MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

SUBSIDIARY ANNUAL REPORT 2024

INDEX

INDEPENDENT AUDITORS' REPORT

To the Members of Mahindra Hotels and Residences India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Mahindra Hotels and Residences India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policy information 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 ("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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). 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 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 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.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 during the course of our 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 for the Financial Statements

The Company's 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also 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 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.
- 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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 sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 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, 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 Accounting Standards specified under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) The Company has not paid / provided for managerial remuneration for the year ended March 31, 2024.
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 will impact its financial positions.
      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      (iv) (a) 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 or entity, including foreign entities ("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;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("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; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

(v) The Company has not declared/ paid/ declared and paid any dividend during the year.

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 24111212BKERUL4476
Place: Mumbai
Date: April 15, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mahindra Hotels and Residences India Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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 of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 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 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 control 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 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 control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 24111212BKERUL4476
Place: Mumbai
Date: April 15, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in Clause 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

i. (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) According to the information and explanations given to us, the Company does not have intangible assets.

(c) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.

(d) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

(e) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment during the year.

(f) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventory comprising of materials which will be used in the resort have been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancy of 10% or more was noticed on such verification between the physical inventory and the book records.

(b) According to the information and explanations given to us, 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 at any point of time during the year.

iii. According to the information and explanations given to us, the Company has not made investments in or 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 during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

vii. According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. The amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Income Tax, Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2024, which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanation given to us, the Company has not obtained any term loan during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation given to us, the Company has not raised funds on short term basis during the year. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under Clauses 3(ix)(f) and 3(ix)(e) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion and based on our examination, 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. Accordingly, the reporting under Clauses 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) According to the information and explanations given to us, 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 according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has 4 Core Investment Companies.

xvii. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 685.24 Lakhs during the current financial year and Rs. 118.15 Lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and 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 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. According to the information and explanations given to us, company is not liable to adhere compliance under section 135 of the Companies Act, 2013. Accordingly, the reporting Clause 3(xx)of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 24111212BKERUL4476
Place: Mumbai
Date: April 15, 2024

BALANCE SHEET AS AT MARCH 31, 2024

₹ in Lakhs

Particulars	Note	As At March 31, 2024	As At March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	**11,490.28**	–
Capital work-in-progress	3	**228.57**	737.68
Financial Assets			
Other non-current financial assets	4	**6.05**	–
Other non-current tax assets	5	**45.08**	–
Other non-current assets	6	**12.97**	1,013.92
		11,782.95	1,751.60
Current Assets			
Inventories	7	**8.22**	–
Financial Assets			
Trade Receivables	8	**62.13**	–
Cash and Cash Equivalents	9	**65.46**	206.70
Loans	10	**3.00**	–
Other Current Assets	11	**290.96**	74.40
		429.77	281.11
		12,212.72	2,032.70
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	12	**4,500.00**	5.00
Other Equity	13	**(1,235.26)**	(141.15)
		3,264.74	(136.15)
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	14	**8,547.00**	1,971.00
Provisions	15	**10.86**	–
		8,557.86	1,971.00
Current Liabilities			
Financial Liabilities			
Borrowings	16	**–**	53.83
Trade payables	17		
Total outstanding dues of micro enterprises and small enterprises		**5.32**	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		**184.42**	–
Other Financial Liabilities	18	**129.45**	135.09
Provisions	19	**3.23**	–
Other Current Liabilities	20	**67.70**	8.93
		390.12	197.85
		12,212.72	2,032.70

Material Accounting Policy Information **1**

Refer accompanying notes to the financial statements

In terms of our report attached

For B.K. Khare & Company
Chartered Accountants
Firm's Registration No : 105102W

For and on behalf of the Board of Directors

Shirish Rahalkar	**Salil Khare**	**Dhanraj Mulki**	**Kavita Kadav**	**Rishabh Surana**
Partner	Director	Director	Company Secretary	Chief Financial Officer
Membership No: 111212	DIN: 02935665	DIN: 08321516	Membership No: A65291	
Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Note	Year Ended March 31, 2024	Year Ended March 31, 2023
Income:			
Revenue from operations	**21**	**1,030.46**	–
Total Income		**1,030.46**	–
Expenses:			
Employee benefit expenses	**22**	**478.89**	–
Finance Costs	**23**	**676.22**	56.14
Depreciation and amortisation expense	**24**	**408.12**	–
Other Expenses	**25**	**560.59**	62.01
Total Expenses		**2,123.82**	118.15
Profit / (Loss) Before Tax		**(1,093.36)**	(118.15)
Tax Expense			
Current Tax		**–**	–
Deferred Tax		**–**	–
Profit / (Loss) for the Year		**(1,093.36)**	(118.15)
Other comprehensive income			
Items that will not be reclassified to profit or loss :			
Remeasurement of the defined benefit obligation		**(0.75)**	–
Total other comprehensive income for the period		**(0.75)**	–
Total comprehensive income for the year		**(1,094.11)**	(118.15)
Earnings Per Equity Share (Basic & Diluted) (face value of Rs 10 per Equity Share)			
Basic (in Rs)	**26**	**(3.23)**	(236.30)
Diluted (in Rs)	**26**	**(3.23)**	(236.30)
Material Accounting Policy Information	1		

Refer accompanying notes to the financial statements

In terms of our report attached

For B.K. Khare & Company
Chartered Accountants
Firm's Registration No : 105102W

For and on behalf of the Board of Directors

Shirish Rahalkar	**Salil Khare**	**Dhanraj Mulki**	**Kavita Kadav**	**Rishabh Surana**
Partner	Director	Director	Company Secretary	Chief Financial Officer
Membership No: 111212	DIN: 02935665	DIN: 08321516	Membership No: A65291	
Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A Cash Flow from Operating Activities:		
Profit / (Loss) before exceptional items and tax	**(1,093.36)**	(118.15)
Adjustments:		
Depreciation	**408.12**	–
Finance Costs	**676.22**	56.14
Operating profit before working capital changes	**(9.02)**	(62.01)
Changes in working capital:		
(Increase) / Decrease in trade and other receivables	**(287.74)**	74.40
(Increase) / Decrease inventories	**(8.22)**	–
Increase /(Decrease) in provisions	**13.34**	–
Increase /(Decrease) in trade and other liabilities	**242.87**	(129.50)
Income Tax Paid	**(45.08)**	–
Net Cash (used in)/from Operating Activities	**(93.85)**	(117.11)
B Cash Flow from Investing Activities:		
Payments for property, plant and equipment and CWIP	**(10,388.34)**	(1,633.23)
Net Cash (used in)/from Investing Activities	**(10,388.34)**	(1,633.23)
C Cash Flow from Financing Activities:		
Inter Corporate Deposit received from Holding Company	**6,576.00**	**1,955.00**
Proceeds from Issue of shares	**4,495.00**	–
Finance Costs	**(730.05)**	–
Net Cash (used in)/from Financing Activities	**10,340.95**	1,955.00
Net increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**(141.24)**	204.66
Cash & Cash Equivalents:		
Cash and cash equivalents at the beginning of the year	**206.70**	2.04
Cash and cash equivalents at the end of the year	**65.46**	206.70
Net increase / (decrease) as disclosed above	**(141.24)**	204.66

Refer accompanying notes to the financial statements

In terms of our report attached

For B.K. Khare & Company
Chartered Accountants
Firm's Registration No : 105102W

For and on behalf of the Board of Directors

Shirish Rahalkar
Partner
Membership No: 111212

Place : Mumbai
Date : April 15, 2024

Salil Khare
Director
DIN: 02935665

Place : Mumbai
Date : April 15, 2024

Dhanraj Mulki
Director
DIN: 08321516

Place : Mumbai
Date : April 15, 2024

Kavita Kadav
Company Secretary
Membership No: A65291

Place : Mumbai
Date : April 15, 2024

Rishabh Surana
Chief Financial Officer

Place : Mumbai
Date : April 15, 2024

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

a. Equity share capital

Particulars	₹ in Lakhs Amount
As at April 1, 2022	**5.00**
Changes in equity share capital during the year	
Issue of equity shares during the year	**–**
As at March 31, 2023	**5.00**
Changes in equity share capital during the year	
Issue of equity shares during the year	4,495.00
As at March 31, 2024	**4,500.00**

b. Other equity

₹ in Lakhs

Particulars	Reserves & Surplus Retained earnings	Items of other comprehensive income Remeasurements of the defined benefit liabilities / (assets)	Total
As at April 1, 2022	(23.00)	–	(23.00)
Loss for the year	(118.15)	–	(118.15)
Other comprehensive income	–	–	–
Total	**(118.15)**	**–**	**(118.15)**
As at March 31, 2023	**(141.15)**	**–**	**(141.15)**
Loss for the year	**(1,093.36)**	**–**	
Other comprehensive income		**(0.75)**	
Total	**(1,093.36)**	**(0.75)**	**(1,094.11)**
As at March 31, 2024	**(1,234.51)**	**(0.75)**	**(1,235.26)**

Refer accompanying notes to the financial statements

In terms of our report attached

For B.K. Khare & Company Chartered Accountants Firm's Registration No : 105102W	For and on behalf of the Board of Directors			
Shirish Rahalkar Partner Membership No: 111212	**Salil Khare** Director DIN: 02935665	**Dhanraj Mulki** Director DIN: 08321516	**Kavita Kadav** Company Secretary Membership No: A65291	**Rishabh Surana** Chief Financial Officer
Place : Mumbai Date : April 15, 2024	Place : Mumbai Date : April 15, 2024	Place : Mumbai Date : April 15, 2024	Place : Mumbai Date : April 15, 2024	Place : Mumbai Date : April 15, 2024

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

1 (A) Corporate Information

The Company was incorporated on April 26, 2007 and has started to generate revenue in the current year.

During the year, the board has approved acquisition of resorts situated in Rajasthan at a consideration along with improvement plan and acquisition of adjacent land.

1 (B) Material Accounting Policy Information

(i) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(ii) Basis of preparation and presentation

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 of the Company have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

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 takes into account 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.

In addition, for financial reporting purposes, fair value measurements are categorized 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.

The principal accounting policies are set out below.

(iii) Revenue recognition

Income from resorts include income from room rentals, food and beverages, etc. and is recognized when services are rendered.

(iv) Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company’s current tax is calculated using tax rates that have been enacted by the end of the reporting period. Since the company has commenced operations during the current year and has not generated any profit before tax, current tax is Nil. Considering the fact that this is the first year of operations the deferred tax asset is not recognised.

(v) Property, plant and equipment and Capital Work In Progress

Buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is measured at fair value and not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, commences when the assets are ready for their intended use.

Category of Asset	Estimated useful lives
Buildings (other than those mentioned below)	60 years
Furniture & Fixtures (Resort)	8 years
Furniture & Fixtures (other than above)	10 years
Motor Vehicle	8 years
Plant & Equipment	5 - 15 years
Office equipment	5 years

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized 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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(vi) Inventories

Inventories are carried at the lower of cost and net realizable value. Costs of inventories are determined on moving weighted average basis. Cost includes the purchase price, non-refundable taxes and delivery handling cost. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(vii) 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.

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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(viii) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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 profit or loss.

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.

Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

 (i) to receive cash or another financial asset from another entity; or

 (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the Company; or

(d) a contract that will or may be settled in the Company's own equity instruments and is:

 (i) 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

 (ii) 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.

Classification of financial assets

Debt

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

A debt instrument that meets the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Debt instruments classified as FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The Company has not designated any debt instrument as at FVTPL.

Equity

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial Liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

 (i) to deliver cash or another financial asset to another entity; or

 (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

 (i) 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

 (ii) 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.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized 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'.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Impairment of 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cashgenerating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cashgenerating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or 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. An impairment loss is recognized immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

(ix) Cash flow statements

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit before extra-ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

(x) Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xi) Operating cycle

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(xii) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions 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) Defined benefit plans (gratuity) - The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies {Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would be applicable from 01st April' 2024.

2 Property, Plant and Equipment

₹ in Lakhs

Description of Assets	Land - Freehold	Buildings - Freehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block							
Balance as at 1 April, 2023	–	–	–	–	–	–	–
Additions	2,291.46	7,392.19	1,059.53	72.34	1,073.70	9.18	11,898.40
Balance as at 31 March, 2024	**2,291.46**	**7,392.19**	**1,059.53**	**72.34**	**1,073.70**	**9.18**	**11,898.40**
II. Accumulated depreciation and impairment for the year							
Balance as at 1 April, 2023	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Depreciation / amortisation expense for the year	**–**	**97.49**	**112.14**	**9.36**	**188.57**	**0.56**	**408.12**
Eliminated on disposal of assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Balance as at 31 March, 2024	**–**	**97.49**	**112.14**	**9.36**	**188.57**	**0.56**	**408.12**
Net block (I-II)							
Balance as at 31 March, 2024	**2,291.46**	**7,294.70**	**947.39**	**62.98**	**885.13**	**8.62**	**11,490.28**
Balance as at 31 March, 2023	**–**	**–**	**–**	**–**	**–**	**–**	**–**

3 Capital work-in-progress

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Work in Progress (refer note 33)	**228.57**	737.68
	228.57	737.68

4 Other non-current financial assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	**6.05**	–
	6.05	–

5 Other non-current tax assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Other non-current tax assets (Net of provisions)	**45.08**	–
	45.08	–

6 Other non-current assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	**12.97**	1,013.92
	12.97	1,013.92

7 Inventories

(At lower of cost and net realisable value)

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Food and beverages	**4.92**	–
Operating supplies	**3.30**	–
	8.22	–

8 Trade Receivable

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	**62.13**	–
(Due for less than six months and within the next one year)		
	62.13	–

9 Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
-On Current Account	**65.39**	206.70
Cash on hand	**0.07**	–
	65.46	206.70

10 Loans

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans and advances to employees	3.00	–
Unsecured, considered good		
	3.00	–

11 Other Current Assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Suppliers		
Considered good	32.84	4.21
Balance with Government authorities (excluding income taxes)	257.79	70.19
	290.96	74.40

12 Share Capital

₹ in Lakhs

Particulars	As at March 31, 2024 No. of Shares	As at March 31, 2024 ₹	As at March 31, 2023 No. of Shares	As at March 31, 2023 ₹
Authorised:				
Equity Shares of Rs. 10 each with voting rights	50,000,000	5,000.00	50,000,000	5,000.00
	50,000,000	5,000.00	50,000	5,000.00
Issued, Subscribed & Paid up:				
Equity:				
Equity Shares of Rs. 10 each with voting rights	45,000,000	4,500.00	50,000	5.00
	45,000,000	4,500.00	50,000	5.00

Notes:

1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity share is entitled to one vote per share.

2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

3 Reconciliation of No. of Shares and amount outstanding at the beginning and at the end of the reporting period:

₹ in Lakhs

Particulars	As at March 31, 2024 No. of Shares	As at March 31, 2024 ₹	As at March 31, 2023 No. of Shares	As at March 31, 2023 ₹
At the beginning of the year	50,000	5.00	50,000	5.00
Add: Issued during the year	44,950,000.00	4,495.00	–	–
At the end of the year	45,000,000.00	4,500.00	50,000	5.00

4 Shares in the company held by each shareholder holding more than 5% shares specifying the no. of shares held

Name of the Shareholder	No. of Shares March 31, 2024	% held As at March 31, 2024	No. of Shares March 31, 2023	% held As at March 31, 2023
Mahindra Holidays & Resorts India Limited	44,999,994	100.00%	49,994	99.99%

5 Shareholding of Promoters in the company

Shares held by promoters at the end of 31st March, 2024

Promoter Name	No. of Shares	% to Total Shares	% Change during the year
Mahindra Holidays & Resorts India Limited	44,999,994	100.00%	0.01%

Shares held by promoters at the end of March 31st March, 2023

Promoter Name	No. of Shares	% to Total Shares	% Change during the year
Mahindra Holidays & Resorts India Limited	49,994	99.99%	0.00%

13 Other Equity

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Surplus / (Deficit) in Statement of Profit & Loss		
As per last balance sheet	(141.15)	(23.00)
Add: Profit / (Loss) for the year	(1,093.36)	(118.15)
	(1,234.51)	(141.15)
Other Comprehensive Income		
As per last balance sheet	–	–
Add: Profit / (Loss) for the year	(0.75)	–
	(0.75)	–

14 Borrowings - Non current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans from related party*	**8,547.00**	1,971.00
	8,547.00	1,971.00

*The loan (Inter Corporate Deposit) is taken from Mahindra Holidays & Resorts India Limited and carries an interest rate of 10.05% p.a.(previous year - 8.75% p.a)

15 Provisions

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity	**2.48**	–
Compensated Absences	**8.38**	–
	10.86	–

16 Short Term-Borrowings

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on Loans from related party	**–**	53.83
	–	53.83

17 Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	**5.32**	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	**184.42**	–
	189.74	–

Trade payables ageing Schedule

FY. 2023-24 **₹ in Lakhs**

Particulars	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	5.32	–	–	–	5.32
(ii) Others	184.42	–	–	–	184.42
	189.74	–	–	–	189.74

FY. 2022-23 **₹ in Lakhs**

Particulars	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) Others	–	–	–	–	–
	–	–	–	–	–

18 Other Financial Liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for capital supplies/services	**6.39**	96.13
Other payables	**18.98**	16.72
Employee Payable	**34.66**	–
Creditor Retention Money	**69.42**	22.24
	129.45	135.09

19 Provisions

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity	**0.01**	–
Compensated Absences	**3.22**	–
	3.23	–

20 Other Expenses

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Taxes (excluding income taxes) and other statutory dues	**67.70**	8.93
	67.70	8.93

21 Revenue from Operations

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Income from resort :		
Room rentals	**249.47**	–
Food and beverages	**267.83**	–
Others	**474.45**	–
Holiday Activity	**38.71**	–
	1,030.46	–

22 Employee benefit expenses

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and wages, including bonus	**473.84**	–
Staff welfare expenses	**5.05**	–
	478.89	–

23 Finance Costs

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on ICD	**676.22**	56.14
	676.22	56.14

24 Depreciation and amortisation expense

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation and amortisation expense	**408.12**	–
	408.12	–

25 Other Expenses

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Cost of food and beverages consumed		
Opening stock	**–**	–
Add: Purchases	**128.86**	–
Less: Closing stock	**4.92**	–
	123.94	–
Operating supplies	**107.35**	–
Power and Fuel	**118.10**	–
Printing and Stationery	**1.10**	–
Rates and Taxes	**12.63**	0.75
Insurance	**0.65**	–
Consultancy charges	**16.08**	39.16
Marketing expenses	**4.51**	–
Legal charges	**0.09**	–
Auditors' Remuneration	**1.25**	0.75
Repairs and maintenance		
Building	**10.25**	0.18
Plant and equipment	**14.00**	0.32
Others	**57.65**	17.65
Service charges	**50.16**	–
Travelling and Conveyance	**15.37**	0.62
Miscellaneous expenses	**27.46**	2.58
	560.59	62.01

25 a) Auditors Remuneration (Net of Taxes) included in Other Expenses above:

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Statutory Audit Fees	**1.25**	0.75
	1.25	0.75

26 Earnings per Share

in ₹

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted Earnings per share (Rs)	**(3.23)**	(236.30)

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profits used in the calculation of basic earnings per share and diluted earnings per share from continuing operations (Rs in lakhs)	**(1,093.36)**	(118.15)
Weighted average number of equity shares	**33,823,907**	50,000
Earnings per share - Basic and Diluted (Rs)	**(3.23)**	(236.30)

27 Categories of financial assets and financial liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	
	Amortised Costs	Total
Non-Current Assets		
Other non-current financial assets	**6.05**	6.05
Current Assets		
Cash & Bank balances	**65.46**	65.46
Trade Receivables	**62.13**	62.13
Loans	**3.00**	3.00
Non-Current Liabilities		
Borrowings	**8,547.00**	8,547.00
Current Liabilities		
Borrowings	**–**	–
Trade Payables	**189.74**	–
Other Financial Liabilities	**129.45**	129.45

₹ in Lakhs

Particulars	As at March 31, 2023 Amortised Costs	Total
Current Assets		
Cash & Bank balances	206.70	206.70
Current Liabilities		
Borrowings	2,024.83	2,024.83
Other Financial Liabilities	135.09	135.09

28 Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

The fair value of the financial assets and financial liabilities that are not measured at fair value is closely approximates the carrying value as disclosed below:

₹ in Lakhs

Particulars	**March 31, 2024**		March 31, 2023	
	Carrying Amount	**Fair value**	Carrying Amount	Fair value
Financial assets				
Other non-current financial assets	**6.05**	**6.05**	–	–
Cash and Cash Equivalents	**65.46**	**65.46**	206.70	206.70
Trade Receivables	**62.13**	**62.13**	–	–
Loans	**3.00**	**3.00**	–	–
Financial liabilities				
Borrowings	**8,547.00**	**8,547.00**	2,024.83	2,024.83
Trade Payables	**189.74**	**189.74**	–	–
Other Financial Liabilities	**129.45**	**129.45**	135.09	135.09

29 Capital Commitment

₹ in Lakhs

Particulars	**As at March 31, 2024**	As at March 31, 2023
Estimated amount of contracts remaining to be executed on Property, Plant & Equipment and not provided for (net of advances)	**34.78**	191.17

30 Ratios

Ratios	Formula	**For the year ended March 31, 2024**	For the year ended March 31, 2023	% Variance
Current Ratio	Current Asset / Current Liability	**1.10**	1.42	(22)%
Debt-Equity Ratio	Total debt / Shareholders equity	**2.62**	(14.87)	(118)%
Debt Service Coverage Ratio	Net operating income / debt (principal+interest)	**(0.00)**	0.03	(103)%
Return on Equity Ratio	Profit after tax / Average Total shareholders Equity	**(0.70)%**	1.53%	(146)%
Inventory turnover ratio	Cost of Food, beverages and operating supplies / Average inventory	**56.27**	–	–
Trade receivable turnover ratio	Turnover / Average Trade receivables	**33.17**	–	–
Trade payable turnover ratio	Purchases / Average Trade Payables	**2.95**	–	–
Net Capital turnover ratio	Turnover / Working Capital	**16.77**	–	–
Net Profit ratio	Profit after tax / Turnover	**(1.06)**	–	–
Return on Capital employed	Earning before Interest and tax / Capital employed	**(0.13)%**	(0.03)%	289%
Return on investment	Net profit / Cost of investment	**(0.24)%**	(23.63)%	(99)%

Reason for variance:

During the year, resort has commenced the operations. As results, there are major movement in ratio compared to previous year.

