

BAYMANCO INVESTMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

BAYMANCO INVESTMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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BAYMANCO INVESTMENTS LIMITED**CORPORATE DATA**

| | | Date of appointment | Date of resignation |
|-------------------------------|--|--------------------------------|--------------------------------|
| DIRECTORS: | Jayant Shripad Gadgil | 22 August 2016 | 30 June 2023 |
| | Jaideep Dattatraya Pandit | 22 August 2016 | 08 April 2024 |
| | Chia Puay San | 22 August 2016 | - |
| | Sevin Chendriah | 22 August 2016 | - |
| | Savinilorna Ramen Payandi-Pillay | 07 May 2018 | - |
| | Hong Kok Meng | 24 April 2023 | - |
| | Chithra Kandaswamy | 19 April 2024 | - |
| | Vivek Goyal | 19 April 2024 | - |
| SECRETARY: | IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street Port Louis 11324 Republic of Mauritius | | |
| REGISTERED OFFICE: | C/o IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street Port Louis 11324 Republic of Mauritius | | |
| AUDITORS: | Grant Thornton Ebene Tower 52 Cybercity Ebene 72201 Republic of Mauritius | | |
| BANKERS: | Absa Bank (Mauritius) Limited 3 rd Floor, Absa House 68-68A Cybercity Ebene 72201 Republic of Mauritius | | |
| | Standard Chartered Bank Mauritius Limited 6 th Floor, Standard Chartered Tower Cybercity Ebene 72201 Republic of Mauritius | | |
| CUSTODIAN: | JM Financial Services Limited 2 nd Floor, B Wing, Suashish IT Park Plot No. 68E, off. Dattapada Opp. Tata Steel, Borivali (East) Mumbai - 400066 Republic of India | | |

BAYMANCO INVESTMENTS LIMITED

COMMENTARY OF THE DIRECTORS *FOR THE YEAR ENDED 31 MARCH 2024*

The directors present their commentary together with the audited financial statements of BAYMANCO INVESTMENTS LIMITED, the “Company”, for the year ended 31 March 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of investment holding.

RESULTS AND DIVIDENDS

The results for the year are shown in the statement of profit or loss and other comprehensive income.

The directors did not recommend any dividend during the year under review (2023: Nil).

DIRECTORS

The present membership of the Board is set out on page 1.

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 statement of financial position, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of 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 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 IFRS Accounting Standards as issued by the International Accounting Standards Board. 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.

AUDITORS

The auditors, **Grant Thornton**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Annual Meeting.

SECRETARY'S CERTIFICATE FOR THE YEAR ENDED 31 MARCH 2024 **3.**

We certify, to the best of our knowledge and belief, that **BAYMANCO INVESTMENTS LIMITED** (the "Company") has filed with the Registrar of Companies all such returns, for the year ended 31 March 2024, as are required of the Company under the Mauritius Companies Act 2001 in terms of Section 166(d).



.....
for **IQ EQ CORPORATE SERVICES (MAURITIUS) LTD**
CORPORATE SECRETARY

Date: 10 May 2024



**Independent auditors' report
To the member of BAYMANCO INVESTMENTS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **BAYMANCO INVESTMENTS LIMITED**, the "Company", which comprise the statement of financial position as at 31 March 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 policy information.

In our opinion, the accompanying financial statements on pages 8 to 37 give a true and fair view of the financial position of the Company as at 31 March 2024, and of 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 the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with 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 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)* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with 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

We draw attention to Note 20 to the financial statements which describes the basis of preparation of these financial statements.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information")

Management is responsible for the Other Information. The Other Information comprises mainly of information included under the Corporate Data and Commentary of the Directors sections, but does not include the financial statements and our auditors' report thereon.



Independent auditors' report (continued)
To the member of BAYMANCO INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information") (continued)

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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Mauritius Companies Act 2001, and for such internal control as management determines is necessary to enable the preparation of the 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 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:



Independent auditors' report (continued)
To the member of BAYMANCO INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 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

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

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Independent auditors' report (continued)
To the member of BAYMANCO INVESTMENTS LIMITED

Other Matter

Our report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinion we have formed.



Grant Thornton
Chartered Accountants



Y NUBEE, FCCA
Licensed by FRC

Date: 10 MAY 2024

Ebene 72201, Republic of Mauritius

BAYMANCO INVESTMENTS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2024

| | Notes | 2024 USD | 2023 USD |
|---|-------|---------------------------------|------------------------------------|
| Income | | | |
| Dividend income | | 256,080 | 212 |
| Fair value gain on investment in associates | 7 | <u>65,337,830</u> | - |
| | | <u>65,593,910</u> | <u>212</u> |
| Expenses | | | |
| Audit fees | | 6,480 | 7,070 |
| Professional fees | | 26,022 | 26,710 |
| Bank charges | | 4,796 | 6,940 |
| Administrative expenses | | - | 1,578 |
| Foreign exchange loss | | - | 199,761 |
| Impairment loss on investment in associates | 7 | - | 175,202,512 |
| Fair value loss on investment in associates | 7 | - | 21,427,654 |
| | | <u>37,298</u> | <u>196,872,225</u> |
| Profit/(loss) before tax | | 65,556,612 | (196,872,013) |
| Tax (expense)/credit | 6 | (12,804) | 2,293 |
| Profit/(loss) for the year | | <u>65,543,808</u> | <u>(196,869,720)</u> |
| Other comprehensive income: | | | |
| Items that will not be reclassified subsequently to profit or loss | | - | - |
| Items that will be reclassified subsequently to profit or loss: | | | |
| Fair value gain/(loss) on financial assets at fair value through other comprehensive income | 8 | <u>3,144,217</u> | <u>(3,221,473)</u> |
| Other comprehensive income for the year, net of tax | | <u>3,144,217</u> | <u>(3,221,473)</u> |
| Total comprehensive income for the year, net of tax | | <u><u>68,688,025</u></u> | <u><u>(200,091,193)</u></u> |

The notes on pages 12 to 37 form an integral part of the financial statements.

