

The accompanying notes from (1) to (9) form an integral part of these financial statements.

Statement of Changes in Partners' Equity for the Period Ended December 31, 2024 (C)

	Capital	**Retained Losses**	**total**
	SAR	**SAR**	
Balance at August 10, 2023	50,000	-	50,000
Net Loss for the Period	-	(1,587,520)	(1,587,520)
Balance as at December 31, 2024	**50,000**	**(1,587,520)**	**(1,537,520)**

The accompanying notes from (1) to (9) form an integral part of these financial statements.

Statement of Cash Flows for the Period Ended December 31, 2024 (D)

Description	2024 (SAR)
Cash Flows from Operating Activities	
Net Loss Before Zakat	(1,587,520)
Adjustments for:	
Depreciation of Property, Plant and Equipment	72,099
Changes in Operating Assets and Liabilities:	
Inventory	(216,994)
Trade Receivables	(9,638)
Other Receivables	(258,910)
Trade Payables	603,723
Other Payables	400,578
Net Cash Used in Operating Activities	(996,662)
Cash Flows from Investing Activities	
Payments for Purchase of Property, Plant and Equipment	(353,206)
Net Cash Used in Investing Activities	(353,206)
Cash Flows from Financing Activities	
Capital Contributions	50,000
Amounts Due to Related Parties	1,751,013
Net Cash Generated from Financing Activities	1,801,013
Net Increase in Cash and Cash Equivalents	451,145
Cash and Cash Equivalents at Beginning of the Period	-
Cash and Cash Equivalents at End of the Period	451,145

The accompanying notes from (1) to (9) form an integral part of these financial statements.

Notes to the Financial Statements for the Period Ended December 31, 2024

1) Company Overview and Accounting Policies

a) Company Overview Digiphoto Entertainment Imaging LLC (Single Member Company) is a limited liability company registered under Unified Number 7033976361 with Commercial Registration No. 1010910871 dated 23/01/1445H. The company's activities include photography services, drone operation for aerial imaging, and commercial and touristic photography using various techniques.

Financial Year: The financial year begins on August 10, 2023, and ends on December 31, 2024.

b) Applied Accounting Policies

Basis of Preparation The financial statements have been prepared in accordance with accounting standards generally accepted in the Kingdom of Saudi Arabia and in conformity with the IFRS for SMEs. The company records its assets and liabilities based on historical cost and follows the accrual basis for recognizing revenues and expenses.

Accounting Estimates Preparing financial statements in accordance with accepted accounting principles requires the use of estimates that may affect the value of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date. Although these estimates are based on management's best knowledge of current events, actual results may differ.

Accounting Convention The financial statements have been prepared under the historical cost convention.

Cash and Cash Equivalents Cash includes cash in bank current accounts and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Trade Receivables Trade receivables are stated at the original invoice amount less provision for doubtful debts. A provision for doubtful debts is made when there is objective evidence that the company will not be able to collect all amounts due. Bad debts are written off when identified and recovered amounts are credited to income.

Property, Plant, and Equipment Property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. Finance costs on borrowings to finance

the construction of qualifying assets are capitalized during the period required to complete and prepare the asset for its intended use.

Subsequent costs are capitalized only when it is probable that future economic benefits associated with the item will flow to the entity. All other costs are charged to profit or loss during the financial period in which they are incurred. Depreciation is charged using the straight-line method over the estimated useful lives of the assets as follows:

- Furniture and Fixtures: 20%
- Computer Equipment: 20%

Trade and Other Payables Liabilities for goods and services received, whether invoiced by suppliers or not, are recognized as payables.

Income Tax Provision The company is subject to the regulations of the Zakat, Tax and Customs Authority in Saudi Arabia. Income tax expense is recognized in the income statement based on the taxable profit calculated in accordance with tax laws. Deferred tax assets and liabilities are recognized for temporary differences. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that future taxable profit will be available.

Foreign Currency Transactions The company's financial statements are presented in Saudi Riyals. Transactions in foreign currencies are translated into Saudi Riyals at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Exchange gains and losses are included in the income statement.

Revenue Recognition Revenue is recognized when the following conditions are met:

- It is probable that the economic benefits will flow to the company;
- The amount of revenue can be measured reliably;
- The stage of completion of the transaction can be reliably measured;
- The costs incurred and the costs to complete the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable under the terms of the contract.

Expenses Operating expenses are classified based on their nature. Marketing and promotional expenses are classified under selling and distribution, while all other

expenses not directly related to operations are classified under general and administrative expenses. These are recorded on an accrual basis.

2) Cash and Cash Equivalents

Description	**2024 (SAR)**
Cash at Banks	297,942
Cash on Hand	153,203
Total	**451,145**

3) Other Receivables

Description	2024 (SAR)
Deposits with Others	193,800
Advance Payments to Suppliers	15,901
Prepaid Expenses	49,209
Total	**258,910**

4) Property, Plant and Equipment - Net

Item	**Cost (SAR)**	**Accumulated Depreciation (SAR)**	**Net Book Value (SAR)**
Furniture and Fixtures	202,235	(39,814)	162,421
Computer Equipment	150,971	(32,285)	118,686
Total	**353,206**	**(72,099)**	**281,107**

5) Other Payables

Description	2024 (SAR)
Accrued Expenses	309,834
VAT Payable	90,744
Total	**400,578**

6) Related Party Transactions The following table summarizes the transactions and balances with related parties during the year ended December 31, 2024:

Related Party	Relationship	Nature of Transaction	Credit (SAR)
DEI Holdings Ltd.	Owner	Operating	104,957
Digiphoto Entertainment Ltd – Singapore	Affiliate	Operating	895
Digiphoto Entertainment Ltd – Dubai	Affiliate	Operating	1,413,396
DEI General Trading LLC	Affiliate	Operating	215,944
BDC Digiphoto Imaging Solutions – India	Affiliate	Operating	15,821
Net Due to Related Parties			**1,751,013**

7) Capital The capital of the company is SAR 50,000 divided into 5,000 equal cash shares with a nominal value of SAR 10 each, distributed as follows:

Shareholder	Number of Shares	Share Value (SAR)	Total (SAR)
DEI Holdings Ltd.	5,000	10	50,000
Total	**5,000**	**10**	**50,000**

8) General and Administrative Expenses

Description	2024 (SAR)
Shared Services	768,684
Travel and Entertainment	417,604
Government Fees	182,288
Consulting and Legal Fees	136,555
Advertising and Marketing	112,379
Software Expenses	92,295
Depreciation	72,099
Bank Charges	49,426
Rent	36,992
Currency Differences	26,933
Professional Fees	12,000
Training Expenses	1,239
Postage and Shipping	1,231
Miscellaneous Expenses	5,159
Total	**1,914,884**

9) Income Tax a) Income Tax Calculation

Description	2024 (SAR)
Net Loss	(1,587,520)
Add: Tax Adjustments	72,099
Adjusted Taxable Loss	(1,515,421)
Tax Base	(1,515,421)
Tax Due	-

b) Income Tax Provision

Description	2024 (SAR)
Balance at Beginning of the Period	-
Provided During the Period	-
Paid During the Period	-
Balance at End of the Period	-