31 Segment Disclosure

The Company is primarily engaged in the business of maintenance and running of resort and related services in India. As such, the Company operates in a single segment and there are no separate reportable segments. The same is consistent with the information reviewed by the chief operating decision maker (CODM).

32 Related Party Disclosure

(i) Names of related parties and nature of relationship where control exists:

Nature of Relationship	Name of the Related Party
Holding Company	Mahindra Holidays & Resorts India Limited
Ultimate Holding Company	Mahindra & Mahindra Limited

(ii) Related Party Transactions and balances

₹ in Lakhs

Particulars	**As at March 31, 2024**	As at March 31, 2023
Holding company		
Transactions during the year:		
Interest accrued on ICD	**676.22**	56.14
ICD Availed	**6,576.00**	1,955.00
Sale of services	**509.92**	–
Reimbursement received	**25.00**	82.43
Reimbursement paid	**238.59**	–
Issue of Shares	**4,495.00**	–
Ultimate Holding company		
Usage of Trademark	**1.00**	–
Holding company		
Balances as at:		
ICD Outstanding	**8,547.00**	1,971.00
Interest accrued but not due on ICD	**–**	53.83
Balance Payable	**0.58**	89.23

33 Capital work in progress (CWIP) and expenditure during construction pending allocation included therein (refer note 3):

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	**737.68**	–
Additions during the current year to CWIP	**11,337.60**	737.68
Less - Capitalization/(Deletions) during the current year from CWIP	**11,846.70**	–
Balance as at end of the year	**228.58**	737.68

₹ in Lakhs

CWIP: As at March 31, 2024 amount in CWIP for a period of	Less than 1 year	Total
Projects in progress	**228.58**	228.58
Projects temporarily suspended	**–**	–
Total	**228.58**	228.58

₹ in Lakhs

CWIP: As at March 31, 2023 amount in CWIP for a period of	Less than 1 year	Total
Projects in progress	**737.68**	737.68
Projects temporarily suspended	**–**	–
Total	**737.68**	737.68

34 Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 17.67 Lakhs (2023: Rs. nil) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans (Gratuity)

The Company does not have a funded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The Gratuity scheme of the Company is not funded.

Defined benefit plans – as per actuarial valuation

₹ in Lakhs

Particulars	Unfunded Plan Gratuity	
	2024	2023
Expense recognised in the Statement of Profit and Loss for the year ended March 31:		
Current service cost	**1.19**	–
Net Interest cost	**0.04**	–
Components of defined benefit costs recognised in profit & loss	**1.23**	–
Included in other Comprehensive Income:		
Actuarial (Gain)/Loss on Obligation For the Period :		
Financial Assumptions	**0.74**	–
Experience Adjustments	**0.01**	–
Net (Income)/Expense For the Period Recognized in OCI	**0.75**	–

₹ in Lakhs

Particulars	Unfunded Plan Gratuity	
	2024	2023
Net Liability recognised in the Balance Sheet as at March 31:		
1. Present value of defined benefit obligation as at March 31	**2.49**	–
2. Fair value of plan assets as at March 31	–	–
3. Deficit	**2.49**	–
4. Current portion of the above	**0.01**	–
5. Non current portion of the above	**2.48**	–
Change in the obligation during the year ended March 31:		
Present value of defined benefit obligation at the beginning of the year	–	–
Expenses Recognised in the Statement of Profit and Loss	**1.23**	–
- Current Service Cost	**1.19**	–
- Interest Expense	**0.04**	–
Recognised in Other Comprehensive Income	**0.75**	–
Net Liability/(Asset) Transfer In	**0.51**	–
Present value of defined benefit obligation at the end of the year	**2.49**	–

The significant actuarial assumptions (estimated for adequate coverage of the obligation on a prudent basis), are as under:

₹ in Lakhs

Particulars	Valuation as at March 31, 2024	March 31, 2023
Discount rate(s)	**7.19%**	–
Expected rate(s) of salary increase	**5.00%**	–
Expected rate of return on plan assets	**N.A.**	–
Attrition	**25.00%**	–
Mortality table	**IALM 2012-14**	–

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

₹ in Lakhs

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligation: Increase in assumption	Decrease in assumption
Discount rate	2023-2024	0.50%	(0.07)	0.07
	2022-2023	NA	NA	NA
Salary growth rate	2023-2024	0.50%	0.07	(0.07)
	2022-2023	NA	NA	NA
Attrition rate	2023-2024	0.50%	(0.05)	0.05
	2022-2023	NA	NA	NA
Mortality rate	2023-2024	0.50%	0.00	(0.00)
	2022-2023	NA	NA	NA

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 analyses did not change compared to previous period.

III. Maturity profile of defined benefit obligation:

₹ in Lakhs

Particulars	Current Year	Previous Year
Within 1 year	**0.01**	–
1 - 2 year	**0.01**	–
2 - 3 year	**0.07**	–
3 - 4 year	**0.42**	–
4 - 5 year	**0.73**	–
6 - 10 years	**1.88**	–
> 11 years	**0.73**	–

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 7 years (2023: N.A.).

IV. Experience Adjustments:

₹ in Lakhs

Particulars	Period Ended				
	2024	**2023**	**2022**	**2021**	**2020**
			Gratuity		
Defined Benefit Obligation	**2.49**			NA	
Fair value of plan assets	**–**				
Surplus/(Deficit)	**2.49**				
Experience adjustment on plan liabilities [(Gain)/ Loss]	**0.01**				
Experience adjustment on plan assets [Gain/(Loss)]	**–**				

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) <u>Other Long term benefits (Compensated absences)</u>

The amount recognized as an expense in respect of compensated absences is Rs 11.59 lakhs (Previous Year: nil).

35 Other Statutory Informations

(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 Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(c) 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:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(d) 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 Group shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(e) The Company does not have 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.

(f) 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.

(g) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

(h) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

(i) The Company does not have transactions with any struck off entity.

(j) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

36 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure, wherever necessary.

The Financial Statements have been approved for issue by Company's Board of Directors on 15 April 2024.

In terms of our report attached

For B.K. Khare & Company
Chartered Accountants
Firm's Registration No : 105102W

For and on behalf of the Board of Directors

Shirish Rahalkar	**Salil Khare**	**Dhanraj Mulki**	**Kavita Kadav**	**Rishabh Surana**
Partner	Director	Director	Company Secretary	Chief Financial Officer
Membership No: 111212	DIN: 02935665	DIN: 08321516	Membership No: A65291	
Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024	Date : April 15, 2024

INDEPENDENT AUDITORS' REPORT

To the members of Gables Promoters Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Gables Promoters Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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 ("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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and total 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 the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). 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 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 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.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 during the course of our 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.

Management's Responsibilities for the Financial Statements

The Company's 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 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 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 Board of Directors are also 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 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 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 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.
- 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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 sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in 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.
   - (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, 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 Accounting Standards specified under Section 133 of the Act.
   - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 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 Auditors' Report in accordance with the requirements of 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 will impact its financial positions.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) 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 or entity, including foreign entities ("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;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("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;

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

(v) The Company has not declared/ paid/ declared and paid any dividend during the year.

(vi) Based on our examination which included test checks, the company has used the accounting software which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of tampering of audit trail feature and 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, we confirm that no remuneration has been paid to directors during the current financial year, consistent with Section 197(16) of the Companies Act 2013. 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 Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten Shah
Partner
Membership No. 149028
UDIN: 24149028BKCWQA3796

Place: Mumbai
Date: April 12, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in Clause 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.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(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. 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 material 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 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 or intangible assets during the year.

(e) According to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 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, 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 at any point of time during the year.

iii. According to the information and explanations given to us, the Company has not made investments in or 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 during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

vii. According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. The amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Goods and services tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

viii. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) 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 explanation given to us, the Company has not raised funds on short term basis during the year. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under Clauses 3(ix)(f) and 3(ix)(e) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. (a) Based on 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 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 Auditor's) Rules, 2014 with the Central Government.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company.

xvi. (a) According to the information and explanations given to us, 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 according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

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, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and 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 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. (a) and (b) 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 Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten Shah
Partner
Membership No. 149028
UDIN: 24149028BKCWQA3796

Place: Mumbai
Date: April 12, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Gables Promoters Private Limited ("the Company") as of March 31, 2024 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 March 31, 2024, 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 Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 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 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 control 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 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 control 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 Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten Shah
Partner
Membership No. 149028
UDIN: 24149028BKCWQA3796

Place: Mumbai
Date: April 12, 2024

BALANCE SHEET AS AT MARCH 31, 2024

₹ in Lakhs

Particulars	Note No.	As At March 31, 2024	As At March 31, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	**16,733.65**	15,036.15
Right of Use Asset	4	**265.21**	–
Intangible Assets	5	**1.74**	6.10
Capital work-in-progress	6	**5.55**	2,343.68
Financial Assets			
Other financial assets	7	**6.56**	6.68
Other non-current tax assets	8	**158.08**	122.43
Other non-current assets	9	**–**	130.27
		17,170.79	17,645.31
Current assets			
Inventories	10	**18.42**	18.71
Financial Assets			
Trade Receivables	11	**12.22**	198.79
Cash and cash equivalents	12	**175.83**	133.16
Other Bank Balances	13	**30.29**	230.91
Other current assets	14	**133.33**	108.43
		370.09	690.00
		17,540.88	18,335.30
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	**6,500.00**	6,500.00
Other Equity	16	**3,187.57**	3,191.80
		9,687.57	9,691.80
Non-current liabilities			
Financial Liabilities			
Lease Liability	17	**277.18**	–
Other financial liabilities	18	**147.81**	148.84
Provisions	19	**5.97**	3.06
Deferred Tax Liabilities (Net)	20	**246.82**	295.62
		677.78	447.52
Current liabilities			
Financial Liabilities			
Borrowings	21	**6,932.00**	7,831.51
Lease Liability	22	**6.28**	–
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		**6.97**	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		**82.89**	222.79
Others Financial Liabilities	24	**36.39**	65.73
Provisions	25	**1.46**	0.96
Other current liabilities	26	**109.54**	74.98
		7,175.53	8,195.98
		17,540.88	18,335.30

See accompanying notes to the financial statements

In terms of our report attached.

For Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten B Shah
Partner
Membership Number: 149028

Place: Mumbai
Date: April 12, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN: 08321516
Place: Mumbai
Date: April 12, 2024

Ram Narayan Mundra
Director
DIN: 06470969
Place: Mumbai
Date: April 12, 2024

Narender Pratap Singh
Chief Financial Officer

Place: Mumbai
Date: April 12, 2024

Sainee Mehta
Company Secretary
Membership No. A72961

Place: Mumbai
Date: April 12, 2024

Balamurugan PS
Manager

Place: Mumbai
Date: April 12, 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
REVENUE			
Revenue from operations	**27**	**2,631.57**	2,277.97
Other Income	**28**	**17.25**	28.23
Total Revenue		**2,648.82**	2,306.20
EXPENSES			
Employee benefit expense	**29**	**474.50**	378.10
Finance Charges	**30**	**667.10**	482.73
Depreciation and amortisation expense	**3 & 4**	**755.18**	477.47
Other expenses	**31**	**805.08**	641.22
Total Expenses		**2,701.86**	1,979.51
Profit/ (loss) before tax		**(53.04)**	326.68
Tax Expense			
Current tax		**–**	–
Deferred tax		**–**	–
Total tax expense		**–**	–
Profit/(loss) after tax for the year		**(53.04)**	326.68
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Income taxes related to items that will not be reclassified to profit or loss		**48.80**	31.96
Net other comprehensive income not to be reclassified		**48.80**	31.96
Total comprehensive income for the year		**(4.24)**	358.64
Earnings per equity share (for continuing operation):			
Basic and Diluted	**32**	**(0.08)**	0.50

See accompanying notes to the financial statements

In terms of our report attached.
For Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten B Shah
Partner
Membership Number: 149028

Place: Mumbai
Date: April 12, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN: 08321516
Place: Mumbai
Date: April 12, 2024

Ram Narayan Mundra
Director
DIN: 06470969
Place: Mumbai
Date: April 12, 2024

Narender Pratap Singh
Chief Financial Officer

Place: Mumbai
Date: April 12, 2024

Sainee Mehta
Company Secretary
Membership No. A72961

Place: Mumbai
Date: April 12, 2024

Balamurugan PS
Manager

Place: Mumbai
Date: April 12, 2024

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax for the year	**(53.04)**	326.68
Adjustments for:		
Finance Cost	**667.10**	482.73
Depreciation	**755.18**	477.47
Interest income	**(11.22)**	(15.93)
Net (Gain) / Loss on disposal of property, plant and equipment	**0.07**	(0.49)
Movements in working capital:		
Decrease/ (Increase) in trade and other receivables	**161.78**	13.95
Decrease/ (Increase) in Inventories	**0.29**	(6.54)
Increase/ (decrease) in provision	**3.41**	1.61
Increase/ (decrease) in trade and other payables	**(63.92)**	244.51
Cash generated from operations	**1,459.65**	1,523.99
Income taxes paid	**(35.65)**	–
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	**1,424.00**	1,523.99
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment including CWIP	**(33.75)**	(2,520.88)
Realisation of sale of Property, Plant & Equipment	**0.01**	0.49
Placement /(Redemption) of Fixed Deposits (net)	**200.00**	100.66
Interest Income received	**11.84**	–
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	**178.09**	(2,419.73)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Inter Corporate Deposit received from Holding Company	**325.00**	2,357.00
Repayment of borrowings	**(325.00)**	(1,300.00)
Payment of Interest	**(1,541.91)**	(80.89)
Payment of lease liabilities	**(17.53)**	–
NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES	**(1,559.44)**	976.11
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**42.66**	80.37
Cash and cash equivalents at the beginning of the year	**133.16**	52.79
Cash and cash equivalents at the end of the year	**175.82**	133.16

See accompanying notes forming part of the financial statements

In terms of our report attached.
For Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten B Shah
Partner
Membership Number: 149028

Place: Mumbai
Date: April 12, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN: 08321516
Place: Mumbai
Date: April 12, 2024

Ram Narayan Mundra
Director
DIN: 06470969
Place: Mumbai
Date: April 12, 2024

Narender Pratap Singh
Chief Financial Officer

Place: Mumbai
Date: April 12, 2024

Sainee Mehta
Company Secretary
Membership No. A72961

Place: Mumbai
Date: April 12, 2024

Balamurugan PS
Manager

Place: Mumbai
Date: April 12, 2024

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

₹ in Lakhs

Particulars	Share Capital	Other Equity		Total
	Equity Share Capital	Reserves & Surplus		
		Retained Earnings	Revaluation Reserve	
Balance at the beginning of reporting year April 1, 2023	6,500.00	(282.35)	3,474.16	9,691.81
Profit / (Loss) for the year	–	(53.04)	–	(53.04)
Additions during the year	–	–	48.80	48.80
Balance at the end of reporting year March 31, 2024	**6,500.00**	**(335.39)**	**3,522.96**	**9,687.57**

₹ in Lakhs

Particulars	Share Capital	Other Equity		Total
	Equity Share Capital	Reserves & Surplus		
		Retained Earnings	Revaluation Reserve	
Balance at the beginning of reporting year April 1, 2022	6,500.00	(609.04)	3,442.20	9,333.16
Profit / (Loss) for the year	–	326.68	–	326.68
Additions during the year	–	–	31.96	31.96
Balance at the end of reporting year March 31, 2023	**6,500.00**	**(282.35)**	**3,474.16**	**9,691.81**

See accompanying notes forming part of the financial statements

In terms of our report attached.
For Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten B Shah
Partner
Membership Number: 149028

Place: Mumbai
Date: April 12, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN: 08321516
Place: Mumbai
Date: April 12, 2024

Ram Narayan Mundra
Director
DIN: 06470969
Place: Mumbai
Date: April 12, 2024

Narender Pratap Singh
Chief Financial Officer

Place: Mumbai
Date: April 12, 2024

Sainee Mehta
Company Secretary
Membership No. A72961

Place: Mumbai
Date: April 12, 2024

Balamurugan PS
Manager

Place: Mumbai
Date: April 12, 2024

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

1 Corporate Information

The Company was incorporated on January 9, 2012 (CIN:U45209CH2012PTC033473) and is in the principle business of construction, maintenance & running of hotels, resorts, shopping malls, buildings and other commercial & residential apartments.

2 Material accounting policies

(i) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

(ii) Basis of preparation and presentation

The financial statements of the Company have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

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 takes into account 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.

In addition, for financial reporting purposes, fair value measurements are categorized 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.

The principal accounting policies are set out below.

(iii) Revenue recognition

Income from resorts include income from room rentals, food and beverages, etc. and is recognized when services are rendered.

(iv) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(v) Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted by the end of the reporting period. Since the company has commenced operations during the current year and has not generated any profit before tax, current tax is Nil.

(vi) Property, plant and equipment

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is measured at fair value and not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, commences when the assets are ready for their intended use.

Category of Asset	Estimated useful lives
Buildings (other than those mentioned below)	60 years
Plant & equipment	5-10 years
Furniture and Fixtures (other than those mentioned below)	5-10 years
Vehicles (other than those mentioned below)	8 years
Motor vehicles/other assets provided to employees	4/5 years
Office equipment	5 years

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized 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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(vii) Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognized 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.

Category of Asset	Estimated useful lives
Computer Software and website development cost	3 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is derecognized.

(viii) Inventories

Inventories are carried at the lower of cost and net realizable value. Costs of inventories are determined on moving weighted average basis. Cost includes the purchase price, non-refundable taxes and delivery handling cost. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(ix) 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.

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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(x) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) 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 asset ("ROU") 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 right-of-use assets are initially recognized at cost, which comprises the present value of future lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the period of lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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 incremental borrowing rates in the country of domicile of these leases.

The Company has elected not to recognise 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. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(xi) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

<u>Defined contribution plans</u>

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

<u>Defined benefit plans</u>

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments; settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in the statement of profit or loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income and is not reclassified to profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized in profit or loss in the period of a plan amendment.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

<u>Short-term and other long-term employee benefits</u>

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflow expected to be made by the Company in respect of services provided by employees upto the reporting date.

(xii) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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 profit or loss.

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.

Classification of financial assets

Debt

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Debt instruments classified as FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The Company has not designated any debt instrument as at FVTPL.