BAYMANCO INVESTMENTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

| | Notes | 2024 USD | 2023 USD |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| Non-current | | | |
| Investment in associates | 7 | 102,393,662 | 37,055,832 |
| Financial assets at fair value through other comprehensive income | 8 | <u>20,788,002</u> | <u>17,643,785</u> |
| Non-current assets | | <u>123,181,664</u> | <u>54,699,617</u> |
| Current assets | | | |
| Cash and cash equivalents | 9 | <u>481,996</u> | <u>6,275,588</u> |
| Total assets | | <u>123,663,660</u> | <u>60,975,205</u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Stated capital | 10 | 1,000 | 1,000 |
| Fair value reserve | 8 | (105,322) | (3,249,539) |
| Accumulated losses | | <u>(129,188,927)</u> | <u>(194,732,735)</u> |
| Total equity | | <u>(129,293,249)</u> | <u>(197,981,274)</u> |
| Liabilities | | | |
| Current | | | |
| Loans from related parties | 11 | 252,950,000 | 222,950,000 |
| Other payables | 12 | <u>6,909</u> | <u>36,006,479</u> |
| Current liabilities | | <u>252,956,909</u> | <u>258,956,479</u> |
| Total liabilities | | <u>252,956,909</u> | <u>258,956,479</u> |
| Total equity and liabilities | | <u>123,663,660</u> | <u>60,975,205</u> |

These financial statements have been approved by the Board of Directors on ..10 May 2024.. and signed on its behalf by:



 Director



 Director

The notes on pages 12 to 37 form an integral part of the financial statements.

BAYMANCO INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

| | Stated capital USD | Fair value reserve USD | Accumulated losses USD | Total USD |
|---|--------------------------|------------------------------|------------------------------|----------------------|
| At 01 April 2023 | 1,000 | (3,249,539) | (194,732,735) | (197,981,274) |
| Profit for the year | - | - | 65,543,808 | 65,543,808 |
| Other comprehensive income: Fair value gain on financial assets at fair value through other comprehensive income | - | 3,144,217 | - | 3,144,217 |
| Total comprehensive income for the year | | 3,144,217 | 65,543,808 | 68,688,025 |
| At 31 March 2024 | 1,000 | (105,322) | (129,188,927) | (129,293,249) |
| At 01 April 2022 | 1,000 | (28,066) | 2,136,985 | 2,109,919 |
| Loss for the year | - | - | (196,869,720) | (196,869,720) |
| Other comprehensive income: Fair value loss on financial assets at fair value through other comprehensive income | - | (3,221,473) | - | (3,221,473) |
| Total comprehensive income for the year | - | (3,221,473) | (196,869,720) | (200,091,193) |
| At 31 March 2023 | 1,000 | (3,249,539) | (194,732,735) | (197,981,274) |

The notes on pages 12 to 37 form an integral part of the financial statements.

BAYMANCO INVESTMENTS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

| | Notes | 2024 USD | 2023 USD |
|---|-------|--------------|---------------|
| Cash flows from operating activities | | | |
| Profit/(loss) before tax | | 65,556,612 | (196,872,013) |
| <i>Adjustments for:</i> | | | |
| Dividend income | | (256,080) | (212) |
| Impairment loss | 7 | - | 175,202,512 |
| Fair value movement on investments | 7 | (65,337,830) | 21,427,654 |
| <i>Changes in working capital:</i> | | | |
| Other payables | | (35,999,570) | 36,000,580 |
| Cash from operations | | (36,036,868) | 35,758,521 |
| Tax (paid)/refund | | (12,804) | 2,293 |
| Net cash generated from operating activities | | (36,049,672) | 35,760,814 |
| Cash flows from investing activities | | | |
| Dividend income | | 256,080 | 212 |
| Acquisition of investments | 7&8 | - | (82,191,236) |
| Net cash from investing activities | | 256,080 | (82,191,024) |
| Cash flows from financing activities | | | |
| Proceeds from loans from related parties | 11 | 30,000,000 | 54,000,000 |
| Repayment of loans from related parties | 11 | - | (2,100,000) |
| Net cash from financing activities | | 30,000,000 | 51,900,000 |
| Net change in cash and cash equivalents | | (5,793,592) | 5,469,790 |
| Cash and cash equivalents at beginning of the year | | 6,275,588 | 805,798 |
| Cash and cash equivalents at end of the year | 9 | 481,996 | 6,275,588 |

For reconciliation of liabilities arising from financing activities, refer to Note 16.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS***FOR THE YEAR ENDED 31 MARCH 2024*

1. General information

BAYMANCO INVESTMENTS LIMITED, the “Company”, was incorporated on 22 August 2016 in the Republic of Mauritius as a private company with liability limited by shares and holds a Global Business Licence issued by the Financial Services Commission. The Company’s registered office is Les Cascades Building, 33 Edith Cavell Street, Port Louis 11324, Republic of Mauritius.

The principal activity of the Company is that of investment holding.

2. Basis of preparation*(a) Statement of compliance*

The financial statements have been prepared 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.

No consolidated financial statements are presented since the Company has taken the following exemption. In accordance with the Fourteenth Schedule of the Mauritius Companies Act 2001 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 2001, content and form of financial statements, these financial statements present the financial position, financial performance and cash flow of the Company. Since 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 2001 which allows the use of International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board, except for the standard applicable to Investments in Associates (IAS 28).