Equity

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized 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'.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(xiii) Cash flow statements

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit before extra-ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

(xiv) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

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

Note No. 3 - Property, Plant and Equipment

₹ in Lakhs

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles - Freehold	Total
I. Gross Block								
Balance as at April 1, 2023	5,053.78	9,833.32	–	1,602.17	53.20	1,184.40	53.51	17,780.39
Additions	1,229.35	89.81	114.58	363.14	54.97	570.58	14.89	2,437.32
Disposals	–	–	–	(13.13)	(1.18)	–	–	(14.31)
Balance as at March 31, 2024	**6,283.13**	**9,923.13**	**114.58**	**1,952.18**	**106.99**	**1,754.98**	**68.40**	**20,203.39**
II. Accumulated depreciation and impairment for the year								
Balance as at April 1, 2023	–	920.22	–	928.84	46.82	810.56	37.80	2,744.24
Depreciation/ amortisation expense for the year	–	175.45	4.58	231.33	15.71	303.84	8.84	739.75
Eliminated on disposal of assets	–	–	–	(13.07)	(1.18)	–	–	(14.25)
Balance as at March 31, 2024	–	**1,095.67**	**4.58**	**1,147.11**	**61.35**	**1,114.40**	**46.64**	**3,469.74**
Net block (I-II)								
Balance as at March 31, 2024	**6,283.13**	**8,827.47**	**110.00**	**805.08**	**45.64**	**640.58**	**21.75**	**16,733.65**
Balance as at March 31, 2023	5,053.78	8,913.11	–	673.34	6.38	373.84	15.70	15,036.15

₹ in Lakhs

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles - Freehold	Total
I. Gross Block								
Balance as at April 1, 2022	**5,053.78**	9,833.32	–	1,561.81	52.73	1,180.48	53.51	17,735.63
Additions	–	–	–	42.53	0.48	3.92	–	46.93
Disposals	–	–	–	(2.17)	–	–	–	(2.17)
Balance as at March 31, 2023	5,053.78	9,833.32	–	1,602.17	53.20	1,184.40	53.51	17,780.39
II. Accumulated depreciation and impairment for the year								
Balance as at April 1, 2022	–	756.33	–	777.84	41.28	666.74	31.11	2,273.30
Depreciation / amortisation expense for the year	–	163.89	–	153.17	5.54	143.82	6.69	473.11
Eliminated on disposal of assets	–	–	–	(2.17)	–	–	–	(2.17)
Balance as at March 31, 2022	–	920.22	–	928.84	46.82	810.56	37.80	2,744.24
Net block (I-II)								
Balance as at March 31, 2023	5,053.78	8,913.11	–	673.34	6.38	373.84	15.70	15,036.15
Balance as at March 31, 2022	5,053.78	9,076.99	–	783.97	11.44	513.74	22.39	15,462.32

Note No. 4 - Right of Use Asset

₹ in Lakhs

Description of Assets	**As At March 31, 2024**
I. Gross Block	
Balance as at April 1, 2023	–
Additions	276.28
Balance as at March 31, 2024	**276.28**
II. Accumulated amortization	
Balance as at April 1, 2023	
Amortisation expense for the year	11.07
Balance as at March 31, 2024	**11.07**
Net block (I-II)	
Balance as at March 31, 2024	**265.21**
Balance as at March 31, 2023	–

₹ in Lakhs

Description of Assets	**As At March 31, 2023**
I. Gross Block	
Balance as at April 1, 2022	–
Additions	–
Balance as at March 31, 2023	**–**
II. Accumulated amortization	
Balance as at April 1, 2022	–
Amortisation expense for the year	–
Balance as at March 31, 2023	**–**
Net block (I-II)	
Balance as at March 31, 2023	**–**
Balance as at March 31, 2022	–

Note No. 5 - Other Intangible Assets

	₹ in Lakhs
Description of Assets	**Computer Software**
I. Gross Block	
Balance as at April 1, 2023	13.08
Additions	–
Balance as at March 31, 2024	**13.08**
II. Accumulated amortization	
Balance as at April 1, 2023	6.98
Amortisation expense for the year	4.36
Balance as at March 31, 2024	**11.34**
Net block (I-II)	
Balance as at March 31, 2024	**1.74**
Balance as at March 31, 2023	6.10

	₹ in Lakhs
Description of Assets	Computer Software
I. Gross Block	
Balance as at April 1, 2022	13.08
Additions	–
Balance as at March 31, 2023	13.08
II. Accumulated amortization	
Balance as at April 1, 2022	2.62
Amortisation expense for the year	4.36
Balance as at March 31, 2023	6.98
Net block (I-II)	
Balance as at March 31, 2023	6.10
Balance as at March 31, 2022	10.46

Note No. 6 - Capital work-in-progress

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Capital work-in-progress (Refer note 37)	**5.55**	2,343.68
	5.55	2,343.68

Note No. 7 - Financial assets - Others

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Financial assets at amortised cost		
Deposits	**6.56**	6.68
	6.56	6.68

Note No. 8 - Other Non-Current Tax Assets

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Advance Income tax	**158.08**	122.43
(Net of provisions up to the reporting date)		
	158.08	122.43

Note No. 9 - Other non-current assets

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Capital advance	**–**	130.27
	–	130.27

Note No. 10 - Inventories
(At lower of cost and net realisable value)

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Food, beverages and smokes	**18.42**	18.71
	18.42	18.71

Note No. 11 - Trade Receivables

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Unsecured, Considered good (Refer note 41)	**12.22**	198.79
	12.22	198.79

Note No. 12 - Cash and cash equivalents

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Cash and cash equivalents		
Cash at hand	**2.11**	1.46
Balances with banks	**173.72**	131.70
	175.83	133.16

Note No. 13 - Other Bank Balances

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Bank Deposits with original maturity greater than three months and less than twelve months	**30.29**	230.91
	30.29	230.91

Note No. 14 - Other assets - Current

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Advances other than capital advances		
Balances with government authorities (other than income taxes)	**102.50**	74.30
Prepaid Expenses	**28.60**	28.34
Other advances		
Advance to suppliers	**2.23**	5.79
	133.33	108.43

Note No. 15 - Equity Share Capital

₹ in Lakhs

Particulars	As At March 31, 2024		As At March 31, 2023	
	No. of shares	**₹ in lakhs**	No. of shares	₹ in lakhs
Authorised:				
Equity shares of ₹ 10 each with voting rights	**6,50,00,000**	**6,500.00**	6,50,00,000	6,500.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**6,50,00,000**	**6,500.00**	6,50,00,000	6,500.00
	6,50,00,000	**6,50,00,000**	6,50,00,000	6,50,00,000

15 a) Terms/ rights attached to equity shares:

i) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share.

ii) Repayment of capital will be in proportion to the number of equity shares held.

15 b) Shares in the Company held by Holding Company and each shareholder holding more than 5% shares specifying the number of shares held.

Name of shareholder	No. of shares	% held as at March 31, 2024	No. of shares	% held as at March 31, 2023
Mahindra Holidays & Resorts India Limited (Holding Company))	**6,50,00,000**	**100.00%**	6,50,00,000	100.00%

15 c) The reconciliation of the number of shares outstanding as at March 31, 2024, March 31, 2023 is set out below:-

₹ in Lakhs

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	**₹ in lakhs**	No. of Shares	₹ in lakhs
Number of shares at the beginning	**6,50,00,000**	**6,500.00**	6,50,00,000	6,500.00
Add: Issued during the year	**–**	**–**	–	–
Number of shares at the end	**6,50,00,000**	**6,500.00**	6,50,00,000	6,500.00

15 d) Shareholding of promoters in the company

Shares held by promoters at the end of 31st March, 2024			
Promoter name	No of shares	% of total shares	% change during the year
Mahindra Holidays & Resorts India limited	6,50,00,000	100%	0%

Shares held by promoters at the end of 31st March,2023			
Promoter name	No of shares	% of total shares	% change during the year
Mahindra Holidays & Resorts India limited	6,50,00,000	100%	0%

Note No. 16 - Other Equity

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Retained earnings	**(335.39)**	(282.35)
Revaluation Reserve	**3,522.96**	3,474.16
	3,187.57	**3,191.80**

Note No. 17 - Lease Liabilities

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Lease liabilities	**277.18**	–
	277.18	–

Note No. 18 - Other Financial Liabilities - Non-current

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
At Amortised Cost		
Retention Money	**147.81**	148.84
	147.81	148.84

Note No. 19 - Provisions

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Provision for Employee Benefits		
Gratuity	**2.37**	1.22
Compensated Absences	**3.60**	1.84
	5.97	3.06

Note No. 20 - Deferred tax liabilities

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Tax effect of items constituting deferred tax liabilities		
Revaluation of freehold land	**246.82**	295.62
	246.82	295.62

Note No. 21 - Borrowings Current

₹ in Lakhs

Particulars	**As At March 31, 2024**	As At March 31, 2023
Unsecured Borrowings		
Current maturities of long term borrowings	**–**	327.26
Loans from related parties*	**6,932.00**	7,504.25
	6,932.00	7,831.51

*This Loan carries an interest rate of 10.05% (Previous year 8.75%) per annum including interest of ₹ nil lakhs (Previous year ₹ 897.25 lakhs).

Note No. 22 - Current Lease Liabilities

₹ in Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Lease liabilities (Refer Note 43)	**6.28**	–
	6.28	–

Note No. 23 - Trade Payables

₹ in Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	**6.97**	–
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 42)	**82.89**	222.79
	89.86	222.79

Disclosures required under Section 22 of the micro, small and medium enterprises development act, 2006	As At March 31, 2024	As At March 31, 2023
(i) Principal amount remaining unpaid to MSME suppliers as on	**6.97**	–
(ii) the amount of interest paid by the buyer under MSMED Act	–	–
(iii) Interest accrued and remaining unpaid at the end of each accounting year to MSME suppliers as on	–	–
(iv) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	–	–
(v) Interest due and payable on unpaid principal amount to MSME suppliers as on	–	–

Note No. 24 - Other Financial Liabilities - Current

₹ in Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Employee Payable	**35.59**	0.72
Capital Creditors	**0.18**	65.01
Other Payables	**0.62**	–
	36.39	65.73

Note No. 25 - Provisions

₹ in Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Provision for Employee Benefits		
Gratuity	**0.09**	**0.26**
Compensated Absences	**1.37**	**0.71**
	1.46	**0.96**

Note No. 26 - Other Current Liabilities

₹ in Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Statutory dues		
- taxes payable (other than income taxes)	**109.54**	74.98
	109.54	74.98

Note No. 27 - Revenue from Operations

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Income from resorts :		
Room Rentals	**1,705.30**	1,402.77
Food and Beverages	**747.61**	695.78
Wine and liquor	**20.05**	20.20
Holiday Activity	**59.31**	61.95
Others	**99.30**	97.27
	2,631.57	2,277.97

Note No. 28 - Other Income

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest Income		
On Income Tax Refund	**6.03**	11.81
On deposits with bank	**11.22**	15.93
Gain on sale of property, plant and equipment	**–**	0.49
	17.25	28.23

Note No. 29 - Employee Benefits Expense

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and wages, including bonus	**401.87**	322.11
Contribution to Provident and other funds	**19.56**	16.07
Staff welfare expenses	**53.07**	39.92
	474.50	378.10

Note No. 30 - Finance Costs

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on borrowings from Bank	**3.62**	74.01
Interest on borrowings from related party	**638.78**	408.72
Interest on Lease Liabilities	**24.70**	–
	667.10	482.73

Note No. 31 - Other Expenses

₹ in Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Cost of food, beverages and smokes consumed		
Opening stock	**18.71**	12.17
Add: Purchases	**194.85**	177.98
Less: Closing stock	**18.42**	18.71
	195.14	171.44
Operating Supplies	**139.15**	122.52
Power and Fuel	**196.37**	130.40
Rates and taxes	**24.90**	10.00
Travelling expenses	**7.17**	20.68
Auditors remuneration and out-of-pocket expenses		
As Auditors	**1.01**	1.75
Consultancy Charges	**8.91**	7.41
Repairs and maintenance		
Buildings	**2.88**	2.19
Plant & equipment	**20.38**	17.33
Others	**91.79**	61.20
Communication	**12.97**	10.17
Printing and Stationary	**9.59**	7.02
Insurance	**16.85**	14.72
Service Charges	**44.28**	24.66
Loss on sale of property, plant and equipment	**0.07**	–
Miscellaneous Expenses	**33.62**	39.72
	805.08	641.22

Note No. 32 - Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted Earnings per share	**(0.08)**	0.50

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profits used in the calculation of basic earnings per share and diluted earnings per share from continuing operations	**(53.04)**	326.68
Weighted average number of equity shares (In Lakhs)	**650.00**	650.00
Earnings per share from continuing operations - Basic and Diluted	**(0.08)**	0.50

Note No. 33 - Categories of financial assets and financial liabilities

₹ in Lakhs

As at March 31, 2024	Amortised Cost	Total
Non-Current Assets		
Other financial assets	**6.56**	**6.56**
Current Assets		
Trade Receivables	**12.22**	**12.22**
Cash & Bank balances	**206.12**	**206.12**
Non-current Liabilities		
Lease Liability	**277.18**	**277.18**
Other Financial Liabilities	**147.81**	**147.81**
Current Liabilities		
Borrowings	**6,932.00**	**6,932.00**
Lease Liability	**6.28**	**6.28**
Trade Payables	**89.86**	**89.86**
Other Financial Liabilities	**36.39**	**36.39**

₹ in Lakhs

As at March 31, 2023	Amortised Cost	Total
Non- Current Assets		
Other financial assets	6.68	6.68
Current Assets		
Trade Receivables	198.79	198.79
Cash & Bank balances	364.07	364.07
Non-current Liabilities		
Other Financial Liabilities	148.84	148.84
Current Liabilities		
Borrowings	7,831.51	7,831.51
Trade Payables	222.79	222.79
Other Financial Liabilities	65.73	65.73

Note No. 34 - Fair Value Measurement

Fair value of financial assets and financial liabilities (that are measured at amortised cost) closely approximate their carrying value.

₹ in Lakhs

Particulars	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Deposits	**6.56**	**6.56**	6.68	6.68
Trade Receivables	**12.22**	**12.22**	198.79	198.79
Cash & Bank balances	**206.12**	**206.12**	364.07	364.07
Total	**224.90**	**224.90**	569.53	569.53
Financial liabilities				
Lease Liability - non current	**277.18**	**277.18**	–	–
Borrowings	**6,932.00**	**6,932.00**	7,831.51	7,831.51
Lease Liability - current	**6.28**	**6.28**	–	–
Other non-current financial liabilities	**147.81**	**147.81**	148.84	148.84
Trade Payables	**89.86**	**89.86**	222.79	222.79
Other current financial liabilities	**36.39**	**36.39**	65.73	65.73
Total	**7,489.52**	**7,489.52**	8,268.87	8,268.87

Note No. 35 - Segment information

The Company is primarily engaged in the business of maintenance & running of resorts and related services in India. As such, the Company operates in a single segment and there are no separate reportable segments. The same is consistent with the information reviewed by the chief operating decision maker (CODM).

Note No. 36 - Related Party Transactions

(i) Names of related parties and nature of relationship where control exists:

Nature of Relationship	Name of the Related Party
Holding Company	Mahindra Holidays & Resorts India Limited
Ultimate Holding Company	Mahindra & Mahindra Limited

Key Managerial Personnel

Narender Pratap Singh

Balamurugan PS

(ii) Related Party Transactions and balances

₹ In Lakhs

Particulars	March 31, 2024	March 31, 2023
Holding company		
Transactions during the year:		
ICD received	**325.00**	2,357.00
Interest repaid on ICD	**1,536.03**	–
Interest on ICD	**638.78**	408.72
Reimbursement received	**126.04**	107.51
Reimbursement paid	**221.66**	173.29
Sale of services	**1,696.87**	1,147.50
Purchase of PPE	**54.47**	–
Holding company		
Balances as at:		
ICD payable	**6,932.00**	7,504.25
Trade Receivables	**3.29**	189.25
Ultimate Holding company		
Transactions during the year :		
Purchase of Property, Plant & Equipment	**–**	1,157.94
Purchase of Goods and Services	**0.74**	4.79

Note No. 37 - Capital Work in Progress

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the reporting period	**2,343.68**	–
Additions during the current year to CWIP	**19.25**	2,343.68
Less:- Capitalization/ Deletions during the current year from CWIP	**2,357.38**	–
Balance at the end of the reporting period	**5.55**	2,343.68

₹ in Lakhs

CWIP : As at March 31, 2024 amount in CWIP for a period of	Less than 1 year	Total
Projects in progress	**5.55**	–
Projects temporarily suspended	**–**	–
Total	**5.55**	–

₹ in Lakhs

CWIP : As at March 31, 2023 amount in CWIP for a period of	Less than 1 year	Total
Projects in progress	**2,343.68**	–
Projects temporarily suspended	**–**	–
Total	**2,343.68**	–

Note No. 38 - Capital Commitment

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Estimated amount of Contracts remaining to be executed on capital account and not provided for net of advances	**5.39**	13.68
	5.39	13.68

Note No. 39 - Ratios

Ratios	Formula	For the year ended March 31,2024	For the year ended March 31,2023	% Variance
Current Ratio *	Current Assets / Current Liabilities	**0.05**	0.08	-38.74%
Debt-Equity Ratio	Total Debt / Shareholders equity	**0.72**	0.81	-11.45%
Debt Service Coverage Ratio	Net operating income / Debt (principal + Interest)	**0.20**	0.16	21.35%
Return on Equity Ratio *	Profit after tax / Average Total shareholders Equity	**-0.01%**	0.03%	-115.94%
Inventory turnover ratio	Cost of Food, beverages and operating supplies / Average inventory	**141.74**	147.52	-3.92%
Trade receivable turnover ratio *	Turnover / Average Trade receivables	**24.94**	10.30	142.16%
Trade payable turnover ratio *	Purchases / Average Trade Payables	**2.19**	1.73	26.24%
Net Capital turnover ratio *	Turnover / Working Capital	**(0.39)**	(0.30)	27.41%
Net Profit ratio *	Profit after tax / Turnover	**-0.02**	0.14	-114.14%
Return on Capital employed *	Earning before Interest and tax / Capital employed	**0.06%**	0.08%	-25.79%
Return on investment *	Net Profit / Cost of investment	**-0.01%**	0.03%	-116.24%

Reason for variance :

The company has added two more resorts in operation during the year ended March 31, 2024. As results, there is an increase in operation and ratios as above.

Note No. 40 - Employee benefits

(a) Defined Contribution Plan

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 15.50 Lakhs (2023: ₹ 12.85 Lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans (Gratuity)

The Company does not have a funded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The Gratuity scheme of the Company is not funded.

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

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more loosely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined benefit plans – as per actuarial valuation on March 31, 2024 and March 31, 2023:

₹ in Lakhs

Particulars	Unfunded Plan Gratuity March 31, 2024	Unfunded Plan Gratuity March 31, 2023
Ia. Expense recognised in the Statement of Profit and Loss for the year ended March 31:		
Current service cost	0.87	(1.26)
Net Interest cost	0.11	0
Components of defined benefit costs recognised in profit & loss	**0.98**	(1.26)
I. Net Liability recognised in the Balance Sheet as at March 31:		
1. Present value of defined benefit obligation as at March 31	2.46	1.48
2. Fair value of plan assets as at March 31	–	–
3. Deficit	**2.46**	**1.48**
4. Current portion of the above	0.09	0.26
5. Non current portion of the above	2.37	1.22
II. Change in the obligation during the year ended March 31:		
Present value of defined benefit obligation at the beginning of the year	1.48	2.74
Expenses Recognised in the Statement of Profit and Loss		
– Current Service Cost	0.87	(1.26)
– Interest Expense	0.11	–
Recognised in Other Comprehensive Income	–	–
Present value of defined benefit obligation at the end of the year	**2.46**	1.48

The significant actuarial assumptions (estimated for adequate coverage of the obligation on a prudent basis), are as under:

Particulars	Valuation as at March 31, 2024	Valuation as at March 31, 2023
Discount rate(s)	7.19%	7.29%
Expected rate(s) of salary increase	5.00%	5.00%
Expected rate of return on plan assets	N.A.	N.A.
Attrition	25.00%	25.00%
Mortality table	IALM 2012-14	IALM 2012-14

Weighted average duration of the defined benefit obligation- 5 years (Previous year - 6 years)

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

₹ in Lakhs

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
Discount rate	**2023-2024**	**0.50%**	**(0.05)**	**0.05**
	2022-2023	0.50%	(0.03)	0.03
Salary growth rate	**2023-2024**	**0.50%**	**0.05**	**(0.05)**
	2022-2023	0.50%	0.03	(0.03)
Attrition rate	**2023-2024**	**0.50%**	**(0.03)**	**0.03**
	2022-2023	0.50%	(0.02)	0.02
Mortality rate	**2023-2024**	**0.50%**	**0.00**	**(0.00)**
	2022-2023	0.50%	0.00	(0.00)

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 analyses did not change compared to previous period.

III. Maturity profile of defined benefit obligation:

₹ in Lakhs

Particulars	Current year	Previous year
Within 1 year	**0.09**	0.26
1 - 2 year	**0.36**	0.11
2 - 3 year	**0.34**	0.24
3 - 4 year	**0.49**	0.22
4 - 5 year	**0.47**	0.26
6 - 10 years	**1.21**	0.67
> 11 years	**0.50**	0.27

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 5 years (2023: 6 years)

IV. Experience Adjustments:

₹ in Lakhs

Particulars	2024	2023	2022	2021	2020
	Period Ended				
Gratuity					
Defined Benefit Obligation	**2.46**	**1.48**	**2.74**	**1.54**	**–**
Fair value of plan assets	**–**	**–**	**–**	**–**	**–**
Surplus/(Deficit)	**2.46**	**(1.48)**	**(2.74)**	**(1.54)**	**–**
Experience adjustment on plan liabilities [(Gain)/Loss]	**–**	**–**	**–**	**–**	**–**
Experience adjustment on plan assets [Gain/(Loss)]	**–**	**–**	**–**	**–**	**–**

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) Other Long Term Benefits (Compensated absences)

The amount recognized as an expense in respect of Compensated absences is ₹ 2.43 Lakhs (Previous Year: ₹ 4.62 Lakhs).

Note No. 41 - Trade receivables Schedule

Trade receivables Ageing schedule FY. 2023-24

₹ in Lakhs

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	12.22	–	–	–	–	12.22
(ii) Undisputed Trade receivables - considered doubtful	–	–	–	–	–	–
	12.22	–	–	–	–	12.22

Trade receivables Ageing schedule FY. 2022-23

₹ in Lakhs

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	195.11	–	–	–	3.68	198.79
(ii) Undisputed Trade receivables - considered doubtful	–	–	–	–	–	–
	195.11	–	–	–	3.68	198.79

Note No. 42- Trade Payables Ageing Schedule

FY. 2023-24

₹ in Lakhs

Particulars	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	6.97	–	–	–	6.97
(ii) Others	79.72	2.65	–	0.52	82.89
	86.69	2.65	–	0.52	89.86

FY. 2022-23

₹ in Lakhs

Particulars	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) Others	222.26	–	0.52	–	222.79
	222.26	–	0.52	–	222.79

Note No. 43 - Leases

Right of Use Asset

Particulars	**As at March 31, 2024**	As at March 31, 2023
Balance as at beginning of the year	**–**	–
Additions during the current year	**276.28**	–
Amortisation of ROU	**11.07**	–
Balance as at end of the year	**265.21**	–

Lease Liabilities

Particulars	**As at March 31, 2024**	As at March 31, 2023
Current	**6.28**	–
Non-Current	**277.18**	–
Lease liabilities included in the Balance Sheet as at the end of the year	**283.46**	–

Maturity analysis - contractual undiscounted cash flows

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	**18.40**	–
1 - 2 Year	**19.32**	–
2 - 3 Year	**20.28**	–
3 - 4 Year	**21.30**	–
4 - 5 Year	**22.36**	–
More than five years	**717.01**	–
Total undiscounted lease liabilities as at the end of the year	**818.66**	–

Amounts recognised in statement of Profit and Loss during the year ended March 31

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on lease liabilities	**24.70**	–
Amortisation of ROU	**11.07**	–
Expenses relating to short term leases	**–**	–
Total	**35.77**	–

Amounts recognised in Statement of Cash Flows during the year ended March 31

Particulars	As at March 31, 2024	As at March 31, 2023
Total Cash outflow for Leases	**17.52**	–

Note No. 44 Rounding Off and Regrouping/Reclassification of items

The amount has been rounded off to nearest ₹ (INR) and previous year figures have been regrouped / reclassified to correspond with current year's classification/ disclosure, wherever deemed necessary.

Note No. 45

The Financial Statements have been approved for issue by Company's Board of Directors on 12th April 2024.

In terms of our report attached.
For Shah Valera & Associates LLP
Chartered Accountants
Firm Registration No. W100238

Priten B Shah
Partner
Membership Number: 149028

Place: Mumbai
Date: April 12, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN: 08321516
Place: Mumbai
Date: April 12, 2024

Ram Narayan Mundra
Director
DIN: 06470969
Place: Mumbai
Date: April 12, 2024

Narender Pratap Singh
Chief Financial Officer

Place: Mumbai
Date: April 12, 2024

Sainee Mehta
Company Secretary
Membership No. A72961

Place: Mumbai
Date: April 12, 2024

Balamurugan PS
Manager

Place: Mumbai
Date: April 12, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of **MAHINDRA HOLIDAYS & RESORTS HARIHARESHWAR LIMITED**

Report on the Financial Statements.

Opinion

We have audited the accompanying financial statements of **MAHINDRA HOLIDAYS & RESORTS HARIHARESHWAR LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 ("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 March 31, 2024, its loss for the year ended on that date, its 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 specified under section 143(10) of the Companies Act, 2013. 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 code of ethics issued by the Institute of Chartered Accountants of India together with 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 Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2017.

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 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 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 Responsibility for the audit of the financial statements:

Our responsibility is 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 a part of an audit in accordance with SAs, 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 of 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 controls.
- 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 control 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.
- 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.

We also provide those charged with governance with a statement that we have compiled 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 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 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
2. As required by Section 143(3) of the Act, based on our audit 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, 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 Indian Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
   e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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) The Company has not paid/provided for managerial remuneration for the year ended March 31 2024.
   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:
      1. The Company does not have any pending litigations which would impact its financial positions.
      2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      3. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
      4. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, 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;
      5. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, 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; and,
      6. Based on audit procedures which we 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) contain any material mis-statement.
      7. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
      8. Based on our examination which included test checks, the company has used the accounting software which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of tampering of audit trail feature and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **M/s CAGK And Co.**
Chartered Accountants
FRN: 152566W

Ankit R Chheda
Partner
M.No. 138182
UDIN: 24138182BKAFVU2128

Place: Mumbai
Date: 12th April, 2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Mahindra Holidays & Resorts Harihareshwar Limited. ('the Company')

1) In respect of the Company's fixed assets:

a) The Company does not have any Fixed Assets. Hence reporting under clause 3(i)(a) of the order is not applicable.

b) The Company does not have any Fixed Assets. Hence reporting under clause 3(i)(b) of the order is not applicable.

c) According to the information and explanation given to us, there are no immovable properties held in the name of the Company.

d) The Company does not have any Fixed Assets. Hence reporting under clause 3(i)(d) of the order is not applicable.

e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

2) Inventories:

a) As informed by the management of the company, there are no inventories in the company, so reporting under this clause is not applicable.

b) The company has not been sanctioned any working capital limit from banks or financial institutions on the basis of security of the current assets at any point of time during the year. Hence reporting under clause 3(ii)(b) of the order is not applicable.

3) During the year the company has not made any 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, the provisions of clauses 3(iii) of the Order are not applicable.

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

6) Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.

7) According to the information and explanations given to us, in respect of statutory dues:

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, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) There are no dues in respect of 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 that have not been deposited with the appropriate authorities on account of any dispute.

8) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) The Company did not have any loans or borrowing, including debt securities from any lender during the year. Accordingly, clause 3(ix)(a) of the order is not applicable.

10) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (x) of the Order is not applicable.

11) a) To the best of our knowledge and according to the information and explanations given to us, any fraud by the Company and or any fraud on the Company has not been noticed or reported during the year.

b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company.

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

13) In our opinion and according to the information and explanations given to us 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 standalone financial statements as required by the applicable accounting standards.

14) In our opinion and based on our examination, the company does not have an internal audit system commensurate with the size and nature of its business and is not required to have an internal audit system as per the provisions of section 138 of the company's act, 2013

15) In our opinion and according to the information and explanations given to us, during the year 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.

16) a) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

b) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of sub-clause (c) and (d) of clause 3(xvi) of the Order are not applicable.

17) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has incurred cash losses of ₹ 1.71 Lakhs during the current financial year and ₹ 1.13 lakhs in the immediately preceding financial year.

18) There has been change of the statutory auditor during the year. There are no issues, objections or concerns raised by outgoing auditor.

19) 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 indicating that company is incapable 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.

20) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s CAGK And Co.**
Chartered Accountants
FRN: 152566W

Ankit R Chheda
Partner
M.No. 138182
UDIN: 24138182BKAFVU2128

Place: Mumbai
Date: 12th April, 2024

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) of the Independent Auditors Report of even date to the members of Mahindra Holidays & Resorts Harihareshwar Limited on the financial statements for year ended **March 31, 2024.**

Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Mahindra Holidays & Resorts Harihareshwar Limited as of **March 31, 2024** in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Notes on Audit of Internal Financial Control over Financial Reporting issued by Institute of Chartered Accountants of India (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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting 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.

For **M/s CAGK And Co.**
Chartered Accountants
FRN: 152566W

Ankit R Chheda
Partner
M.No. 138182
UDIN: 24138182BKAFVU2128

Place: Mumbai
Date: 12th April, 2024

BALANCE SHEET AS AT 31ST MARCH, 2024

₹ in Lakhs

Particulars		Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS				
Non-Current Assets				
–Capital work-in-progress		2	**88.50**	–
Financial Assets				
–Other Financial Assets		3	**0.10**	0.10
	(A)		**88.60**	0.10
Current Assets				
Financial Assets				
–Cash and Cash Equivalents		4	**13.94**	4.60
	(B)		**13.94**	4.60
TOTAL ASSETS	**(A+B)**		**102.54**	4.70
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		5	**5.00**	5.00
Other Equity		6	**(2.84)**	(1.13)
Total Equity	**(A)**		**2.16**	3.87
Liabilities				
Non-current liabilities				
–Borrowings		7	**100.00**	–
			100.00	–
Current Liabilities				
Financial Liabilities				
–Trade Payables		8	**0.29**	0.83
Other Current Liabilities		9	**0.09**	–
			0.38	0.83
Total Liabilities	**(B)**		**100.38**	0.83
TOTAL EQUITY AND LIABILITIES	**(A+B)**		**102.54**	4.70
See accompanying notes to the financial statements		**1-17**		

In terms of our report attached

For M/S C A G K & CO
Chartered Accountants
Firm's Registration No. 152566W

CA Ankit Chheda
Partner
Membership Number: 138182

Place : Mumbai
Date : 12th April, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN- 08321516

Place : Mumbai
Date : 12th April, 2024

Salil Khare
Director
DIN- 02935665

Place : Mumbai
Date : 12th April, 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

₹ in Lakhs

Particulars	Notes	For the year ended 31st March, 2024	For the period ended 31st March, 2023
CONTINUING OPERATIONS			
INCOME			
Other Income		**–**	–
EXPENSES			
Finance Costs	10	**0.91**	–
Other Expenses	11	**0.80**	1.13
Total Expenses		**1.71**	1.13
Profit/ (loss) before tax		**(1.71)**	(1.13)
Tax expense			
a) Current tax		**–**	–
b) Deferred tax		**–**	–
Profit/ (loss) after tax		**(1.71)**	(1.13)
Earnings per equity share (for continuing operations)	12		
a) Basic		**(3.42)**	(3.75)
b) Diluted		**(3.42)**	(3.75)
See accompanying notes to the financial statements	**1-17**		

In terms of our report attached

For M/S C A G K & CO
Chartered Accountants
Firm's Registration No. 152566W

CA Ankit Chheda
Partner
Membership Number: 138182

Place : Mumbai
Date : 12th April, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN- 08321516

Place : Mumbai
Date : 12th April, 2024

Salil Khare
Director
DIN- 02935665

Place : Mumbai
Date : 12th April, 2024

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

₹ in Lakhs

Particulars		For the year ended 31st March, 2024	For the period ended 31st March, 2023
OPERATING ACTIVITIES			
Profit/ (loss) before tax		**(1.71)**	(1.13)
Adjustments to reconcile profit before tax to net cash flows:			
Finance Cost		**0.91**	–
Operating profit before Working Capital changes		**(0.80)**	(1.13)
Adjustments for :			
(Increase)/Decrease in Trade Receivables		**–**	–
(Increase)/Decrease in Other Assets		**–**	(0.10)
(Increase)/Decrease in Trade payable		**(0.54)**	0.83
Increase/(Decrease) in Other Current Liabilities		**0.09**	–
Cash Generated from/(used in) operations			
Tax Paid		**–**	–
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	**(A)**	**(1.25)**	(0.40)
INVESTING ACTIVITIES			
Purchases of Property, Plant and Equipment (including intangibles, CWIP and Capital Advances)		**(88.50)**	–
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES	**(B)**	**(88.50)**	–
FINANCING ACTIVITIES			
Issue of Share Capital		**–**	5.00
Inter Corporate Deposit Received		**100.00**	–
Interest Payment		**(0.91)**	–
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	**(C)**	**99.09**	5.00
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	**(A+B+C)**	**9.34**	4.60
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**4.60**	–
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		**13.94**	4.60

See accompanying notes to the financial statements

In terms of our report attached

For M/S C A G K & CO
Chartered Accountants
Firm's Registration No. 152566W

CA Ankit Chheda
Partner
Membership Number: 138182

Place : Mumbai
Date : 12th April, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN- 08321516

Place : Mumbai
Date : 12th April, 2024

Salil Khare
Director
DIN- 02935665

Place : Mumbai
Date : 12th April, 2024

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

₹ in Lakhs

Particulars	Share Capital Equity Share Capital	Other Equity Reserves & Surplus Retained Earnings	Total
Balance at the beginning of reporting year April 1, 2022	–	–	–
Additions during the year	5.00	–	5.00
Loss for the year	–	(1.13)	(1.13)
Balance at the end of reporting year March 31, 2023	5.00	(1.13)	3.87

₹ in Lakhs

Particulars	Share Capital Equity Share Capital	Other Equity Reserves & Surplus Retained Earnings	Total
Balance at the beginning of reporting year April 1, 2023	5.00	(1.13)	3.87
Additions during the year	–	–	–
Loss for the year	–	(1.71)	(1.71)
Balance at the end of reporting year March 31, 2024	5.00	(2.84)	2.16

See accompanying notes forming part of the financial statements

In terms of our report attached

For M/S C A G K & CO
Chartered Accountants
Firm's Registration No. 152566W

CA Ankit Chheda
Partner
Membership Number: 138182

Place : Mumbai
Date : 12th April, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN- 08321516

Place : Mumbai
Date : 12th April, 2024

Salil Khare
Director
DIN- 02935665

Place : Mumbai
Date : 12th April, 2024

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

1(A) Corporate information

The Company was incorporated on August 23, 2022 and has not yet started to generate revenue. The Company has entered into an agreement with Maharashtra Tourism Development Corporation for the purpose of development and operation of resort.

1(B) Material accounting policies

i Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii Basis of preparation and presentation

The financial statements of the Company have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

iii Cash flow statement

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iv Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. 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.

v Earnings per share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

2 Capital work-in-progress

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Work in Progress	**88.50**	–
	88.50	–

CWIP Ageing

CWIP	As at March 31, 2024 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	**88.50**	–	–	–	**88.50**
Projects temporarily suspended	–	–	–	–	–
	88.50	–	–	–	**88.50**

3 Other non-current financial assets

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Financial Assets		
– Deposits - NSDL	**0.10**	0.10
	0.10	0.10

4 Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash Equivalents		
Balances with Banks:		
– in current accounts	**13.94**	4.60
	13.94	4.60

5 Share Capital

a) Authorised share capital

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
50,000 Equity Shares of Re. 10/- each	**5.00**	5.00
	5.00	5.00

b) Issued, Subscribed and Paid up capital

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
50,000 Equity shares of Re. 10/- each	**5.00**	5.00
	5.00	5.00

c) Details of shareholders holding more than 5% shares in the company

₹ in Lakhs

Name of the shareholders	As at 31st March, 2024	
	No. of shares	Percentage
Equity shares of INR 10/- each fully paid		
Mahindra Holidays & Resorts India Limited	**49,994**	**99.99%**

₹ in Lakhs

Name of the shareholders	As at 31st March, 2023	
	No. of shares	Percentage
Equity shares of INR 10/- each fully paid		
Mahindra Holidays & Resorts India Limited	49,994	99.99%

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

d) **Shareholding of promoters in the company**

Shares held by promoters at the end of 31st March, 2024	No of shares	% of total shares	% change during the year
Promoter name			
Mahindra Holidays & Resorts India limited	**49,994**	**99.99%**	**0.00%**

Shares held by promoters at the end of 31st March,2023	No of shares	% of total shares	% change during the year
Promoter name			
Mahindra Holidays & Resorts India limited	49,994	99.99%	99.99%

6 Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Reserves & Surplus - Retained Earnings	**(2.84)**	(1.13)
TOTAL	**(2.84)**	(1.13)

7 Borrowings - Non current

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Loans from related parties*	**100.00**	–
	100.00	–

* The loan (Inter Corporate Deposit) is taken from Mahindra Holidays & Resorts India Limited and carries an interest rate of 10.05% p.a..

8 Trade Payables

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Payable	**0.29**	0.83
	0.29	0.83

Trade Payables ageing

₹ in Lakhs

Trade Payables	Outstanding as at March 31,2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	**0.29**	–	–	–	**0.29**
Total	**0.29**	–	–	–	**0.29**

₹ in Lakhs

Trade Payables	Outstanding as at March 31,2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	0.83	–	–	–	0.83
Total	0.83	–	–	–	0.83

9 Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other payables	**0.09**	–
	0.09	–

10 Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the period ended 31st March, 2023
Interest on ICD	**0.91**	–
	0.91	–

11 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the period ended 31st March, 2023
Other expenses		
Rent Expenses	**–**	**–**
Payment to Auditor		
– As audit fees	**0.20**	0.15
– For reimbursement of expenses	**–**	–
Legal & Professional Fees	**0.59**	0.98
Bank Charges	**0.01**	0.00
	0.80	1.13

12 Earnings per Share

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Basic and Diluted Earnings per share	**(3.42)**	(3.75)
Earnings per share		
Profits used in the calculation of basic earnings per share and diluted	**(1.71)**	(1.13)
Weighted average number of equity shares	**50,000**	30,274
Earnings per share from continuing operations - Basic and Diluted	**(3.42)**	(3.75)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

13 Categories of financial assets and financial liabilities

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Categories of financial assets and financial liabilities		
Non-Current Assets		
Capital work-in-progress	**88.50**	–
Other Financial Assets	**0.10**	0.10
Current Assets		
Cash and Cash Equivalents	**13.94**	4.60
Non-current liabilities		
Borrowings	**100.00**	–
Current Liabilities		
Trade Payables	**0.29**	0.83
Other Current Liabilities	**0.09**	–
	202.92	5.53

14 Fair Value Measurement

Fair value of financial assets and financial liabilities (that are measured at amortised cost) closely approximate their carrying value.

₹ in Lakhs

Particulars	As at 31st March, 2024	
	Carrying amount	Fair value
Fair Value Measurement		
Financial Assets		
Non-Current Assets	**0.10**	**0.10**
Cash and Cash Equivalents	**13.94**	**13.94**
Financial Liabilities		
Non-Current Borrowings	**100.00**	**100.00**
Current Borrowings	**–**	**–**
Trade Payables	**0.29**	**0.29**
	114.33	**114.33**

₹ in Lakhs

Particulars	As at 31st March, 2023	
	Carrying amount	Fair value
Fair Value Measurement		
Other Financial Assets	0.10	0.10
Cash and Cash Equivalents	4.60	4.60
	4.70	4.70

15 Related Party Transactions and balances

₹ in Lakhs

Particulars		As at 31st March, 2024
Related Party Transactions		
(i) Names of related parties and nature of relationship where control exists:		
Nature of Relationship	**Name of the Related Party**	
Holding Company	Mahindra Holidays & Resorts India Limited	
(ii) Related Party Transactions and balances		
Transactions during the year:		
Interest expense on ICD		**0.91**
ICD availed		**88.50**
Balances as at:		
ICD Outstanding		**100.00**
Equity Share Capital		**5.00**

₹ in Lakhs

Particulars		As at 31st March, 2023
(i) Names of related parties and nature of relationship where control exists:		
Nature of Relationship	**Name of the Related Party**	
Holding Company	Mahindra Holidays & Resorts India Limited	
(ii) Related Party Transactions and balances		
Transactions during the year:		
Investment made by Mahindra Holidays & Resorts India Limited in the company		5.00
Balances as at:		
Equity Share Capital		5.00

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

16 Ratios

Ratios	**Formula**	**For the year ended March 31, 2024**	For the year ended March 31, 2023	% Variance
Current Ratio*	Current Asset/Current Liability	**36.68**	5.54	562.30%
Debt-Equity Ratio	Total Debt/Shareholders equity	**46.38**	–	NA
Debt Service Coverage Ratio	Net operating income/Debt (principal + Interest)	**0.01**	–	NA
Return on Equity Ratio	Net income / Average total shareholders Equity	**-0.14%**	-0.15%	-3.20%
Return on Capital employed*	Earning before Interest and tax/capital employed	**-0.37%**	-0.29%	26.50%
Return on investment*	Net Profit/ Cost of investment	**-0.34%**	-0.23%	50.79%

* Change more than 25% is due to Companys plan to start operation soon

17 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure, wherever necessary. The Financial Statements have been approved for issue by Company's Board of Directors on 12th April 2024.

In terms of our report attached

For M/S C A G K & CO
Chartered Accountants
Firm's Registration No. 152566W

CA Ankit Chheda
Partner
Membership Number: 138182

Place : Mumbai
Date : 12th April, 2024

For and on behalf of the Board of Directors

Dhanraj Mulki
Director
DIN- 08321516

Place : Mumbai
Date : 12th April, 2024

Salil Khare
Director
DIN- 02935665

Place : Mumbai
Date : 12th April, 2024

INDEPENDENT AUDITOR'S REPORT

To The Members of Guestline Hospitality Management and Development Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Guestline Hospitality Management and Development Services Limited (the "Company"), which comprise the Balance Sheet as at March 31st, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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 (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 31st March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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.

Other Information

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report (including annexures thereto), Business Responsibility Statement (collectively referred to as "other information"), 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 during the course of our 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.