(b) Basis of measurement

The financial statements have been prepared on the going concern basis using the historical cost convention, except where otherwise stated.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (“USD”) which is the Company’s functional currency and presentation currency.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS 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.

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 overleaf.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

Significant management judgement (continued)

Determination of functional currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates and one in which it primarily generates and expends cash (the “functional currency”). If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company’s investments and transactions are denominated in the United States Dollar (“USD”).

Contributions from its shareholder and distributions are received and paid in USD and the performance of the Company is measured in USD terms. The income and expenses of the Company are denominated and settled in USD. Therefore, the directors have determined that the functional currency of the Company is the USD and the financial statements are presented in USD.

Deferred tax assets

The extent to which 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

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.

Impairment of investment in associates

Management carries out a regular review to determine whether there is any indication that its investment in associates suffered any impairment. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment, which is then recognised in the statement of profit or loss and other comprehensive income. Management assesses whether there is objective evidence that the assets are impaired and whether the fair values have declined.

Management estimates of the impairment are based on critical evaluation of the economic circumstances involved, historical experience and other factors considered to be relevant. When there is an indication that an impairment loss may have decreased, the recoverable amount of the asset is estimated in order to determine the extent of reversal of impairment.

(e) Going concern

The directors have made an assessment of the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the directors have also considered the financial support from group related companies. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis. Refer to Note 19 for more details.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions

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 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.

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.

(b) Financial instruments

Recognition and initial measurement

Financial assets at fair value through profit or loss are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities, including financial assets at fair value through other comprehensive income are recognised initially when they are originated.

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in profit or loss. Financial assets and financial liabilities not at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

Classification

Financial assets and financial liabilities

On initial recognition, the Company classifies financial assets as measured at amortised cost, at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). Financial liabilities are measured at either FVTPL or at amortised cost. At the reporting date, the Company did not have financial liabilities measured at FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the objective of the Company's business model is to hold assets only to collect cash flows, or to collect cash flows and to sell (the business model test); and
- the contractual cash flows of an asset give rise to payments on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding (the SPPI test).

All other financial assets are classified as measured at FVOCI.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(b) Financial instruments (continued)

Classification (continued)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment 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 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 the investment manager is 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.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

The Company has determined that it has two business models:

- Held-to-collect business model: this includes cash and cash equivalents. These financial assets are held to collect contractual cash flows; and
- Other business model: this includes equity investments and compulsory convertible preference shares. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Further the Company has elected to measure its investment in associates at cost less impairment. For financial assets at fair value through other comprehensive income, the Company elected to classify and measure them at FVOCI.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(b) Financial instruments (continued)

Classification (continued)

Assessment whether contractual cash flows are SPPI (continued)

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Company classified its financial assets and financial liabilities into the following categories:

- Financial assets at fair value through other comprehensive income: investment in Naperol Investments Limited (*formerly National Peroxide Limited*) and National Peroxide Limited (*formerly NPL Chemicals Limited*)
- Financial assets at amortised cost: cash and cash equivalents
- Financial liabilities at amortised cost: other payables and loans from related parties

Subsequent measurement

| Category | Subsequent measurement |
|---|---|
| Financial assets at fair value through other comprehensive income | These assets are subsequently measured at fair value. Net gains and losses, including any interest income/expense and foreign exchange gains/losses, are recognised as fair value gain/loss on financial assets at fair value through other comprehensive income in the statement of profit or loss and other comprehensive income. Dividend income on such instruments is disclosed as a separate line item in the statement of profit or loss and other comprehensive income. |
| Financial assets at amortised cost | These assets are subsequently measured at amortised cost using the effective interest method. Interest income is recognised in 'finance income', foreign exchange gains and losses are recognised in 'exchange difference' and impairment is recognised in 'impairment loss on financial instruments' in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition and modification is also recognised in profit or loss. |
| Financial liabilities at amortised cost | These financial liabilities are subsequently measured at amortised cost using the effective interest method. |

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(b) Financial instruments (continued)

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability at initial recognition. When calculating the effective interest rate, the Company estimates the future cash flows considering all contractual terms of the financial instruments but not the future credit losses.

Impairment

The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

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.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(b) Financial instruments (continued)

Impairment (continued)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset 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 realising assets (if any is held); or
- the financial asset is more than 90 days past due.

All financial assets that are receivable from related parties are considered to have low credit risk. The Company also considers its cash at bank to have low credit risk based on the external credit ratings of the financial institutions with which cash balances are held.

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 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 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 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;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;
- the underlying project is put on hold; and
- breach of contract such as a default or being more than 90 days past due.

Presentation of allowance for ECLs 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.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(b) Financial instruments (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.

Derecognition and modification

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when 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 does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. Realised gain is calculated based on proceeds realised on disposal of investments less its cost. The cost is based on weighted average cost.

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. 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.

The Company recalculates the gross carrying amount of financial assets and recognises a modification gain or loss in profit or loss when the contractual cash flows are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset.

The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate.

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 has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

There is no offsetting of financial instruments applied at the reporting in the statement of financial position.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(c) *Investment in associates*

The Company's interests in equity-accounted investee comprise of interests in associates.

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies of these entities.

Unquoted investment in associates are shown at cost less impairment. 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 transferred to profit or loss as impairment loss. Where the estimated recoverable amount increases and there are indications of reversal of impairment, a reversal of impairment loss is recognised as profit or loss to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Quoted investment in associates are accounted at cost and remeasured to fair values at the reporting date.