Management's and Board of Directors' Responsibility for the Standalone 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 financial statement 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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 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.
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Section 143(3) of the Act, based on our audit we report, to the extent applicable 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 Cash Flows and Statement of Changes in Equity 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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 1"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(1) of the Act, as amended.

   The clause is not applicable to the company as there was no remuneration paid to its directors by the company.

   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.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) 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, 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;

      (b) The management has represented that, to the best of its knowledge and belief, 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, 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;

      (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

      v. The Company has not declared/paid any dividend during the year.

2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure 2"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M.B.KARADKAR & Co.**
Chartered Accountants
Firm's registration number: 111797W

M.B.KARADKAR
Proprietor
Membership number: 043643
UDIN: 24043643BKAFTY5805

Place: Mumbai
Date: April 12th, 2024

Annexure 1 to our report of even date on the financial statements of Guestline Hospitality Management and Development Services Limited for the year ended 31st March 2024

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the financial statements of the Guestline Hospitality Management and Development Services Limited as of March 31st, 2024 and for the period from April 1st, 2023 to March 31st, 2024 we have audited the internal financial controls over financial reporting of Guestline Hospitality Management and Development Services Limited (hereinafter referred to as "the Company''), as of that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI''). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act'').

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting 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 Institute of Chartered Accountants of India ("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 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 over financial reporting 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 systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 risk 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 internal financial controls systems over financial reporting and the financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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 Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of conclusion 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Reporting issued by ICAI.

For **M.B.KARADKAR & Co.**
Chartered Accountants
Firm's registration number: 111797W

M.B.KARADKAR
Proprietor
Membership number: 043643
UDIN: 24043643BKAFTY5805

Place: Mumbai
Date: April 12th, 2024

Annexure 2 to the Auditor's Report referred to in our report of even date

1. The company does not own any immovable property and other property, plant and equipment. Therefore the provisions of clause 3 (i) of the order are not applicable.

   Further, there are no proceedings pending/initiated under the Benami Transactions (Prohibition Act, 1988 against the Company.
2. The Company does not hold any inventory. Therefore, the provisions of Clause3(ii) of the order are not applicable to the Company.
3. During the year, the Company has not granted any loans to parties covered in the register maintained under section 189 of Companies Act, 2013. Therefore clause 3(iii) (a) to (f) of the Order are not applicable to the company.
4. In our opinion and according to information and explanations give to us the Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 & 186 of the Companies Act, 2013. Therefore the provisions of Clause 3(iv) of the said Order are not applicable to the company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company. Therefore clause 3(v) of the Order is not applicable to the company.
6. In our opinion and according to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of services rendered by the Company.
7. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance. Income tax, sales tax, service tax, cess and other statutory dues applicable to the company. There are no amounts payable in respect of these dues in arrears as at 31.3.2024 or a period of more than six months from the date they became payable. The provisions relating to customs duty, duty of excise, value added tax, are not applicable to the company.

   (b) According to the information and explanation given to us and records of Company examined by us, there are no dues of income tax or sales tax, Goods & Service Tax, wealth tax, service tax, duty of customs, duty of excise value added tax and cess which have not been deposited on account of any dispute.;
8. Based on our examination of the books of account and the information and explanations given to us, there are no transactions not recorded in the books of account but disclosed as income in the income tax proceedings/ assessments.
9. The company has neither borrowed from Banks/Financial Institutions nor issued debentures and therefore the provisions of clause 3(ix) of the Companies (Auditor's Report) Order are not applicable to the company.
10. On the basis of examination of relevant records and according to the information and explanations given to us, the company has neither raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year nor made any preferential allotment or private placement of shares or debentures during the year and accordingly, Para 3(x) of the Order is not applicable to the Company.
11. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing principles in India, we have neither come across any instances of frauds by or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the management. No such report in Form No. ADT-4 has been filed by us. No whistle-blower complaint has been received by the Company during the year.
12. The Company is not a ''Nidhi Company'' therefore clause 3(xii) of the Order is not applicable to the Company.
13. Provisions of the Companies Act, 2013 relating to carrying out of internal audit are not applicable to the Company.
14. There is a no cash loss incurred by the Company during the current financial year and also in the preceding financial year.
15. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has complied with the provisions of section 177 and 188 of Companies Act, 2013 requiring disclosure of details of such transactions, where applicable in the Financial Statements as required by the Accounting standards.
16. There has been no resignation by the statutory auditors during the year and hence the clause (xviii) of the Order is not applicable to the Company.
17. On the basis of examination of relevant records and according to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with directors or person connected with them.
18. According to the information and explanations given to us and 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 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.
19. The company is not required to obtain registration required under section 45-IA of the Reserve Bank of India.
20. The provisions related to Corporate Social Responsibility (CSR) are not applicable to the Company.
21. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **M.B.KARADKAR & Co.**

Chartered Accountants

Firm's registration number: 111797W

M.B.KARADKAR

Proprietor

Place: Mumbai — Membership number: 043643

Date: April 12th, 2024 — UDIN: 24043643BKAFTY5805

BALANCE SHEET AS AT 31ST MARCH, 2024

Rs in Lakhs

Particulars		Notes	As at 31st March, 2024	As at 31st March, 2024
ASSETS				
Non-Current Assets				
Other non-current tax assets (Net)		3	**3.91**	5.56
	(A)		**3.91**	5.56
Current Assets				
Financial Assets				
- Cash and Cash Equivalents		4	**1.86**	28.77
- Other Bank Balances		5	**520.39**	481.58
- Other Current Assets		6	**32.82**	23.24
	(B)		**555.07**	533.59
TOTAL ASSETS	**(A+B)**		**558.98**	539.15
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		7	**2.54**	2.54
Other Equity		8	**530.81**	510.71
Total Equity	**(C)**		**533.35**	513.24
Liabilities				
Current Liabilities				
Financial Liabilities				
- Other Financial Liabilities		9	**25.61**	25.64
Other Current Liabilities		10	**0.02**	0.26
Total Current Liabilities			**25.63**	25.90
Total Liabilities	**(D)**		**25.63**	25.90
TOTAL EQUITY AND LIABILITIES	**(C+D)**		**558.98**	539.15
See accompanying notes to the financial statements		1-18		

In terms of our report attached

M. B. Karadkar & Co.
Chartered Accountants
Firm Registration No.: 111797W

For and on behalf of the Board

M. B. Karadkar
Proprietor
M.No. 043643

Place : Mumbai
Date : April, 12th 2024

Salil Khare
Director
DIN: 02935665

Place : Mumbai
Date : April, 12th 2024

Dhanraj Mulki
Director
DIN: 08321516

Place : Mumbai
Date : April, 12th 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Rs in Lakhs

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income			
Other Income	11	**31.17**	440.17
Total Income		**31.17**	440.17
Expenses			
Other Expenses	12	**4.30**	47.34
Total Expenses		**4.30**	47.34
Profit/ (loss) before tax		**26.87**	392.83
Tax expense			
a) Current tax		**6.77**	97.40
b) Deferred tax		**–**	–
Profit/ (loss) for the year		**20.10**	295.42
Earnings per equity share			
a) Basic	13	**79.10**	1,162.62
b) Diluted	13	**79.10**	1,162.62

See accompanying notes to the financial statements 1-18

In terms of our report attached

M. B. Karadkar & Co.
Chartered Accountants
Firm Registration No.: 111797W

For and on behalf of the Board

M. B. Karadkar
Proprietor
M.No. 043643
Place : Mumbai
Date : April, 12th 2024

Salil Khare
Director
DIN: 02935665
Place : Mumbai
Date : April, 12th 2024

Dhanraj Mulki
Director
DIN: 08321516
Place : Mumbai
Date : April, 12th 2024

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

Rs in Lakhs

Particulars		Year ended 31st March, 2024	Year ended 31st March, 2023
OPERATING ACTIVITIES			
Profit before tax		**26.87**	392.83
Adjustments to reconcile profit before tax to net cash flows:			
Interest on Fixed Deposits		**(31.17)**	(39.79)
Gain on Sale of Long Term Investment		–	(5.00)
Write Back of Excess Provision		–	(395.38)
Operating profit before Working Capital changes		**(4.30)**	(47.34)
Adjustments for :			
(Increase)/Decrease in Other Current Assets		**(0.10)**	34.05
Increase/(Decrease) in Other Current Liabilities		**(0.27)**	(1.99)
Cash Generated from/(used in) operations			
Tax Paid		**5.12**	102.95
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	(A)	**(9.79)**	(118.24)
INVESTING ACTIVITIES			
Interest on Fixed Deposits		**21.69**	41.35
(Placement)/Proceeds of Fixed Deposits		**(38.81)**	87.31
Sale of Investment in subsidary company		–	5.02
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES	(B)	**(17.12)**	133.68
FINANCING ACTIVITIES			
Dividend Paid to Preference Share Holders		**–**	(0.18)
Redemption of preference shares		**–**	–
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	(C)	**–**	(0.18)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(A+B+C)	**(26.91)**	15.27
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**28.77**	13.50
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		**1.86**	28.77

This is the Cash Flow Statement referred to in our report of even date

In terms of our report attached

M. B. Karadkar & Co.
Chartered Accountants
Firm Registration No.: 111797W

For and on behalf of the Board

M. B. Karadkar
Proprietor
M.No. 043643

Place : Mumbai
Date : April, 12th 2024

Salil Khare
Director
DIN: 02935665

Place : Mumbai
Date : April, 12th 2024

Dhanraj Mulki
Director
DIN: 08321516

Place : Mumbai
Date : April, 12th 2024

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

A. Equity Share Capital

Rs. In Lakhs

Particulars	No. of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1st April 2022	410	0.04
Issue of share capital	25,000	–
At 31st March 2023	**25,410**	**0.04**
Total Equity Share Capital	**25,410**	**0.04**
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1st April 2023	**25,410**	**0.04**
Issue of share capital	–	–
At 31st March 2024	**25,410**	**0.04**
Total Equity Share Capital	**25,410**	**0.04**

B. Other Equity

Particulars	Retained Earnings	Total
At 1st April 2022	215.28	215.28
Profit/(loss) for the year	295.42	295.42
At 31st March 2023	**510.71**	**510.71**
At 1st April 2023	510.71	510.71
Profit/(loss) for the year	20.10	20.10
At 31st March 2024	**530.81**	**530.81**

As per our report of even date

M. B. Karadkar & Co.
Chartered Accountants
Firm Registration No.: 111797W

For and on behalf of the Board

M. B. Karadkar
Proprietor
M.No. 043643

Place : Mumbai
Date : April, 12th 2024

Salil Khare
Director
DIN: 02935665

Place : Mumbai
Date : April, 12th 2024

Dhanraj Mulki
Director
DIN: 08321516

Place : Mumbai
Date : April, 12th 2024

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

1. Corporate information

The Company at present do not have any business activity. The company will in future enter into business venture permitted by the Object Clause of the MOA after taking into consideration all the materials required.

2. Material accounting policies

i) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii) Basis of preparation and presentation

The financial statements of the Company have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

iii) Cash flow statement

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iv) Revenue recognition

Other income

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.

v) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

vi) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. 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.

vii) Earnings per share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

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

Note 3 Other Non-Current Tax Assets

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2024
Other Non-Current Tax Assets		
(Net of provisions up to the reporting date)	**3.91**	5.56
Total	**3.91**	5.56

Note 4 Cash and Cash Equivalents

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks:		
- in current accounts	**1.86**	28.77
Total	**1.86**	28.77

Note 5 Other Bank Balances

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks:		
- deposits with original maturity of less than 12 months	**520.39**	481.58
Total	**520.39**	481.58

Note 6 Other Current Assets

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Deposits - NSDL	**0.20**	0.10
- Interest Accured but not Due	**32.62**	23.14
Total	**32.82**	23.24

Note 7

Share Capital

a) Authorised share capital

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
2,50,000 Equity Shares of Rs. 10/- each	**25.00**	25.00
2,50,000 Preference shares of Rs. 10/- each	**25.00**	25.00
Total	**50.00**	50.00

b) Issued, Subscribed and Paid up capital

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
25,410 Equity shares of Re. 10/- each	**2.54**	2.54
Total	**2.54**	2.54

c) Details of shareholders holding more than 5% shares in the company

	As at 31st March, 2024		As at 31st March, 2023	
Name of the shareholdrers	No. of shares	% Holding	No. of shares	% Holding
Equity shares of INR 10/- each fully paid				
M/s Mahindra Holidays & Resorts India Limited	**25,152**	**98.98%**	25,000	98.39%

d) Shares in the Company held by Promoters

Shares held by promoters at the end of the year

Promoter name	Year ended	No. of Shares	% of total shares	% Change during the year
Mahindra Holidays & Resorts India Limited	**March 31, 2024**	**25,152**	98.98%	0.60%
	March 31 , 2023	**25,000**	98.39%	

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

Note 8

Other Equity

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings	**530.81**	510.71
Total	**530.81**	510.71

Note 9 Other Financial Liabilities

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other payables	**25.61**	25.64
Total	**25.61**	25.64

Note 10 Other Current Liabilities

Rs. In Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Taxes (excluding income taxes) and other statutory dues	**0.02**	0.26
Total	**0.02**	0.26

Note 11 Other Income

Rs. In Lakhs

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest Income		
- Interest on Fixed Deposits	**31.17**	39.79
Gain on Sale of Long Term Investment	**–**	5.00
Write Back of Excess Provision	**–**	395.38
Total	**31.17**	440.17

Note 12 Other expenses

Rs. In Lakhs

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Payment to Auditor		
- As audit fees	**0.50**	0.47
Legal & Professional Fees	**3.67**	46.67
Bank Charges	**0.01**	0.01
Other Misc Expenses	**0.12**	0.19
Total	**4.30**	47.34

Note 13 - Earnings Per Share

Rs. In Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Basic and Diluted Earnings per share	**79.10**	1,162.62

Rs. In Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profits used in the calculation of basic earnings per share and diluted earnings per share (Rs. In Lakhs)	**20.10**	295.42
Weighted average number of equity shares	**25,410**	25,410
Earnings per share - Basic and Diluted	**79.10**	1,162.62

Note 14 - Ratios

Particulars	Ratios	For the year ended 31st March, 2024	For the year ended 31st March, 2023	% Variance
Current Ratio	Current Assets / Current Liabilities	**21.66**	20.60	5.11%
Return on Equity Ratio*	Profit after tax / Average total shareholders Equity	**0.01%**	0.81%	-98.81%
Return on Capital employed*	Earning before Interest and tax / Capital employed	**0.04%**	0.58%	-93.45%
Return on investment*	Net profit / Cost of investment	**7.91%**	116.26%	-93.20%

* Change more than 25% due to reduction in profit in current year as compared to previous year

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

Note 15 - Related Party Transactions

(i) Names of related parties and nature of relationship where control exists:

Nature of Relationship	Name of the Related Party
Holding Company	Mahindra Holidays & Resort India Ltd (from 2nd December, 2022)
Subsidiary Company	Mahindra Hotels and Resorts Limited (till 30th November, 2022)

(ii) Related Party Transactions and balances

Rs. In Lakhs

Particulars	31st March, 2024	31st March, 2023
Subsidiary Company		
Transactions during the year:		
Trade Payables Paid	–	23.79

Note 16:

Pursuant to the conversion of 25,000 7% Non- cumulative redeemable participating optionally convertible preference shares of Rs. 10 each held by Mahindra Holidays & Resort India Ltd. ("MHRIL") into 25,000 equity shares of Rs. 10 each on December 2, 2022, the company has become a subsidiary of MHRIL post this conversion.

Note 17:

During the previous year, the company has sold 50,160 equity shares of Mahindra Hotels and Resorts Limited (MHRL) at consideration of Rs. 10 each. Pursuant to the sale of this investment, MHRL ceased to become subsidiary company w.e.f 30th November, 2022.

Note 18:

The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure, wherever necessary.

The Financial Statements have been approved for issue by Company's Board of Directors on 12th April, 2024.

As per our report of even date

M. B. Karadkar & Co.
Chartered Accountants
Firm Registration No.: 111797W

For and on behalf of the Board

M. B. Karadkar
Proprietor
M.No. 043643
Place : Mumbai
Date : April, 12th 2024

Salil Khare
Director
DIN: 02935665
Place : Mumbai
Date : April, 12th 2024

Dhanraj Mulki
Director
DIN: 08321516
Place : Mumbai
Date : April, 12th 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HERITAGE BIRD (M) SDN. BHD.
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Heritage Bird (M) Sdn. Bhd., which comprise the statement of financial position as at 31 March 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, as set out on pages 11 to 36.

In our opinion, the accompanying financial statements 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 Malaysian Private Entities 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.

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 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 the 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 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.

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.
- 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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.

LLOYDS EARLE	**DATUK K.**
PANICKER & TAN	**K. PANICKER**
A.F. 0604	761/03/25(J)
Chartered Accountants	Chartered Accountant

Place : Kuala Lumpur.
Dated : 10 April 2024

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

Particulars	Note	March 31, 2024 RM	March 31, 2023 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	7	**3,359,948**	3,458,770
		3,359,948	3,458,770
Current Assets			
Trade receivables	8	**–**	540,000
Non-trade receivables		**3,642**	4,598
Cash at bank		**277,752**	452,446
		281,394	997,044
TOTAL ASSETS		**3,641,342**	4,455,814
EQUITY AND LIABILITIES			
Equity			
Share capital	9	**300,002**	300,002
Retained profits		**388,764**	188,430
Total Equity		**688,766**	488,432
Current Liabilities			
Non-trade payables		**36,575**	38,692
Amount due to holding company	10	**2,900,001**	3,905,250
Tax payable		**16,000**	23,440
		2,952,576	3,967,382
Total Liabilities		**2,952,576**	3,967,382
TOTAL EQUITY AND LIABILITIES		**3,641,342**	4,455,814

The notes on pages 15 to 35 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note	**March 31, 2024 RM**	March 31, 2023 RM
Revenue	**11**	**720,000**	720,000
Cost of sales		**(46,800)**	(46,800)
Other Income		–	2,498
Gross profit		**673,200**	675,698
Administration expenses		**(211,218)**	(213,429)
Profit from operations	**12**	**461,982**	462,269
Finance costs	**13**	**(164,784)**	(172,500)
Profit for the year before taxation		**297,198**	289,769
Taxation	**14**	**(96,864)**	(94,269)
Profit for the year after taxation		**200,334**	195,500

The notes on pages 15 to 35 form an integral part of these financial statements.

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

	Share Capital RM	Accumulated Profit/(Loss) RM	Total RM
March 31, 2024			
Balance as at 31 March 2023	**300,002**	**188,430**	**488,432**
Profit for the year after taxation	**–**	**200,334**	**200,334**
Balance as as 31 March 2024	**300,002**	**388,764**	**688,766**
March 31, 2023			
Balance as at March 31, 2022	300,002	(7,070)	292,932
Profit for the year after taxation	–	195,500	195,500
Balance as at 31 March 2023	300,002	188,430	488,432

The notes on pages 15 to 35 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

	March 31, 2024 RM	March 31, 2023 RM
Cash Flows From Operating Activities		
Profit for the year before taxation	**297,198**	289,769
Adjustment :-		
Depreciation of property, plant and equipment	**98,822**	98,822
Interest on loan	**164,784**	172,500
Operating profit before working capital changes	**560,804**	561,091
Changes in receivables	**540,956**	(423,773)
Changes in payables	**(2,117)**	(50,177)
Cash generated from operations	**1,099,643**	87,141
Tax paid	**(104,304)**	(93,971)
Net cash from/(used in) operating activities	**995,339**	(6,830)
Cash Flows From Investing Activities	**–**	–
Cash Flows From Financing Activities		
Repayment to holding company	**(1,005,249)**	(83,636)
Interest paid to holding company	**(164,784)**	(172,500)
Net cash used in financing activities	**(1,170,033)**	(256,136)
Net decrease in cash and cash equivalents	**(174,694)**	(262,966)
Cash and cash equivalents brought forward	**452,446**	715,412
Cash and cash equivalents carried forward	**277,752**	452,446

Note:

Cash and cash equivalent at the end of the year comprises:

	March 31, 2024 RM	March 31, 2023 RM
Cash at bank	**277,752**	452,446

The notes on pages 15 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

1. General Information

The Company is a private company, incorporated and domiciled in Malaysia. The registered office is situated at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor, and its principal place of business is located at 3A07, Block B, Phileo Damansara II, 15 Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor.

The Company's principal activities are holding of investment properties and lease rental.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

2. Compliance With Financial Reporting Standards and the Companies Act, 2016

The financial statements have been prepared in compliance with the Malaysian Private Entities Reporting Standard (MPERS) issued by the Malaysian Accounting Standards Board (MASB) and the provisions of the Malaysian Companies Act, 2016.

3. Basis of Preparation

The financial statements of the Company have been prepared using cost bases which include historical cost, amortised cost, and lower of cost and net realisable value and fair value bases which include fair value basis and fair value less costs to sell basis.

The management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting year and the reported amounts of revenues and expenses during the reporting year. Judgements and assumptions are applied in 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 6.