(d) *Financial assets at fair value through other comprehensive income*

The Company has investments in Naperol Investments Limited (*formerly National Peroxide Limited*) and National Peroxide Limited (*formerly NPL Chemicals Limited*), which are not held for trading and have been designated at the date of initial recognition at fair value through other comprehensive income. Gains and losses on the fair value of the investment are recorded in the statement of other comprehensive income and are accumulated as fair value reserve in equity.

(e) *Impairment of non-financial assets*

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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 cash generating units ("CGUs").

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 recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised 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 in respect of goodwill is not reversed. For other assets, 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, if no impairment loss had been recognised.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(f) 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 the 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.

(g) Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

(h) Equity and reserves

Stated capital is determined using the nominal value of shares that have been issued.

Accumulated losses include all current and prior years' results.

Fair value reserves comprise of unrealised gains and losses relating to financial assets at fair value through other comprehensive income.

(i) Revenue recognition

Dividend income is recognised when the right to receive payment is established. For unquoted securities, this is usually the date when the shareholder has approved the payment of a dividend.

Interest income is recognised on an accrual basis unless significant uncertainty as to collectability exists.

(j) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

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 end of the reporting period and any adjustment to tax payable or receivable in respect of previous years. Current tax assets and liabilities can be offset in the statement of financial position only if certain criteria are met.

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 the following temporary differences: 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 and differences relating to investment in associates to the extent that it is probable that they will not reverse in the foreseeable future.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. Material accounting policy information (continued)

(j) *Income tax (continued)*

Deferred tax (continued)

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognised for unused tax losses, 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 utilised. Deferred tax assets are reviewed at each reporting period 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.

Unrecognised 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 assets and liabilities are offset only if certain criteria are met. Deferred tax assets and deferred tax liabilities are offset if, and only if, the entity has 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 on either the same taxable entity, or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(k) *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.

(l) *Comparatives*

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

4. New and revised standards that are effective for the year beginning 01 April 2023

In the current year, the following revised standards issued by the IASB became mandatory for the first time for the financial year beginning on 01 April 2023:

| | |
|---------|--|
| IFRS 17 | Insurance Contracts (Amendments to IFRS 17 Insurance Contracts) |
| IFRS 4 | Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) |
| IFRS 17 | Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to IFRS 17) |
| IAS 1 | Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2) |

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

4. New and revised standards that are effective for the year beginning 01 April 2023 (continued)

| | |
|--------|---|
| IAS 8 | Definition of Accounting Estimates (Amendments to IAS 8) |
| IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) |
| IAS 12 | International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12). |

Management has assessed the impact of the amendments and concluded that they have no significant impact on the disclosures of these financial statements.

5. Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain 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 activity, will be adopted in the Company's accounting policies for the first year beginning after the effective date of the pronouncements. Information on amendments to existing standards is provided below:

| | |
|------------------|---|
| IAS 1 | Classification of Liabilities as Current or Non-current (Amendments to IAS 1) |
| IFRS 16 | Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) |
| IAS 1 | Non-current Liabilities with Covenants (Amendments to IAS 1) |
| IAS 7 and IFRS 7 | Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) |
| IAS 21 | Lack of Exchangeability (Amendments to IAS 21) |

Management has yet to assess the impact of the above amendments to existing standards on the Company's financial statements.

6. Taxation

The Company holds a Global Business Licence for the purpose of the Financial Services Act 2007 of Mauritius.

Subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of certain specific income, with the remaining 20% of the income to be subject to a 15% tax, resulting in an effective tax rate of 3%.

India

As a tax resident of the Republic of Mauritius, the Company expects to obtain benefits under the double taxation treaty between India and Mauritius ("DTAA"). To obtain benefits under the double taxation tax treaty, the Company must meet certain tests and conditions, including the establishment of Mauritius tax residence and related requirements. The Company has obtained a tax residence certificate ("TRC") from the Mauritius Revenue Authority, renewable annually and believes such certification is determinative of its resident status for treaty purposes.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Taxation (continued)

India (continued)

Following the amendments to India-Mauritius treaty made on 10 May 2016, taxation rights on capital gains arising on disposal of shares have been shifted from Mauritius to India effective from 01 April 2017 and there has been the implementation of Long-Term Capital Gain Tax (“LTCGT”) in the Republic of India on long term capital gains.

However, gains on investments in shares acquired up to 31 March 2017 shall be grandfathered and thus exempted from capital gains tax in the Republic of India irrespective of the date of disposal.

In addition, based on the update in the Finance bill in the Republic of India in April 2018, the cost of acquisition for the long-term capital asset acquired on or before 31 January 2018 shall be the actual cost. However, if the actual cost is less than the fair market value of such asset as on 31 January 2018, the fair market value shall be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, shall be deemed to be the cost of acquisition. It has also been clarified that the holding period for computation of LTCGT shall be counted from the date of acquisition.

At the reporting date, there were no provision for capital gains tax required as the investment in associates are carried at cost less impairment and a fair value loss on re-measurement was recognised in respect of the financial assets at fair value through other comprehensive income.

Tax reconciliation

| | <u>2024</u> | <u>2023</u> |
|-----------------------------------|-------------------|----------------------|
| | USD | USD |
| Profit/(loss) before tax | <u>65,556,612</u> | <u>(196,872,013)</u> |
| Tax at 15% | 9,833,492 | (29,530,802) |
| Less: non-taxable income | (9,800,675) | - |
| Add: non-allowable expense | 204 | 29,494,525 |
| Deferred tax asset not recognised | (33,021) | 36,277 |
| Withholding tax suffered | 12,804 | 32 |
| Tax refund received | - | (2,325) |
| Tax expense/(credit) | <u>12,804</u> | <u>(2,293)</u> |

No deferred tax asset has been recognised in respect of the tax losses carried forward as it is not probable that future taxable income will be available against which tax losses may be utilised.