4. Significant Accounting Policies

a) 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 or for rental to others are recognised as property, plant and equipment when the Company obtains control of the asset. These include assets constructed or acquired for environmental protection purposes and investment property 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 other property, plant and equipment are depreciated by allocating the depreciable amount of significant component or of an item over the remaining useful life. The depreciation methods used and the useful lives of the respective classes of property, plant and equipment are as follows:

	Method	Useful life (years)
Furniture and fittings	Straight-line	5
Building	Straight-line	50

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 changes in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

b) 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.

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 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 available information. 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 the profit or loss. For a property, plant and equipment measured on the revaluation model, any impairment loss is treated as a revaluation decrease

For a cash-generating unit, any impairment loss is first allocated to reduce the carrying amount of goodwill allocated to the unit, if any, and the balance of the impairment loss is then allocated to the other 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.

c) Share capital and distribution

(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 a private placement or in a rights issue to existing shareholders, 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 recognised as equity transactions and are debited directly in equity, net of any related income tax effect.

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 shareholders of the Company approve the proposed final dividend in an annual general meeting of shareholders. For a distribution of non-cash assets to owners, including a distribution in specie, the Company measures the dividend payable at the fair value of the assets to distributed. At the end of each reporting period and at the date of settlement, the Company reviews and adjusts the carrying amount of the dividend payable to reflect changes in the fair value of the assets to be distributed, with any changes recognised in equity as adjustments to the amount of the distribution. Upon settlement, the difference between the carrying amount of the dividend payable and the carrying amount of the assets distributed is recognised as a gain or loss in profit or loss.

d) Financial instrument

(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, it becomes a party to the contractual provisions of the instrument.

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 instrument

For derecognition purposes, the Company first determines whether a financial asset or a financial liability should be derecognised in its entirely as a single item or derecognised part-by-part of a single item or a group of similar items.

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial assets 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, 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 differs by 10% or more than 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 quoted preference shares, quoted 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(d)(vii).

(iv) Subsequent measurement of financial liabilities

After initial recognition, the Company measures all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives instruments that are liabilities and financial guarantee contracts, which are measured at fair value.

(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 assets or liability is derecognised or impaired, and through the amortization process of the instrument.

(vii) Impairment and uncollectibility of financial assets

At the end of each reporting year, 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 payments; (iii) granting exceptional concession to a customer; (iv) it is probable that a customer will enter bankruptcy or other reorganization; (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 a loss allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the loss 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.

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 year. 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 assets if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

e) Related parties

Related parties refer to persons connected to the directors and/or shareholders of the Company, and companies in which the directors and/or shareholders or persons connected to the said directors and/or shareholders have substantial equity interest.

f) Cash and cash equivalents

Cash comprises cash at bank.

g) 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 counterparty (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 year. 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 experiences 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, 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 advices 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.

h) Foreign currency transactions and balances

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 revalued amounts or 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 rates 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.

i) 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 equity 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 to 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 differences 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, affects neither accounting profit nor 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. However, for deductible temporary differences related to investments in subsidiaries and branches, a deferred tax asset is recognised to the extent, and only to the extent that, it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 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 reflects the tax consequences that would follow from the manner in which an entity in the Group 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, if the owner-entity of the Group does not have a business model to hold the property solely for rental income, the deferred tax 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 a part or all of that deferred tax asset 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, except to the extent that the tax arises from items recognised outside profit or loss. For an income or expense item recognised in other comprehensive income, the current or deferred tax expense or tax income is recognised in other comprehensive income. For items recognised directly in equity, the related tax effect is also recognised directly in equity. Deferred tax assets and liabilities arising from a business combination, including tax effects of any fair value adjustment, are recognised as part of the net assets acquired.

j) Revenue recognition

The Company measures revenue from a sale of goods or service transaction 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 a customer in a sale or service transaction.

Revenue from a sale of goods is recognised when: (a) the Company has transferred to the buyer the significant risk and rewards of ownership of the goods; (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (c) the amount of the revenue can be measured reliably; (d) it is probable that economic benefits associated with the transaction will flow to the Company; and (e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

k) Fair value measurement

For assets, liabilities and equity instruments whether financial or non-financial items that require fair value measurement disclosure, the Company establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets for identical assets, liabilities or equity instruments and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and for which the Company can enter into a transaction for the asset or liability at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset or liability.

5. Financial Risk Management Policies

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risks. The Company operates within clearly defined guidelines that are approved by the Board and the Company's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows:

a) Liquidity and cash flow risks

The Company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

b) Foreign currency risk

The Company is exposed to foreign currency risk as a result of its normal trading activities, where the currency denomination differs from the local currency, Ringgit Malaysia (RM). The Company manages its exposure to foreign currency risk by monitoring fluctuations in foreign exchange and by timing its payments in foreign currencies accordingly.

c) Credit risk

Credit risk is controlled by monitoring procedures and by internal credit review where credit risk is material.

d) Interest rate risk

The Company's interest rate exposure arises principally from the borrowings. The interest rate risk is managed through the use of fixed and floating rate financial instruments.

Apart from the above, the Company does not face any material financial risks in other areas such as market risk, etc.

6. Critical Judgement and Estimation Uncertainty

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 period in which the estimates are revised and in the future periods effected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

a) 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 others are grouped into credit risk classes and tested for impairment collectively, using the Company's past experiences 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.

b) 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.

c) 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 as a whole is uncertain. When the final outcome of the taxes payable is determined with the tax authorities in each jurisdiction, the amounts might be different from the initial estimates of the taxes payable. 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.

d) 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 or market price is used as the best estimate. If an obligation is to be settled overtime, 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.

7. Property, Plant and Equipment

	Leasehold Properties RM	Furniture and Fittings RM	Total RM
Gross Carrying Amount:			
At April 1, 2023	4,941,100	54,454	4,995,554
Additions	–	–	–
At March 31, 2024	**4,941,100**	**54,454**	**4,995,554**
Accumulated Depreciation:			
At April 1, 2023	1,482,330	54,454	1,536,784
Charge for the year	98,822	–	98,822
At March 31, 2024	**1,581,152**	**54,454**	**1,635,606**
Net Book Value at April 1, 2023	3,458,770	–	3,458,770
Net Book Value at March 31, 2024	**3,359,948**	**–**	**3,359,948**

Strata-titles in respect of the lease properties have yet to be received from the relevant authorities.

8. Trade Receivables

	March 31, 2024 RM	March 31, 2023 RM
Holding Company	**–**	540,000

9. Share Capital

	March 31, 2024		March 31, 2023	
	No. of shares	**RM**	No. of shares	RM
Issued and fully paid ordinary shares:-				
Balance b/f	**300,002**	**300,002**	300,002	300,002
Issued during the year	**–**	**–**	–	–
Balance c/f	**300,002**	**300,002**	300,002	300,002

10. Amount Due To Holding Company

The holding company is Mahindra Holidays & Resorts India Ltd., a company incorporated in India, which holds the entire issued and paid up capital of the Company.

The amount due to holding company, consisting of non-trade balances, is unsecured and bears interest at the rate of 4.6% p.a. (*2023:4.6% p.a.*). The amount due is renewed on expiry and payable if it is not renewed by holding company.

11. Revenue

Revenue represents income from lease rental and rental income receivable.

12. Profit From Operations

The following items have been charged in arriving at profit from operations:-

	March 31, 2024 RM	March 31, 2023 RM
Assessment and quit rent	**3,238**	3,248
Audit fee	**18,000**	18,000
Depreciation of property, plant and equipment	**98,822**	98,822
Directors' fee	**14,000**	14,000

13. Finance Costs

	March 31, 2024 RM	March 31, 2023 RM
Interest expense on loan from holding company	**164,784**	172,500

14. Taxation

	March 31, 2024 RM	March 31, 2023 RM
Current year provision	**96,000**	93,440
Under provision in prior years	**864**	829
	96,864	94,269

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	March 31, 2024 RM	March 31, 2023 RM
Profit for the year before taxation	**297,198**	289,769
Tax at statutory income tax rate of 24%	**71,328**	69,545
Tax effect of expenses that are not deductible for tax purposes	**24,672**	23,895
Under provision in prior years	**864**	829
	96,864	94,269

15. Related Party Transactions

	March 31, 2024 RM	March 31, 2023 RM
Revenue	**(720,000)**	(720,000)
Interest on loan	**164,784**	172,500

The directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on a negotiated basis.

16. Employees

The number of employees of the Company as at 31 March 2024 is Nil (2023 : Nil).

17. Date of Authorisation for Issue of the Financial Statements

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 10 April 2024.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MH Boutique Hospitality Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MH Boutique Hospitality Limited (the Company), which comprise the statement of financial position as at March 31, 2024, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing. 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 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 we have fulfilled my other ethical responsibilities in accordance with the 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.

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, 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

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 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 Standards on Auditing, 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 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 we identify during our audit.

(Mr. Pongteera Chainsakultam)
Certified Public Accountant Registration No. 9387

Cover Biz Company Limited

April 15, 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

Currency : Baht

	Notes	2024	2023
CURRENT ASSETS			
Cash and cash equivalents		**20,113,759.04**	63,554.43
TOTAL CURRENT ASSETS		**20,113,759.04**	63,554.43
NON-CURRENT ASSETS			
Investment in subsidiaries	*4*	**38,000,000.00**	38,000,000.00
TOTAL NON-CURRENT ASSETS		**38,000,000.00**	38,000,000.00
TOTAL ASSETS		**58,113,759.04**	38,063,554.43
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other payable	*5*	**20,669,253.36**	19,660,832.00
Short-term loan	*6*	**48,050,000.00**	28,000,000.00
TOTAL CURRENT LIABILITIES		**68,719,253.36**	47,660,832.00
TOTAL LIABILITIES		**68,719,253.36**	47,660,832.00
SHAREHOLDERS' EQUITY			
Authorized share capital			
51,000 preference shares of Baht 100 each		**5,100,000.00**	5,100,000.00
49,000 ordinary shares of Baht 100 each		**4,900,000.00**	4,900,000.00
Issued and paid-up share capital			
51,000 preference shares of Baht 100 each		**5,100,000.00**	5,100,000.00
49,000 ordinary shares of Baht 100 each		**4,900,000.00**	4,900,000.00
Retained earnings (Deficits)		**(20,605,494.32)**	(19,597,277.57)
TOTAL SHAREHOLDERS' EQUITY		**(10,605,494.32)**	(9,597,277.57)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**58,113,759.04**	38,063,554.43

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF INCOME FOR THE YEAR ENDED 31 MARCH 2024

Currency : Baht

	Notes	2024	2023
REVENUES			
Other income		**307.69**	107.25
TOTAL REVENUES		**307.69**	107.25
EXPENSES			
Administrative expenses		**58,623.21**	58,521.08
TOTAL EXPENSES		**58,623.21**	58,521.08
EARNINGS BEFORE FINANCIAL COST		**(58,315.52)**	(58,413.83)
Financial costs		**949,901.23**	952,000.00
NET PROFIT/ (LOSS)		**(1,008,216.75)**	(1,010,413.83)

The accompanying notes are an integral part of the financial statements.

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

Currency : Baht

	Issued and paid-up share capital		Retained earnings (Deficits)	Total
	Preference	Ordinary		
Beginning balance as of 31 March 2022	5,100,000.00	4,900,000.00	(18,586,863.74)	(8,586,863.74)
Changes in shareholders' equity for the year				
Net profit (loss) for the year	–	–	(1,010,413.83)	(1,010,413.83)
Ending balance as of 31 March 2023	5,100,000.00	4,900,000.00	(19,597,277.57)	(9,597,277.57)
Changes in shareholders' equity for the year				
Net profit (loss) for the year	–	–	(1,008,216.75)	(1,008,216.75)
Ending balance as of 31 March 2024	**5,100,000.00**	**4,900,000.00**	**(20,605,494.32)**	**(10,605,494.32)**

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2024

1 GENERAL INFORMATION

Company status

MH Boutique Hospitality Limited, "The Company", is a limited company under Thai Civil and Commercial Code and domiciled in Thailand. It was incorporated on 10 October 2012 with registration no. 0105555151500

Place of company

33/118-119 23th Floor Wall street Tower, Surawongse, Suriyawongse, Bangrak, Bangkok

Business and operation

The objective of the Company is to become a partner with limited liability in a partnership or a shareholder in a private limited company and a public limited company.

2 BASIC OF FINANCIAL STATEMENT PREPARATION

The company financial statements have been prepared in accordance with Generally Accepted Accounting Principles and Thai Financial Reporting Standards for Non-Publicly Accountable Entities enunciated on Notification of Federation of Accounting Professions (FAP) no. 20 (B.E.2554) under the Accounting Profession Act B.E.2547 which is effective on the financial statements for fiscal year beginning on or after 1 January 2011.

The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development; Define Financial statement abstract B.E.2554 dated 28 September 2011, issued under the Accounting Act B.E.2543 which is effective on the financial statements for fiscal year beginning on or after 1 January 2011.

The company financial statements have been prepared under the historical cost convention, except those explain in accounting policies.

3 SUMMARIZED SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents is consist of cash on hand and deposit at banks including time deposit and temporary investment which is not over than 3 months to maturity date excepted cash deposit with obligation.

3.2 Investment

Investments in subsidiary, associated and other companies are stated at cost. An allowance for impairment loss will be made when the net realisable value of the investment is lower than its cost.

3.3 Revenue and expenses recognition

The company record other revenue and expenses base on accrual basis.

4 INVESTMENT IN SUBSIDIARIES

On November 5, 2012, the Company invested in 51% of Infinity Hospitality Company Limited as a subsidiary company, which had authorised capital of Baht 150 million divided into 1,500,000 ordinary shares at a par value of Baht 100.

Details of the Company's subsidiaries, as at 31 March 2024 are as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)
Investment in subsidiaries			
Infinity Hospitality Group Company Limited	Hotel	Thailand	51

5 TRADE AND OTHER PAYABLES

Consist of:

Currency : Baht

	2024	2023
Accrued interest expenses - Related parties (Note 6)	**17,046,843.34**	16,237,142.80
Accrued interest expenses for withholding tax	**3,005,579.02**	2,865,378.20
Accrued expenses	**23,210.00**	23,210.00
Other payable - Related parties (Note 6)	**593,621.00**	535,101.00
Total	**20,669,253.36**	19,660,832.00

6 RELATED PARTIES TRANSACTIONS

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. 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 directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationship with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Mahindra Holidays & Resorts India Limited	India	49% shareholder

The Pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Interest charged	Contractually agreed rate

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Currency : Baht

	2024	2023
Expenses		
Mahindra Holidays & Resorts India Limited	**934,672.00**	952,000.00
Infinity Hospitality Group Company Limited	**15,229.23**	–
Payable		
Mahindra Holidays & Resorts India Limited	**17,031,614.11**	16,237,142.80
Infinity Hospitality Group Company Limited	**15,229.23**	–
Reimbursement of expense paid		
Infinity Hospitality Group Company Limited	**593,621.00**	535,101.00
Loan from related parties		
Mahindra Holidays & Resorts India Limited	**28,000,000.00**	28,000,000.00
Interest rate	**3.25%, 3.40%**	3.40%
Infinity Hospitality Group Company Limited	**20,050,000.00**	–
Interest rate	**6.95%**	–

7 APPROVAL OF FINANCIAL STATEMENT

These financial statement were authorized for issue by company's authorized director on April 15, 2024

Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Infinity Hospitality Group Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Infinity Hospitality Group Company Limited (the Company), which comprise the statement of financial position as at March 31, 2024, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing. 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 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 we have fulfilled my other ethical responsibilities in accordance with the 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.

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 Standards 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

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 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 Standards on Auditing, 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.

(Mr. Pongteera Chainsakultam)

Certified Public Accountant Registration No. 9387

Cover Biz Company Limited
April 15, 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

Currency : Baht

	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**2,004,243.03**	732,205.99
Trade and other receivables	**4**	**1,653,130.20**	5,230,577.65
Short term loans	**11**	**20,050,000.00**	–
Inventory	**5**	**443,946.18**	398,793.74
Other current assets		**52,054.45**	119,765.85
TOTAL CURRENT ASSETS		**24,203,373.86**	6,481,343.23
NON-CURRENT ASSETS			
Property, plant and equipment	**6**	**186,003,051.32**	194,161,348.28
Intangible assets	**7**	**113,245.60**	15.00
Other non-current assets		**12,100.00**	11,000.00
TOTAL NON-CURRENT ASSETS		**186,128,396.92**	194,172,363.28
TOTAL ASSETS		**210,331,770.78**	200,653,706.51

Currency : Baht

	Notes	2024	2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Overdraft and Short-term loan from financial institution	**8**	**20,050,000.00**	–
Trade and other payables	**9**	**1,450,164.14**	8,379,150.78
Short-term borrowings	**11**	**174,500,000.00**	174,500,000.00
Other current liabilities	**10**	**488,205.89**	712,145.61
TOTAL CURRENT LIABILITIES		**196,488,370.03**	183,591,296.39
TOTAL LIABILITIES		**196,488,370.03**	183,591,296.39
SHAREHOLDERS' EQUITY			
Authorized share capital			
1,500,000 ordinary shares of Baht 100 each		**150,000,000.00**	150,000,000.00
Issued and paid-up share capital			
1,500,000 ordinary shares of Baht 100 each		**150,000,000.00**	150,000,000.00
Retained earnings (Deficits)		**(136,156,599.25)**	(132,937,589.88)
TOTAL SHAREHOLDERS' EQUITY		**13,843,400.75**	17,062,410.12
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**210,331,770.78**	200,653,706.51

The accompanying notes are an integral part of the financial statements.

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Currency : Baht

	Notes	**2024**	2023
REVENUES			
Revenue from sales or revenue from rendering services		**37,884,549.71**	28,119,465.02
Other income		**231,028.14**	98,056.94
TOTAL REVENUES		**38,115,577.85**	28,217,521.96
EXPENSES			
Cost of rent and services		**19,584,116.05**	14,886,598.80
Selling expenses		**2,303,791.56**	1,883,981.33
Administrative expenses		**13,883,769.77**	11,290,038.08
TOTAL EXPENSES		**35,771,677.38**	28,060,618.21
EARNINGS BEFORE FINANCIAL COST		**2,343,900.47**	156,903.75
Financial costs		**(5,562,909.84)**	(3,792,175.82)
NET PROFIT/ (LOSS)		**(3,219,009.37)**	(3,635,272.07)

The accompanying notes are an integral part of the financial statements.

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

Currency : Baht

	Notes	Issued and paid-up share capital	Retained earnings (Deficits)	Total
Beginning balance as of 31 March 2022		150,000,000.00	(129,302,317.81)	20,697,682.19
Changes in shareholders' equity for the period				
Net profit (loss) for the period		–	(3,635,272.07)	(3,635,272.07)
Ending balance as of 31 March 2023		150,000,000.00	(132,937,589.88)	17,062,410.12
Changes in shareholders' equity for the period				
Net profit (loss) for the period		–	(3,219,009.37)	(3,219,009.37)
Ending balance as of 31 March 2024		**150,000,000.00**	**(136,156,599.25)**	**13,843,400.75**

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2024

1 GENERAL INFORMATION

Company status

Infinity Hospitality Group Company Limited, “The Company”, is a limited company under Thai Civil and Commercial Code and domiciled in Thailand. It was incorporated on 6 May 2005, with registration no. 0105548060791

Place of company

20, Soi Sukhumvit 7 (Lerdsin 2), Sukhumvit Rd., North Klongtoey, Wattana, Bangkok, Thailand

Business and operation

The objective of the Company are services and rent of hotel, apartment, mansion and condominium.

2 BASIC OF FINANCIAL STATEMENT PREPARATION

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles and Thai Financial Reporting Standards for Non-Publicly Accountable Entities enunciated on Notification of Federation of Accounting Professions (FAP) no. 20 (B.E.2554) under the Accounting Profession Act B.E.2547 which is effective on the financial statements for fiscal year beginning on or after January 1, 2011.

The management of the Company assessed that there is no material effects of this standard for the period in which they are initially applied.

The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development; Define Financial statement abstract B.E.2554 dated September 28, 2011, issued under the Accounting Act B.E.2543 which is effective on the financial statements for fiscal year beginning on or after January 1, 2011.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3 SUMMARIZED SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents is consist of cash on hand and deposit at banks including time deposit and temporary investment which is not over than 3 months to maturity date excepted cash deposit with obligation.

3.2 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost being determined on first-in, first-out method. The Company determine to accrue provision for decline in value of inventories on deteriorated or obsolescent inventories.

3.3 Property, plant and equipment

Land are stated at cost, Buiding and Equipment are stated at cost less accumulated depreciation. Depreciation is calculated by a straight-line method over their estimated useful life as follows:

	Useful life	
Land	–	
Years Building	20	Years
Improvement & Decoration	20,5	Years
Furniture Fixture & Equipment	5	Years
General Equipment	5	Years
Computer	3,5	Years

3.4 Intangible assets

Intangible assets are stated at cost less accumulated amortisation. Amortisation is calculated by reference to their costs on the straight-line basis over the expected future period, for which the assets are expected to generate economic benefit, as follows :

	Year life	
Computer software	3,5	Years

3.5 Employee benefits

Salaries, wages and contributions to the social security fund are recognized as expenses when incurred.