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
7. Investment in associates
(i) Movement during the year

| | <u>2024</u> | <u>2023</u> |
|---------------------------------------|----------------------|----------------------|
| | USD | USD |
| <i>Cost</i> | | |
| At 01 April | 233,685,998 | 172,286,856 |
| Addition during the year | - | 61,399,142 |
| At 31 March | <u>233,685,998</u> | <u>233,685,998</u> |
| <i>Fair value movement/impairment</i> | | |
| At 01 April | (196,630,166) | - |
| Movement during the year | 65,337,830 | (196,630,166) |
| At 31 March | <u>(131,292,336)</u> | <u>(196,630,166)</u> |
| Carrying value at 31 March | <u>102,393,662</u> | <u>37,055,832</u> |

(ii) Details of investments are as follows:

| <u>Name of investee company</u> | <u>Type and number of shares</u> | <u>Country of incorporation</u> | <u>Cost of Investments USD</u> | <u>Carrying value of investments USD</u> | <u>% Holding</u> |
|---|---|---------------------------------|---------------------------------------|--|-----------------------------|
| Bombay Dyeing & Manufacturing Company Ltd | Equity shares 53,607,000 (2023: 53,607,000) | Republic of India | 58,483,484 (2023: 58,483,484) | 102,393,660 (2023: 37,055,830) | 25.96% (2023: 25.96%) |
| Go Airlines (India) Limited | Equity shares 131,741,666 (2023: 65,075,000) | Republic of India | 175,202,514 (2023: 113,803,372) | 2 (2023: 1) | 45.55% (2023: 29.24%) |
| Go Airlines (India) Limited | Compulsory convertible preference shares ("CCPS") Nil (2023: 500,000,000) | Republic of India | Nil (2023: 61,399,142) | Nil (2023: 1) | Nil (2023: 100%) |

- (iii) The Company holds 25.96% (2023: 25.96%) of equity shares in Bombay Dyeing & Manufacturing Company Ltd. The equity shares of the investee are listed on the Bombay Stock Exchange and the National Stock Exchange of India.
- (iv) The Company holds 45.55% (2023: 29.24%) and Nil (2023: 100%) of equity shares and preference shares respectively in Go Airlines (India) Limited. During the year, the preference shares were converted to equity shares in the ratio of 15:2 (every 15 preference shares will be converted into 2 equity shares). The investee company is a privately held company.
- (v) The fair value gain on remeasurement amounted to USD 65,337,830 (2023: fair value loss and impairment loss of USD 196,630,166).

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
7. Investment in associates (continued)

(vi) The investment in Go Airlines (India) Limited continue to be stated at nominal value of USD 2.

(vii) No consolidated financial statements are presented since the Company has taken the following exemption. In accordance with the Fourteenth Schedule of the Mauritius Companies Act 2001 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 2001, *Content and form of financial statements*, these financial statements present the financial position, financial performance and cash flow of the Company. Since 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 2001 which allows the use of International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board, except for the standard applicable to Investments in Associates (IAS 28).

8. Financial assets at fair value through other comprehensive income

(i) Movement during the year

| | 2024 | 2023 |
|--|-------------------|--------------------|
| | USD | USD |
| <i>Cost</i> | | |
| At 01 April | 20,893,324 | 101,230 |
| Addition during the year | - | 20,792,094 |
| At 31 March | <u>20,893,324</u> | <u>20,893,324</u> |
| <i>Fair value reserve</i> | | |
| At 01 April | (3,249,539) | (28,066) |
| Fair value gain/(loss) on re-measurement | 3,144,217 | (3,221,473) |
| At 31 March | <u>(105,322)</u> | <u>(3,249,539)</u> |
| Fair value at 31 March | <u>20,788,002</u> | <u>17,643,785</u> |

(ii) Details of investment are as follows:

| Name of investee company | Type and number of shares | Country of incorporation | Nominal value of investments USD | Fair value of investments USD | % Holding |
|--|--|--------------------------|------------------------------------|-------------------------------------|-----------------------------|
| Naperol Investments Limited (formerly National Peroxide Limited) | Equity shares 1,171,500 (2023: 1,171,500) | Republic of India | 5,363,316 (2023: 20,893,324) | 11,323,931 (2023: 17,643,785) | 20.38% (2023: 20.38%) |
| National Peroxide Limited (formerly NPL Chemicals Limited) | Equity shares 1,171,500 (2023: Nil) | Republic of India | 15,530,008 (2023: Nil) | 9,464,071 (2023: Nil) | 20.38% (2023: -) |

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

8. Financial assets at fair value through other comprehensive income (continued)

- (iii) The Company held 20.38% (2023: 20.38%) of equity shares in National Peroxide Limited. Consequent to the merger of Naperol Investments Limited into National Peroxide Limited, National Peroxide Limited has changed its name to Naperol Investments Limited.

The chemical business was demerged from Naperol Investments Limited (*formerly National Peroxide Limited*) into National Peroxide Limited (*formerly NPL Chemicals Limited*) and the Company was allotted 1,171,500 equity shares in National Peroxide Limited (*formerly NPL Chemicals Limited*) and the nominal value was apportioned. Subsequently, NPL Chemicals Limited changed its name to National Peroxide Limited.

An independent valuation was carried out by an external valuer on the shares held into National Peroxide Limited who concluded that the fair value amounted to USD 9,464,071 using the Net Assets Value valuation method.

The shares of Naperol Investments Limited (*formerly National Peroxide Limited*) are listed on the Bombay Stock Exchange.