3.6 Provisions and contigent liabilities

The Company recongnized provision in the best estimated amount of expenses which have to be paid on current obligation as at the end of accounting period.

3.7 Revenue and expenses recognition

Hotel revenues from rooms, food and beverage and other services are recognised when the rooms are occupied, food and beverage are sold and the services are rendered.

The company record other revenue and expenses base on accrual basis.

3.8 Income tax expense

The Company record income tax as expenses by calculating on profit and loss of tax regulation basis.

4 TRADE AND OTHER RECEIVABLES

Currency : Baht

Consist of:	**2024**	2023
Accounts Receivables - Trade	**153,066.03**	90,879.71
Allowance for doubtful accounts	**(4,607.96)**	(4,607.96)
Net Account Receivables - Trade	**148,458.07**	86,271.75
Other receivable - employee	**359,690.80**	6,000.00
Allowance for doubtful accounts	**(333,054.80)**	–
Net Other receivable - employee	**26,636.00**	6,000.00
Accrued income - related parties (Note 11)	**552,583.35**	4,290,165.00
Other account receivables - related parties (Note 11)	**593,621.00**	535,101.00
Accrued interest - related parties (Note 11)	**15,229.23**	–
Prepaid expenses	**316,602.55**	313,039.90
Total	**1,653,130.20**	5,230,577.65

5 INVENTORY

Currency : Baht

Consist of:	**2024**	2023
Finished Goods	**443,946.18**	398,793.74
Total	**443,946.18**	398,793.74

6 PROPERTY, PLANT AND EQUIPMENT

Currency : Baht

Consist of:	Land	Building	Improvement & Decoration	Furniture Fixture & Equipment	General Equipment	Computer	Vehicles	Total
Cost								
As at 31 March 2023	114,770,000.00	108,968,618.24	59,052,376.98	2,863,863.78	2,286,442.34	328,161.31	175,000.00	288,444,462.65
Acquisitions	–	–	–	159,979.86	443,663.39	321,070.09	–	924,713.34
Disposals	–	–	–	–	(70,225.71)	–	–	(70,225.71)
Adjustment/Reclassification	–	–	–	–	–	–	–	–
As at 31 March 2024	**114,770,000.00**	**108,968,618.24**	**59,052,376.98**	**3,023,843.64**	**2,659,880.02**	**649,231.40**	**175,000.00**	**289,298,950.28**
Accumulated depreciation								
As at 31 March 2023	–	82,334,971.54	8,515,432.19	1,080,136.33	1,886,242.05	291,333.26	174,999.00	94,283,114.37
Depreciation for the period	–	5,448,430.81	2,945,584.03	461,630.75	146,619.09	80,163.94	–	9,082,428.62
Depreciation on disposals	–	–	–	–	(69,644.03)	–	–	(69,644.03)
As at March 31, 2023	**–**	**87,783,402.35**	**11,461,016.22**	**1,541,767.08**	**1,963,217.11**	**371,497.20**	**174,999.00**	**103,295,898.96**
Net book value								
As at 31 March 2023	114,770,000.00	26,633,646.70	50,536,944.79	1,783,727.45	400,200.29	36,828.05	1.00	194,161,348.28
As at 31 March 2024	**114,770,000.00**	**21,185,215.89**	**47,591,360.76**	**1,482,076.56**	**696,662.91**	**277,734.20**	**1.00**	**186,003,051.32**
Depreciation for the period								
For the year ended 31 March 2023 (Included in cost and administrative expenses)								8,568,615.85
For the year ended 31 March 2024 (Included in cost and administrative expenses)								**9,082,428.62**

7 INTANGIBLE ASSETS

Currency : Baht

Consist of:	Computer software	Total
Cost		
As at 31 March 2023	797,433.00	797,433.00
Acquisitions	140,000.00	140,000.00
Disposals	–	–
Adjustment/Reclassification	–	–
As at 31 March 2024	**937,433.00**	**937,433.00**
Accumulated amortisation		
As at 31 March 2023	797,418.00	797,418.00
Amortisation for the period	26,769.40	26,769.40
Depreciation on disposals	–	–
Adjustment/Reclassification	–	–
As at 31 March 2024	**824,187.40**	**824,187.40**
Net book value		
As at 31 March 2023	15.00	15.00
As at 31 March 2024	**113,245.60**	**113,245.60**
Amortisation for the period		
For the year ended 31 March 2023 (Included in administrative expenses)		–
For the year ended 31 March 2024 (Included in administrative expenses)		26,769.40

8 OVERDRAFT AND SHORT-TERM LOAN FROM FINANCIAL INSTITUTION

As of March 31, 2024 the Company has short-term loans from three domestic financial institutions. in the form of bank overdraft in the amount of baht 20.5 million. The interest is paid at the rate specified in the contract on interest rate of MOR (6.75%).

9 TRADE AND OTHER PAYABLES

Currency : Baht

Consist of:	2024	2023
Trade payables	**703,910.44**	601,071.89
Accrued interest expneses - related party (Note 11)	**–**	4,862,324.60
Accrued interest expneses - Other (Note 8)	**14,790.98**	–
Accrued expenses - related party (Note 11)	**–**	2,106,028.00
Accrued expenses	**731,462.72**	809,726.29
Total	**1,450,164.14**	8,379,150.78

10 OTHER CURRENT LIABILITIES

Currency : Baht

Consist of:	2024	2023
Unrealised output tax	**46,054.24**	286,611.75
Withholding tax payable	**32,674.11**	24,606.54
Withholding tax payable-PND.54	**283,562.40**	–
A/P TAX REVENUE DEPARTMENT-PP.36	**5,739.17**	4,084.27
Social security tax payable	**56,690.00**	58,232.00
Revenue Department payable	**63,485.97**	69,611.05
Retention of construction	**–**	269,000.00
Total	**488,205.89**	712,145.61

NOTES TO FINANCIAL STATEMENTS AS AT MARCH 31, 2024

11 RELATED PARTIES TRANSACTIONS

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. 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 directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationship with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Mahindra Holidays & Resorts India Limited	India	49% shareholder
MH Boutique Hospitality Limited	Thailand	51% shareholder

The Pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from rent and services	Contractually agreed rate
Corporate guarantee charged	Contractually agreed rate
Loan interest	Contractually agreed rate

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Currency : Baht

	2024	2023
Income		
Mahindra Holidays & Resorts India Limited (Included VAT 7%)	**18,403,218.90**	16,260,750.00
MH Boutique Hospitality Limited-Interest	**15,229.23**	–
Expenses		
Mahindra Holidays & Resorts India Limited	**5,548,118.86**	3,485,184.91
Receivable		
Mahindra Holidays & Resorts India Limited	**552,583.35**	4,290,165.00
MH Boutique Hospitality Limited	**15,229.23**	–
Reimbursement of expense raised		
MH Boutique Hospitality Limited	**593,621.00**	535,101.00

Currency : Baht

	2024	2023
Short term loans		
MH Boutique Hospitality Limited-Loan	**20,500,000.00**	–
Interest rate	**6.95%**	
Payable		
Mahindra Holidays & Resorts India Limited	–	6,968,352.60
Short-term borrowings		
Mahindra Holidays & Resorts India Limited	**174,500,000.00**	174,500,000.00
Interest rate	**2.05%, 3.25%**	2.05%

12 APPROVAL OF FINANCIAL STATEMENT

These financial statement were authorized for issue by company's authorized director on 15th april 2024.

Director

INDEPENDENT AUDITORS' REPORT
To the members of MHR Holdings (Mauritius) Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MHR Holdings (Mauritius) Ltd, the "Company", which comprise the statement of financial position as at 31 March 2024, 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 policies.

In our opinion, the accompanying financial statements on pages 9 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 as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Global Business Licence 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. 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 19 in the financial statements which indicates that the Company had accumulated losses of EUR 9,878,582 including a loss of EUR 1,899,879 for the year ended 31 March 2024. As stated in Note 19, these conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The shareholder has undertaken to provide financial support to ensure continuation of the Company's operations. 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 the information included under the Corporate Data and Commentary of the Directors sections, but does not include the financial statements and our auditors' 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 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 Boards and as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Global Business Licence and in compliance with 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 of Auditing, 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 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 the 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.

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

K RAMCHURUN, FCCA
Licensed by FRC

Date: 24 APR 2024

Ebene 72201, Republic of Mauritius

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

	Notes	2024	2023
		EUR	EUR
ASSETS			
Non-current			
Investments in subsidiary	9	23,182,500	23,182,500
Loans	11	4,200,664	6,061,867
Non-current assets		27,383,164	29,244,367
Current			
Loans	11	66,117,141	56,216,394
Prepayments		2,382	2,400
Cash and cash equivalents		59,665	382,177
Current assets		66,179,188	56,600,971
Total assets		93,562,352	85,845,338
EQUITY AND LIABILITIES			
Equity			
Stated capital	15	25,395,000	145,000
Accumulated losses		(9,878,582)	(7,978,703)
Total equity		15,516,418	(7,833,703)
Liabilities			
Non-current liabilities			
Borrowings	12	–	67,638,877
Current			
Borrowings	12	78,021,004	25,788,390
Other payables and accruals	14	24,930	251,774
Current liabilities		78,045,934	26,040,164
Total liabilities		78,045,934	93,679,041
Total equity and liabilities		93,562,352	85,845,338

Approved by the Board of Directors on 24 April 2024 and signed on its behalf by:

DIRECTOR **DIRECTOR**

The notes on pages 13 to 37 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2024

	Notes	2024	2023
		EUR	EUR
EXPENDITURE			
Professional fees	**13**	**32,533**	40,348
Audit fees		**7,541**	8,000
License fees		**1,950**	2,357
Bank charges		**1,144**	2,313
		43,168	53,018
OPERATING LOSS		**(43,168)**	(53,018)
Finance income	**10.1**	**2,562,339**	1,472,030
Finance costs	**10.2**	**(4,419,050)**	(2,575,018)
LOSS BEFORE TAX		**(1,899,879)**	(1,156,006)
Tax expense	**8**	**–**	–
LOSS FOR THE YEAR		**(1,899,879)**	(1,156,006)
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified subsequently to profit or loss		**–**	–
Items that will be reclassified subsequently to profit or loss		**–**	–
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**–**	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,899,879)**	(1,156,006)

The notes on pages 13 to 37 form an integral part of these financial statements.

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

	Stated capital	Accumulated losses	Total
	EUR	EUR	EUR
At April 01, 2022	145,000	(6,822,697)	(6,677,697)
Loss for the year	–	(1,156,006)	(1,156,006)
Other comprehensive income	–	–	–
Total comprehensive loss for the year	–	(1,156,006)	(1,156,006)
At March 31, 2023	145,000	(7,978,703)	(7,833,703)
At April 01, 2023	**145,000**	**(7,978,703)**	**(7,833,703)**
Issue of shares	**25,250,000**	**–**	**25,250,000**
Transactions with the shareholder	**25,250,000**	**–**	**–**
Loss for the year	**–**	**(1,899,879)**	**(1,899,879)**
Other comprehensive income	**–**	**–**	**–**
Total comprehensive loss for the year	**–**	**(1,899,879)**	**(1,899,879)**
At March 31, 2024	**25,395,000**	**(9,878,582)**	**15,516,418**

The notes on pages 13 to 37 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
	EUR	EUR
Operating activities		
Loss before tax	**(1,899,879)**	(1,156,006)
Adjustments for:		
Interest income	**(2,509,544)**	(1,422,002)
Interest expense (Note 16)	**3,684,039**	1,799,871
Amortisation of transaction costs (Note 16)	**247,274**	284,478
	(478,110)	(493,659)
Changes in working capital:		
Change in prepayments	**18**	4,656
Change in other payables and accruals	**(226,844)**	(2,157,627)
Net cash used in operations	**(704,935)**	(2,646,630)
Interest received	**470,000**	-
Interest paid (Note 16)	**(3,857,576)**	(1,487,532)
Net cash used in operating activities	**(4,092,512)**	(4,134,162)
Investing activities		
Loans to subsidiary	**(6,000,000)**	(7,000,000)
Net cash used in investing activities	**(6,000,000)**	(7,000,000)
Financing activities		
Loans received (Note 16)	**9,770,000**	34,000,000
Repayment of loans (Note 16)	**–**	(24,850,000)
Net cash from financing activities	**9,770,000**	9,150,000
Net change in cash and cash equivalents	**(322,512)**	(1,984,162)
Cash and cash equivalents at beginning of the year	**382,177**	2,366,339
Cash and cash equivalents at end of the year	**59,665**	382,177
Cash and cash equivalents made up of:		
Cash at bank	**59,665**	382,177

The notes on pages 13 to 37 form an integral part of these financial statements.

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

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS ACCOUNTING STANDARDS

MHR Holdings (Mauritius) Ltd, the "Company", was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 26 June 2014 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 Apex House, Bank Street, TwentyEight, Cybercity, Ebene 72201, Republic of Mauritius.

The principal activity of the Company is to hold investments.

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Global Business Licence.

2. ADOPTION OF NEW AND AMENDED STANDARDS

2.1 New and amended Standards that are effective for the current year

The following new and amended Standards and Interpretations are mandatory for the first time for the financial year commencing on 01 April 2023.

IFRS 17	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 (Amendments to IFRS 17)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments IAS 12)
IAS 8	Definition of Accounting Estimates (Amendments to IAS 8)
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2)
IAS 12	International Reform Tax – Pillar Two Model Rules (Amendments to IAS 12)
IFRS for SMEs	International Tax Reform – Pillar Two Model Rules (Amendments to the IFRS for SMEs Standard)

Management has assessed the impact of these revised amendments and concluded that only IAS 1: Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2) has an impact on these financial statements.

2.2 Standards, amendments and Interpretations 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, several new, but not yet effective, Standards, amendments to existing Standards and Interpretations have been published by the IASB. None of these Standards, amendments or Interpretations have been adopted early by the Company.

Management anticipates that all relevant pronouncements, will be adopted in the Company's accounting policies for the first period beginning on or after the effective date of the pronouncement. Information on new Standards, amendments to existing Standards and Interpretations is provided as follows:

IAS 1	Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
IAS 1	Non-current Liabilities with Covenants (Amendments to IAS 1)
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
IAS 7 and IFRS 7	Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
IAS 21	Lack of Exchangeability (Amendments to IAS 21)
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures

Management has yet to assess the impact of the above Standards, amendments to existing Standards and Interpretations on the Company's 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 Revenue

Interest income is recognised on the accrual basis using the effective interest method, unless collectability is in doubt.

3.3 Expenses

All expenses are accounted for in the statement of comprehensive income on the accrual basis.

3.4 Taxation

Tax expense recognised in the statement of comprehensive income comprises of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise of those obligations to, or claims from, fiscal authorities relating to the current period, 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.

3.5 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

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.

Classification and initial measurement of financial assets

Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15: *Revenue from contacts with customers,* 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); and
- 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; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income.

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest method 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; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loans and other receivable 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'. For the Company, instruments within the scope of the new requirements include its loans and other receivable.

Recognition of credit losses is no longer dependent on the Company's 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.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities consist of borrowings, other payables and accruals.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

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 Consolidated financial statements

The financial statements are separate financial statements which contain information about MHR Holdings (Mauritius) Ltd as an individual company and do not contain consolidated financial information as the parent of a group.

The Company holds a Global Business Licence issued by the Financial Services Commission and has taken advantage of the exemption given in Section 12 of Part 1 of the Fourteenth Schedule of the Mauritius Companies Act 2001 from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary of a quoted company incorporated in the Republic of India, Mahindra Holidays and Resorts India Limited.

3.7 Investment in subsidiary

A subsidiary is an entity 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 over the entity.

Investment in subsidiary is 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.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Cash equivalents are 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.

3.9 Equity

Stated capital represents the value of shares that have been issued.

Share premium includes any premiums received on issue of shares. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Accumulated losses include current and prior years' results as disclosed in the statement of comprehensive income.

3.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

Provisions are measured at the estimated expenditure required to settle the present obligation based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. The increase in the provision due to passage of time is recognised as interest expense in the statement of comprehensive income.

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.

3.11 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.

3.12 Foreign currency translation

Functional and presentation currency

The financial statements are presented in Euro ("EUR"), which is the Company's functional and presentation 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 remeasurement of monetary items denominated in foreign currency at year-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.

3.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method.

Fees paid on loan facilities are recognised as transaction costs and are deducted from borrowings and amortised over the period of the facility to which it relates.

3.14 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

3.15 Comparatives

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

4. SIGNIFICANT MANAGEMENT JUDGEMENT 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 judgements

The following are the significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

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 EUR.

Going concern assumption

The directors have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the Company's future business projects, future cash flows and future profitability.

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.

Impairment losses on 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.

Impairment of investments in subsidiary

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 amount has not suffered any impairment in value at the reporting date.

Impact of Russia/Ukraine conflict

In February 2022, a military conflict arose between Russia and Ukraine, with the latter being supported by countries in the NATO alliance as well as others around the globe, including imposition of financial and trade sanctions against Russia. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices, supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

5. FINANCIAL INSTRUMENTS RISK

Risk management objectives and policies

The Company is exposed to various risks in relation to its financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

The Company's financial assets and financial liabilities by category are summarised below.

	2024	2023
	EUR	EUR
Financial assets at amortised cost		
Non-current		
Loans	**4,200,664**	6,061,867
Current		
Loans	**66,117,141**	56,216,394
Cash and cash equivalents	**59,665**	382,177
	66,176,806	56,598,571
Total financial assets	**70,377,470**	62,660,438

	2024	2023
	EUR	EUR
Financial liabilities measured at amortised cost		
Non-current		
Borrowings	**–**	67,638,877
Current		
Borrowings	**78,021,004**	25,788,390
Other payables and accruals	**24,930**	251,774
	78,045,934	26,040,164
Total financial liabilities	**78,045,934**	93,679,041

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 in the Company's activities.

5.1 Market risk analysis

The Company is exposed to market risk through its use of financial instruments. Market risk is comprised specifically of currency risk and interest rate risk, which result from both its operating and investing activities.

Foreign currency sensitivity

Foreign currency risk, as defined in IFRS 7: *Financial Instruments: Disclosures,* arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Company is not exposed to any currency risk as most of its financial assets and financial liabilities are denominated in the Euro, which is the functional currency of the Company.

The currency profile of its financial assets and liabilities is as follows:

	Financial assets 2024	**Financial liabilities 2024**
	EUR	**EUR**
Long term exposure		
Euro (EUR)	**4,200,664**	**–**
Short term exposure		
Euro (EUR)	**66,176,806**	**78,021,004**
United States Dollar (USD)	**–**	**24,930**
	70,377,470	**78,045,934**

	Financial assets 2023	Financial liabilities 2023
	EUR	EUR
Long term exposure		
Euro (EUR)	6,061,867	67,638,877
Short term exposure		
Euro (EUR)	56,598,571	26,000,562
United States Dollar (USD)	–	39,602
	62,660,438	93,679,041

Interest rate sensitivity

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 liabilities in the form of loans and borrowings.

The Company's interest-bearing financial assets are in the form of loans to the subsidiary at a fixed rate of interest and therefore are not subject to market fluctuations.

As 31 March 2024, the Company has interest bearing financial liabilities in the form of bank loans from HSBC Bank (Mauritius) Limited and AXIS Bank Limited.

The Company has taken the following loans from HSBC Bank (Mauritius) Limited and AXIS Bank Limited:

Loans from HSBC Bank (Mauritius) Limited

Loan of EUR 6,850,000

The bank loan of EUR 6,850,000 from HSBC Bank (Mauritius) Limited carried interest at Fixed EUR Interest Rate Swap ("IRS") 5 year plus a margin of 2.75% per annum on fixed basis. The all-inclusive rate of interest was initially fixed at 3.45% and interest was payable at the end of every 6 months. Pursuant to board minutes dated 02 August 2019, the loan extension period was revised to 04 August 2022 and the margin rate modified to 1.10% per annum. During the year ended 31 March 2023, the loan was repaid.

Loan of EUR 5,000,000

The Company (the "Borrower") entered into a Facility Agreement with HSBC Bank (Mauritius) Limited ("the Lender") on 28 September 2018 whereby the loan was repayable within 1 year from the date of each drawdown + rollover basis for 1 year tenure. The loan bore interest at EURIBOR 3 months plus a margin of 1.35% per annum on fixed basis. It was agreed that if EURIBOR was negative, it would be deemed to be zero for the purpose of this facility. As at 31 March 2022, the loan sanction amount of EUR 5,000,000 was fully utilised by the Company. During the year ended 31 March 2023, the loan was repaid.