9. Cash and cash equivalents

| | 2024 | 2023 |
|---------------------|----------------|------------------|
| | USD | USD |
| Cash at bank in USD | <u>481,996</u> | <u>6,275,588</u> |

10. Stated capital

| | 2024 | 2023 |
|------------------------------------|--------------|--------------|
| | USD | USD |
| Issued and fully paid | | |
| 10 ordinary shares of USD 100 each | <u>1,000</u> | <u>1,000</u> |

The holder of ordinary shares carries the following rights:

- (i) the right to one vote on a poll at a meeting of the Company on any resolution;
- (ii) the right to an equal share in dividends authorised by the Board of Directors; and
- (iii) the right to an equal share in the distribution of the surplus assets of the Company.

11. Loans from related parties

| | 2024 | 2023 |
|----------------------------------|--------------------|--------------------|
| | USD | USD |
| Loan from Leila Lands Ltd | 244,340,000 | 214,340,000 |
| Loan from Naira Holdings Limited | 8,610,000 | 8,610,000 |
| | <u>252,950,000</u> | <u>222,950,000</u> |

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
11. Loans from related parties (continued)

- (i) During the year under review, the Company received an additional loan of USD 30,000,000 in cash from related parties.
- (ii) The loans from related parties are unsecured, interest-free and repayable on demand and are managed under the group treasury functions.
- (iii) The loans have been subordinated in favour of other creditors until such time that the Company is in the financial capacity to settle the loans.

12. Other payables

| | <u>2024</u> | <u>2023</u> |
|----------------|--------------|-------------------|
| | USD | USD |
| Accruals | 6,909 | 6,479 |
| Other payables | - | 36,000,000 |
| | <u>6,909</u> | <u>36,006,479</u> |

13. Financial instrument risk

The following table shows the carrying amounts and fair values of financial assets and liabilities.

| | <u>Carrying amount</u> | | <u>Fair value</u> | |
|---|-------------------------|------------------------------|-------------------------|------------------------------|
| | <u>Financial assets</u> | <u>Financial liabilities</u> | <u>Financial assets</u> | <u>Financial liabilities</u> |
| 2024 | USD | USD | USD | USD |
| Investment in associates | 102,393,662 | - | 102,393,662 | - |
| Financial assets at fair value through other comprehensive income | 20,788,002 | - | 20,788,002 | - |
| Cash and cash equivalents | 481,996 | - | 481,996 | - |
| Total | <u>123,663,660</u> | <u>-</u> | <u>123,663,660</u> | <u>-</u> |
| Loans from related parties | - | 252,950,000 | - | 252,950,000 |
| Other payables | - | 6,909 | - | 6,909 |
| Total | <u>-</u> | <u>252,956,909</u> | <u>-</u> | <u>252,956,909</u> |

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Financial instrument risk (continued)

The following table shows the carrying amounts and fair values of financial assets and liabilities.

| | Carrying amount | | Fair value | |
|---|-------------------|-----------------------|-------------------|-----------------------|
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| | USD | USD | USD | USD |
| 2023 | | | | |
| Investment in associates | 37,055,832 | - | 37,055,832 | - |
| Financial assets at fair value through other comprehensive income | 17,643,785 | - | 17,643,785 | - |
| Cash and cash equivalents | 6,275,588 | - | 6,275,588 | - |
| Total | 60,975,205 | - | 60,975,205 | - |
| Loans from related parties | - | 222,950,000 | - | 222,950,000 |
| Other payables | - | 36,006,479 | - | 36,006,479 |
| Total | - | 258,956,479 | - | 258,956,479 |

(a) Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity 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 risks, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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.

Market risk

Market risk is the risk that the 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 optimising the return.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Financial instrument risk (continued)

(a) Financial risk management (continued)

Market risk (continued)

Currency risk

Currency risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has invested in shares denominated in Indian Rupees (“INR”). Consequently, the Company is exposed to the risk that the exchange rates of the INR relative to the USD may change in a manner which has a material effect on the reported values of the Company’s financial assets at fair value through other comprehensive income which is denominated in INR. The Company does not use any financial instruments to hedge its foreign exchange risk.

The currency profile of the Company’s financial assets and liabilities is summarised as follows:

| | Financial assets 2024 | Financial liabilities 2024 | Financial assets 2023 | Financial liabilities 2023 |
|-----|--------------------------------------|---|-----------------------------|----------------------------------|
| | <u>USD</u> | <u>USD</u> | <u>USD</u> | <u>USD</u> |
| INR | 123,181,664 | - | 54,699,617 | 36,000,000 |
| USD | 481,996 | 252,956,909 | 6,275,588 | 222,956,479 |
| | <u>123,663,660</u> | <u>252,956,909</u> | <u>60,975,205</u> | <u>258,956,479</u> |

It assumes a $\pm 1\%$ change of the USD/INR exchange rate for the year ended 31 March 2024 (2023: 8%). This percentage has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company’s foreign currency financial instruments held at the reporting date. The impact of such change on the Company’s profit/(loss) for the year and equity will be **USD 1,231,817** (2023: USD 1,495,969).

Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is not exposed to the risk of changes in market interest rates as the loans from related parties are interest-free and cash and cash equivalents are not placed as deposits with banks.

Price risk

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Company is exposed to equity securities price risk in respect to its quoted investments.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Financial instrument risk (continued)

(a) Financial risk management (continued)

Market risk (continued)

Price risk (continued)

The Company has invested in equity shares of Naperol Investments Limited and Bombay Dyeing & Manufacturing Company Ltd which are listed companies on the National Stock Exchange of India and Bombay Stock Exchange. The fair values are therefore directly linked to the movement in the share prices of the investments.

Price risk sensitivity

The Board of Directors assumes a $\pm 20\%$ change in the share price, which reflects the best estimate of the effect on net liabilities and net profit/(loss) due to a reasonably possible change in share price, with all other variables held constant and the effect is as follows:

| % change in share price | 2024 | | 2023 | |
|-------------------------|----------------------------------|-------------------------|-------------------------|---|
| | Effect on net liabilities USD | Effect on profit USD | % change in share price | Effect on net liabilities and loss USD |
| + 20% | (22,743,519) | 22,743,519 | + 20% | (10,939,923) |
| - 20% | 22,743,519 | (22,743,519) | - 20% | 10,939,923 |

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

| | 2024 USD | 2023 USD |
|---|--------------------|-------------------|
| Non-current assets | | |
| Investment in associates | 102,393,662 | 37,055,832 |
| Financial assets at fair value through other comprehensive income | 20,788,002 | 17,643,785 |
| | <u>123,181,664</u> | <u>54,699,617</u> |
| Current assets | | |
| Cash and cash equivalents | 481,996 | 6,275,588 |
| Total financial assets | <u>123,663,660</u> | <u>60,975,205</u> |

The investments in Naperol Investments Limited, National Peroxide Limited, Bombay Dyeing & Manufacturing Company Ltd and Go Airlines (India) Limited had a fair value of **USD 123,181,664** (2023: USD 54,699,617) at the reporting date and this represents the maximum exposure to credit risk.

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
13. Financial instrument risk (continued)
(a) Financial risk management (continued)
Credit risk (continued)

The credit risk for the bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

None of the financial assets are secured by collateral or other credit enhancements.

Liquidity risk

Liquidity 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 objective is to maintain sufficient cash resources to meet its obligations as and when they fall due.

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 table below summarises the contractual maturity profile of the Company's financial liabilities:

| 2024 | Less than 12 months USD | > 1 year USD | Total USD |
|----------------------------|-------------------------------|-----------------|--------------------|
| Loans from related parties | 252,950,000 | - | 252,950,000 |
| Other payables | 6,909 | - | 6,909 |
| Total | <u>252,956,909</u> | <u>-</u> | <u>252,956,909</u> |
| | | | |
| 2023 | Less than 12 months USD | > 1 year USD | Total USD |
| Loans from related parties | 222,950,000 | - | 222,950,000 |
| Other payables | 36,006,479 | - | 36,006,479 |
| Total | <u>258,956,479</u> | <u>-</u> | <u>258,956,479</u> |

(b) Fair value measurement
(i) Fair value measurement of financial assets

Fair value measurements are classified into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value. The hierarchy prioritises the inputs to valuation techniques used to measure fair value based on their observable or unobservable nature.

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
13. Financial instrument risk (continued)
(b) Fair value measurement (continued)
(i) Fair value measurement of financial assets (continued)

The three levels are as follows:

Level 1 - valued using quoted prices (unadjusted) in active markets for identical financial instruments;

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

The following table shows the fair values of financial instruments measured at fair value.

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|---|--------------------|----------------|------------------|--------------------|
| 2024 | | | | |
| Investment in associates | 102,393,660 | - | 2 | 102,393,662 |
| Financial assets at fair value through other comprehensive income | 11,323,931 | - | 9,464,071 | 20,788,002 |
| | <u>113,717,591</u> | <u>-</u> | <u>9,464,073</u> | <u>123,181,664</u> |
| 2023 | | | | |
| Investment in associates | 37,055,830 | - | 2 | 37,055,832 |
| Financial assets at fair value through other comprehensive income | 17,643,785 | - | - | 17,643,785 |
| | <u>54,699,615</u> | <u>-</u> | <u>2</u> | <u>54,699,617</u> |

Measurement of fair value of financial instruments

The method and valuation technique used for the purpose of measuring fair value are detailed below:

Quoted investments

The fair values of the investments have been determined by the closing prices as quoted on the relevant stock exchanges.

Unquoted investments

Unquoted investments are valued on the basis of the net assets value method which is considered as the most appropriate method in the present circumstances. All valuation assumptions and unobservable inputs are discussed at different level of authority. Where appropriate, a market risk factor is applied to the value.

(ii) Fair value measurement of non-financial instruments

At the reporting date, the Company did not have any non-financial assets and non-financial liabilities.

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
14. 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 the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to the shareholder, return capital to the shareholder or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt includes loans from related parties less cash and cash equivalents. Capital includes equity attributable to the equity holders of the parent.

The gearing ratio was as follows:

| | 2024 | 2023 |
|--------------------------------|----------------------|----------------------|
| | USD | USD |
| Loans from related parties | 252,950,000 | 222,950,000 |
| Less cash and cash equivalents | (481,996) | (6,275,588) |
| Net debt | <u>252,468,004</u> | <u>216,674,412</u> |
| Stated capital | 1,000 | 1,000 |
| Fair value reserve | (105,322) | (3,249,539) |
| Accumulated losses | (129,188,927) | (194,732,735) |
| Total equity | <u>(129,293,249)</u> | <u>(197,981,274)</u> |
| Equity and net debt | <u>123,174,755</u> | <u>18,693,138</u> |
| Gearing ratio | <u>205.0%</u> | <u>1,159.1%</u> |

The Company reviews, under policies devised by the holding companies, its capital structure regularly in light of changes in economic conditions and development plans. The Company may commit additional funds through related party loans.

15. Related party transactions

During the year under review, the Company had transactions with related parties. The nature, volume of transactions and the balances are as follows:

(a) Related parties and nature of relationship:

| Name of related party | Relationship |
|---|--|
| Leila Lands Ltd | Related party (fellow subsidiary) |
| Naira Holdings Limited | Related party (fellow subsidiary) |
| Bombay Dyeing & Manufacturing Company Ltd | Associate company |
| Go Airlines (India) Limited | Associate company |
| National Peroxide Limited (<i>formerly NPL Chemicals Limited</i>) | Associate company |
| Naperol Investments Limited (<i>formerly National Peroxide Limited</i>) | Associate company |
| IQ EQ Corporate Services (Mauritius) Ltd | Management company and company secretary |

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Related party transactions (continued)

(b) Transactions during the year:

| | 31 March 2024 | Related parties | Associate company | Management company |
|----------|--|-----------------|-------------------|--------------------|
| | | USD | USD | USD |
| 1 | Loans payable | | | |
| | Leila Lands Ltd | 30,000,000 | - | - |
| 2 | Other payables | | | |
| | Go Airlines (India) Limited | - | (36,000,000) | - |
| 3 | Dividend income | | | |
| | Naperol Investments Limited (formerly National Peroxide Limited) | - | 13,834 | - |
| | National Peroxide Limited (formerly NPL Chemicals Limited) | - | 242,246 | - |
| 4 | Professional fees | | | |
| | IQ EQ Corporate Services (Mauritius) Ltd | - | - | (18,045) |
| 5 | Director fees | | | |
| | IQ EQ Corporate Services (Mauritius) Ltd | - | - | (2,376) |

| | 31 March 2023 | Related parties | Associate company | Management company |
|----------|--|-----------------|-------------------|--------------------|
| | | USD | USD | USD |
| 1 | Loans payable | | | |
| | Leila Lands Ltd (net) | 53,900,000 | - | - |
| | Naira Holdings Limited | (2,000,000) | - | - |
| 2 | Investments | | | |
| | Go Airlines (India) Limited | - | 61,399,142 | - |
| | National Peroxide Limited | - | 20,792,094 | - |
| 3 | Dividend income | | | |
| | National Peroxide Limited | - | 212 | - |
| 4 | Professional fees | | | |
| | IQ EQ Corporate Services (Mauritius) Ltd | - | - | (17,610) |
| 5 | Director fees | | | |
| | IQ EQ Corporate Services (Mauritius) Ltd | - | - | (2,000) |

(c) Balances due to the related parties:

| | 31 March 2024 | Related parties | Associate company | Management company |
|----------|------------------------|-----------------|-------------------|--------------------|
| | | USD | USD | USD |
| 1 | Loan payable | | | |
| | Leila Lands Ltd | 244,340,000 | - | - |
| | Naira Holdings Limited | 8,610,000 | - | - |

BAYMANCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
15. Related party transactions (continued)
(c) Balances due to the related parties (continued):

| | 31 March 2023 | Related parties | Associate company | Management company |
|---|-----------------------------|-----------------|-------------------|--------------------|
| | | USD | USD | USD |
| 1 | Loan payable | | | |
| | Leila Lands Ltd | 214,340,000 | - | - |
| | Naira Holdings Limited | 8,610,000 | - | - |
| 2 | Other payables | | | |
| | Go Airlines (India) Limited | - | 36,000,000 | - |

16. Reconciliation of liabilities arising from financing activities

| | 2023 | Cash flows | Non-cash changes | 2024 |
|----------------------------|--------------------|-------------------|------------------|--------------------|
| | USD | USD | USD | USD |
| Loans from related parties | <u>222,950,000</u> | <u>30,000,000</u> | - | <u>252,950,000</u> |
| | 2022 | Cash flows | Non-cash changes | 2023 |
| | USD | USD | USD | USD |
| Loans from related parties | <u>171,050,000</u> | <u>51,900,000</u> | - | <u>222,950,000</u> |

17. Holding and ultimate holding companies

The Company is a wholly-owned subsidiary of Leila Lands Sdn. Berhad, an unquoted company incorporated in Malaysia. The ultimate holding company is The Bombay Burmah Trading Corporation Limited, a company incorporated in the Republic of India and listed on the National Stock Exchange of India and the Bombay Stock Exchange.

18. Consolidated financial statements

The ultimate holding company, The Bombay Burmah Trading Corporation Limited, prepares consolidated financial statements, for public use, in accordance with Indian GAAP. The registered office of The Bombay Burmah Trading Corporation Limited is 9 Wallace Street, Fort, Mumbai 400 001, Republic of India.

19. Going concern

At 31 March 2024, the Company generated a profit of **USD 65,543,808** (2023: loss of USD 196,869,720) and as at that date, its total liabilities exceeded total assets by **USD 129,293,249**. It is recorded that, as at 31 March 2024, Leila Lands Ltd and Naira Holdings Limited, the related parties, constituted the substantial creditors of the Company with **USD 244,340,000** and **USD 8,610,000** (2023: USD 214,340,000 and USD 8,610,000) respectively. The negative financial indicators in prior year are mainly due to the impairment losses on the investments.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2024

19. Going concern (continued)

The directors have assessed the going concern status of the Company taking into account all available information about the future as well as the continuing financial support from related group companies, which is at least, but is not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. They therefore concluded that it is appropriate to continue preparing the Company's financial statements on a going concern basis.

20. Emphasis of matter – Basis of preparation

As described in Note 19 above, the financial statements have been prepared on a going concern basis and the validity of which depends on the continuing financial support from the group related companies. The directors have assessed the going concern of the Company and formed a reasonable judgement that there is reasonable expectation that the Company will be able to obtain sufficient funds to remain a going concern entity and to meet its obligations as they fall due in the normal course of business.

21. Events after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorisation of these financial statements.