Loan of EUR 10,000,000

As at 31 March 2021, the Company was sanctioned a bank loan of EUR 10,000,000 bearing interest at EUR Interest Rate EURIBOR 6 months plus a margin of 1.10% per annum on fixed basis (Note 12 (ii)). It was agreed that if EURIBOR was negative, it would be deemed to be zero for the purpose of this facility. The tenure of the loan is 2.99 years from each drawdown. During the year ended 31 March 2023, the loan was repaid.

Loan of EUR 2,500,000

During the year ended 31 March 2022, the Company received an additional bank loan of EUR 2,500,000 from HSBC Bank (Mauritius) Limited bearing interest at EUR Interest Rate EURIBOR plus a margin of 1.20% per annum on fixed basis (Note 12 (ii)). It is agreed that if the EURIBOR is negative, it would be deemed to be zero for the purpose of this facility. The interest is payable at the end of every 3 or 6 months and has a maturity date of 24 February 2025. During the year ended 31 March 2024, interest expense amounted to EUR 121,641 and interest accrued EUR 3,903.

Loan of EUR 40,000,000

Pursuant to agreement dated 08 February 2022, HSBC Bank (Mauritius) Limited sanctioned a loan of EUR 40,000,000 to the Company. The loan has a tenure period of 2.99 years from date of first disbursement and can be rolled over for another 0.99 year. The loan bears interest at EUR Interest Rate EURIBOR plus a margin of 1.20% per annum on fixed basis (Note 12 (ii)). It is agreed that if the EURIBOR is negative, it would be deemed to be zero for the purpose of this facility. The interest is payable at the end of every 3 or 6 months. As at 31 March 2024, an amount of EUR 36,547,503 has been disbursed. During the year ended 31 March 2024, interest expense amounted to EUR 1,800,105 and interest accrued EUR 170,893.

Loan of EUR 15,000,000

During the year ended 31 March 2024, pursuant to the credit facility loan of EUR 15,000,000 and Credit Facility Agreement dated 19 January 2024, HSBC Bank (Mauritius) Limited had disbursed an amount of EUR 8,770,000 with interest period to coincide with the interest payment of our existing loan of EUR 36,547,505 and repayment at 0.99 year with an option of roll over. During the year ended 31 March 2024, interest expense amounted to EUR 191,790 and interest accrued EUR 43,982.

Loans from AXIS Bank Limited

Loan of EUR 30,000,000

Pursuant to facility agreement dated 17 February 2022, AXIS Bank Limited granted a total commitment of EUR 30,000,000 to the Company. The total commitment comprises of a Term Loan Facility of EUR 15,000,000, a Revolving Credit Facility 1 amounting to EUR 7,000,000 and a Revolving Credit Facility 2 amounting to EUR 8,000,000. The Term Loan Facility and Revolving Credit Facility 1 bear interest rate of 6 months EURIBOR, floored to zero if EURIBOR is negative, plus 104 basis point per annum. As per the facility agreement, Revolving Credit Facility 2 interest rate will be decided at time of disbursement. The Company repaid an amount of EUR 2,000,000 on 21 July 2022 and during the year ended 31 March 2023, an amount of EUR 1,000,000 was disbursed. During the year ended 31 March 2024, an additional amount of EUR 1,000,000 was disbursed, interest expense amounted to EUR 1,425,537 and interest accrued of EUR 146,077.

Interest rate sensitivity analysis

The following table illustrates the sensitivity of loss and shareholder's deficit to reasonably possible changes in interest rates of +/- 1% for the year ended 31 March 2024. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rates for each year, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

A 1% increase in interest rate will have the following impact:

	Loss for the year	**Shareholder's deficit**
	EUR	**EUR**
At March 31, 2024	**780,210**	**780,210**

A 1% decrease in interest rate would have the reversed impact.

5.2 Credit risk analysis

Credit risk is the risk that the counterparty fails to discharge an obligation 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 as follows:

	2024	2023
	EUR	EUR
ASSETS		
Non-current		
Loans	**4,200,664**	6,061,867

	2024	2023
	EUR	EUR
Current assets		
Loans	**66,117,141**	56,216,394
Cash and cash equivalents	**59,665**	382,177
	66,176,806	56,598,571
	70,377,470	62,660,438

The Company has sanctioned several loans to its Subsidiary. The terms and conditions of the loans are detailed in Note 11 of these financial statements.

The Company measures credit risk and ECL using probability of default, exposure at default and loss given default of the loans to subsidiary. The directors consider both historical analysis and forward-looking information in determining any ECL. The directors consider the probability of default to be close to zero as the Subsidiary has strong capacity to meet their contractual obligations and have not defaulted in the past. As a result, no loss allowance has been recognised based on 12-month ECL under Stage 1 of the ECL model.

The credit risk for the bank balance is considered negligible, since the counterparty is a reputable bank with high quality external credit ratings.

The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these instruments.

None of the Company's financial assets are secured by collateral or other credit enhancements. The borrowings taken are secured against an Unconditional and Irrevocable Corporate Guarantee from Mahindra Holidays and Resorts India Limited, the parent company.

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.

As at 31 March 2024. The Company has contractual maturities which are summarised below:

	2024		2023	
	Less than 1 year	**More than 1 year**	Less than 1 year	More than 1 year
	EUR	**EUR**	EUR	EUR
Borrowings	**78,021,004**	**–**	25,788,390	67,638,877
Other payables and accruals	**24,930**	**–**	251,774	–
Total	**78,045,934**	**–**	26,040,164	67,638,877

6. FAIR VALUE MEASUREMENT

6.1 Fair value measurement of financial instruments

The Company has financial assets and financial liabilities, and they are measured at their carrying amounts which approximate their fair values.

6.2 Fair value measurement of non-financial instruments

The Company's non-financial assets consist of investments in subsidiary and prepayments for which fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position. At the reporting date, the Company did not have any non-financial liabilities.

7. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

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 to its member.

In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to its member, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital.

The details of the gearing ratio are disclosed as follows:

	2024	2023
	EUR	EUR
Borrowings	**78,021,004**	93,427,267
Less: cash and cash equivalents	**(59,665)**	(382,177)
Net debt	**77,961,339**	93,045,090
Total equity	**15,516,418**	(7,833,703)
Total capital	**93,477,757**	85,211,387
Gearing ratio (%)	**83%**	100%

The directors consider that this level of gearing is necessary taking into account the Company's business activities.

8. TAXATION

(i) Income tax

The Company holds a Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholder or in respect of redemptions or exchanges of shares.

Post 30 June 2021 and under the new tax regime and 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 some of the income derived, including but not limited to foreign source dividends or interest income.

At 31 March 2024, the Company has accumulated tax losses of **EUR 2,958,740** (2023: EUR 1,660,698) which will be carried forward and available for set off against future taxable profit as follows:

	EUR
Up to the year ending March 31, 2025	**165,327**
Up to the year ending March 31, 2026	**370,672**
Up to the year ending March 31, 2027	**342,363**
Up to the year ending March 31, 2028	**668,235**
Up to the year ending March 31, 2029	**1,412,143**
	2,958,740

(ii) Deferred tax

Deferred income tax is calculated on all temporary differences under the liability method at the rate of 15%. At 31 March 2024, no deferred tax has been recognised in respect of the tax losses carried forward as it is not probable that taxable profits will be available in the foreseeable future.

(iii) Income tax reconciliation

The income tax on the Company's loss before tax differs from the theoretical amount that would arise using the effective tax rate of the Company as follows:

	2024	2023
	EUR	EUR
Loss for the year	**(1,899,879)**	(1,156,006)
Tax expense	**–**	–

9. INVESTMENTS IN SUBSIDIARY

	2024	2023
	EUR	EUR
(i) Unquoted investments at cost:		
At April 1 and March 31,	**23,182,500**	23,182,500

(ii) Details pertaining to the unquoted investments are as follows:

Name of investee company	**Country of incorporation**	**Type of investments**	**Number of shares**	**Cost 2024**	Cost 2023
				EUR	EUR
Covington S.à.r.l	Luxembourg	Equity	**12,500**	**17,500**	17,500
Covington S.à.r.l	Luxembourg	Non-equity	**–**	**23,165,000**	23,165,000
			12,500	**23,182,500**	23,182,500

(iii) Pursuant to a Share Sale and Purchase Agreement dated 17 July 2014 between the Company (the "Purchaser") and D.LAW (the "Seller"), the Company purchased 12,500 shares without nominal value corresponding to 100% of the share capital of Covington S.à.r.l, a private limited company incorporated in Luxembourg, for a total consideration of EUR 17,500.

In addition, pursuant to Contribution Agreements dated 31 July 2014, 10 November 2014 and 18 August 2015 between the Company and Covington S.à.r.l (the "Receiver"), the Company contributed EUR 3,165,000, EUR 4,000,000, and EUR 16,000,000 respectively to the Receiver.

(iv) The directors have assessed the recoverable amount of the investments (equity and non-equity) and confirmed that the carrying amount of these investments have not suffered any impairment in value at the reporting date.

(v) The Company has 100% shareholding in Covington S.à.r.l and is therefore considered as the Company's subsidiary since it has control over the subsidiary through its 100% voting rights. The Company holds a Global Business Licence issued by the Financial Services Commission and has therefore taken advantage of Section 12 of Part 1 of the Fourteenth Schedule of the Mauritius Companies Act 2001 which dispenses it from presenting consolidated financial statements as it is a wholly owned subsidiary of a company incorporated in the Republic of India.

(vi) The non-equity investment in Covington S.à.r.l represents funds invested as "capital contribution" and settlement is not likely within one year. Repayment would be agreed between the Company and its investee company.

10. FINANCE INCOME AND FINANCE COSTS

	2024	2023
	EUR	EUR
10.1 Finance income		
Corporate Guarantee Commission income	**52,795**	50,028
Interest on loans	**2,509,544**	1,422,002
	2,562,339	1,472,030
10.2 Finance costs		
Interest on borrowings	**3,684,039**	1,799,871
Commissions on Corporate Guarantee	**449,182**	454,525
Amortisation of transaction costs	**247,274**	284,478
Annual charges	**38,555**	36,144
	4,419,050	2,575,018

11 LOANS

	2024	2023
	EUR	EUR
Loans to subsidiary:		
Non-current		
Principal amounts	**4,000,000**	6,000,000
Interest receivable	**200,664**	61,867
	4,200,664	6,061,867
Current		
Principal amounts	**60,120,000**	52,120,000
Interest receivable	**5,997,141**	4,096,394
	66,117,141	56,216,394
Total	**70,317,805**	62,278,261

(i) The movements during the year on the loans as follows:

	2024	2023
	EUR	EUR
Opening balance	**62,278,261**	53,856,259
Loans given during the year (Note 11 (ii))	**6,000,000**	7,000,000
Interest income for the year	**2,509,544**	1,422,002
Interest received during the year	**(470,000)**	–
Closing balance	**70,317,805**	62,278,261

(ii) Pursuant to Loan Agreement dated 21 September 2023, the Company has disbursed loans of EUR 2,000,000 and EUR 4,000,000 to its subsidiary, Covington S.à.r.l, a private limited company incorporated in Luxembourg, to be used in the ordinary course of business during the year ended 31 March 2024 at interest rates of 5.86% and 5.68% per annum respectively. The loan is unsecured and is repayable after 1 year from the date of the first drawdown and extendable at the consent of the Company.

(iii) During the year ended 31 March 2024, the Company renewed and extended the loans to Covington S.à.r.l for 1 year and revised interest rates to 5.11% per annum for all loans.

(iv) The directors have taken into consideration both historical analysis and forward-looking information in determining any ECL. Consequently, the directors consider the probability of default to be close to zero as the subsidiary has a strong capacity to meet the contractual obligations in the near term and have not defaulted in the past. As a result, no loss allowance has been recognised based on 12-month ECL under Stage 1 of the ECL model.

12 BORROWINGS

	2024	2023
	EUR	EUR
Non-current		
Bank loans (Note 12 (ii))	**–**	67,638,877
Current		
Bank loans (Note 12(ii))	**78,021,004**	261,400
Loan from holding company (Note 12 (iii))	**–**	25,526,990
	78,021,004	25,788,390
Total	**78,021,004**	93,427,267

	2024	2023
	EUR	EUR
Non-current		
Bank loans (Note 12 (ii))	**–**	67,638,877
Current		
Bank loans (Note 12(ii))	**78,021,004**	261,400
Loan from holding company (Note 12 (iii))	**–**	25,526,990
	78,021,004	25,788,390
Total	**78,021,004**	93,427,267

(i) The movement during the year on the borrowings is as follows:

	2024	2023
	EUR	EUR
At April 01	**93,427,267**	83,680,450
Loans taken during the year:		
Mahindra Holidays & Resorts India Limited ("MHRIL")	**–**	25,000,000
AXIS Bank Limited	**1,000,000**	9,000,000
HSBC Bank (Mauritius) Limited	**8,770,000**	–
Loan repaid during the year:		
AXIS BANK LIMITED	**–**	(2,000,000)
HSBC Bank (Mauritius) Limited	**–**	(22,850,000)
Conversion of loan from MHRIL	**(25,250,000)**	–
Interest element for the year:		
Interest expense	**3,684,039**	1,799,871
Interest payment	**(3,857,576)**	(1,487,532)
Transaction costs incurred for the year:		
Amortisation of transaction costs	**247,274**	284,478
At March 31	**78,021,004**	93,427,267

(ii) Summary of bank borrowings arrangements are as follows:

HSBC Bank (Mauritius) Limited

Loan of EUR 6,850,000

The Company (the "Borrower") entered into a Facility Agreement with HSBC Bank (Mauritius) Limited ("the Lender") on 31 July 2014 whereby the loan was repayable on 04 August 2019. The loan had interest rate at Fixed EUR Interest Rate Swap ("IRS") 5 year plus a margin of 2.75% per annum on fixed basis. The all-inclusive rate of interest was initially fixed at 3.45%. Pursuant to board minutes dated 02 August 2019, the loan extension period was revised to 04 August 2022 and the margin rate was modified to 1.10% per annum. During the year ended 31 March 2023, the loan was fully repaid.

Loan of EUR 5,000,000

The Company (the "Borrower") entered into a Facility Agreement with HSBC Bank (Mauritius) Limited ("the Lender") on 28 September 2018 whereby the loan was repayable within 1 year from the date of each drawdown + rollover basis for 1 year tenure. The loan bore interest at EURIBOR 3 months plus a margin of 1.35% per annum on fixed basis. It was agreed that if EURIBOR was negative, it would be deemed to be zero for the purpose of this facility. As at 31 March 2022, the loan sanctioned amount of EUR 5,000,000 was fully disbursed. During the year ended 31 March 2023, the loan was fully repaid.

Loan of EUR 10,000,000

The Company (the "Borrower") entered into a Term Loan Credit Facility Agreement with HSBC Bank (Mauritius) Limited ("the Lender") on 29 October 2019 for a loan of EUR 10,000,000 and repayable in 2.99 years. As at 31 March 2020, an amount of EUR 6,500,000 was disbursed. The loan bore interest at EURIBOR plus a margin of 1.10% per annum. It was agreed that if EURIBOR was negative, it would be deemed to be zero for the purpose of this facility. The interest is payable at the end of every 3 or 6 months.

During the year ended 31 March 2021, an additional loan of EUR 3,500,000 was disbursed to the Company out of the Term Loan Credit Facility Agreement of EUR 10,000,000. The additional amount was disbursed at the same conditions prevailing for the first tranche. During the year ended 31 March 2023, the loan was fully repaid.

Loan of EUR 1,000,000

The Company (the "Borrower") entered into a Facility Agreement with HSBC Bank (Mauritius) Limited ("the Lender") on 16 June 2021 to borrow a loan facility up to EUR 3,000,000 whereby the loan was repayable within 0.99 year from the date of first drawdown with the possibility to roll over for another 0.99 year. The loan bore interest at EURIBOR plus a margin of 2.50% per annum on fixed basis. It was agreed that if EURIBOR was negative, it would be deemed to be zero for the purpose of this facility. As at 31 March 2022, an amount of EUR 1,000,000 was disbursed. During the year ended 31 March 2023, the loan was fully repaid.

Loan of EUR 40,000,000

Pursuant to agreement dated 08 February 2022, HSBC Bank (Mauritius) Limited sanctioned a loan of EUR 40,000,000 to the Company. The loan has a tenure period of 2.99 years from date of first disbursement and can be rolled over for another 0.99 year. The loan bears interest at EUR Interest Rate EURIBOR plus a margin of 1.20% per annum on fixed basis (Note 12 (ii)). It is agreed that if the EURIBOR is negative, it would be deemed to be zero for the purpose of this facility. The interest is payable at the end of every 3 or 6 months. As at 31 March 2024, an amount of EUR 36,547,503 has been disbursed. During the year ended 31 March 2024, interest expense amounted to EUR 1,800,105 and interest accrued EUR 170,893.

Loan of EUR 2,500,000

During the year ended 31 March 2022, the Company received an additional bank loan of EUR 2,500,000 from HSBC Bank (Mauritius) Limited bearing interest at EUR Interest Rate EURIBOR plus a margin of 1.20% per annum on fixed basis (Note 12 (ii)). It is agreed that if the EURIBOR is negative, it would be deemed to be zero for the purpose of this facility. The interest is payable at the end of every 3 or 6 months and has a maturity date of 24 February 2025. During the year ended 31 March 2024, interest expense amounted to EUR 121,641 and interest accrued EUR 3,903.

Loan of EUR 15,000,000

During the year ended 31 March 2024, pursuant to the credit facility loan of EUR 15,000,000 and Credit Facility Agreement dated 19 January 2024, HSBC Bank (Mauritius) Limited had disbursed an amount of EUR 8,770,000 with interest period to coincide with the interest payment of our existing loan of EUR 36,547,505 and repayment at 0.99 year with an option of roll over. During the year ended 31 March 2024, interest expense amounted to EUR 191,790 and interest accrued EUR 43,982.

AXIS Bank Limited

Loan of EUR 30,000,000

Pursuant to facility agreement dated 17 February 2022, AXIS Bank Limited granted a total commitment of EUR 30,000,000 to the Company. The total commitment comprises of a Term Loan Facility of EUR 15,000,000, a Revolving Credit Facility 1 amounting to EUR 7,000,000 and a Revolving Credit Facility 2 amounting to EUR 8,000,000. The Term Loan Facility and Revolving Credit Facility 1 bear interest rate of 6 months EURIBOR, floored to zero if EURIBOR is negative, plus 104 basis point per annum. As per the facility agreement, Revolving Credit Facility 2 interest rate will be decided at time of disbursement. The Company repaid an amount of EUR 2,000,000 on 21 July 2022 and during the year ended 31 March 2023, an amount of EUR 1,000,000 was disbursed. During the year ended 31 March 2024, an additional amount of EUR 1,000,000 was disbursed, interest expense amounted to EUR 1,425,537 and interest accrued of EUR 146,077.

The above loans are secured against an Unconditional and Irrevocable Corporate Guarantee from Mahindra Holidays & Resorts India Limited (the "Guarantor"). In that respect, an annual commission of 0.53% on the Corporate Guarantee should be paid to the Guarantor until the loans are fully repaid. During the year ended 31 March 2024, an amount of EUR 449,182 (2023: EUR 454,525) was charged as commission and the whole amount has been repaid during the year under review (2023: EUR 212,171).

Since Holiday Club Resorts Oy ("HCR"), the indirect subsidiary incorporated in the Republic of Finland, is also benefiting from the loans borrowed by the Company in terms of the pledge provided, HCR therefore pays a commission to the Company which is then partly remitted to the Guarantor. During the year under review, an amount of EUR 52,795 (2023: EUR 50,028) was charged as commission.

(iii) In 2022, the Company borrowed a loan amounting to EUR 250,000 from MHRIL, the immediate holding company, bearing interest of 2.2% per annum and repayable on demand. During the year ended 31 March 2023, an additional amount of EUR 25,000,000 was disbursed to the Company with the same terms and conditions. During the year ended 31 March 2024, the borrowing was converted into stated capital. (Note 15)

13. PROFESSIONAL FEES

	2024	2023
	EUR	EUR
Administration fees and disbursements	**19,018**	32,627
Directors' fees	**3,653**	4,022
Fees for tax filings	**1,232**	2,014
Secretarial fees	**1,849**	1,685
Professional fees	**6,781**	–
	32,533	40,348

14. OTHER PAYABLES AND ACCRUALS

	2024	2023
	EUR	EUR
Commission on Corporate Guarantee (Note 12 (ii))	**–**	212,171
Audit fees	**8,000**	8,000
Administration fees	**16,930**	31,603
	24,930	251,774

15. STATED CAPITAL

	2024	2023
	EUR	EUR
Issued and paid:		
145,000 Ordinary shares of EUR 1 each	**145,000**	145,000
531,355 Class B Ordinary shares of EUR1 each (Note 15 (i))	**531,355**	–
Share premium (Note 15 (i))	**24,718,645**	–
	25,395,000	145,000

(i) During the year ended 31 March 2024, the loan payable amounting to EUR 25,250,000 to Mahindra Holidays and Resorts India Limited, the sole shareholder, was converted into 531,355 equity shares of EUR 1 and at a premium of EUR 46.52 per share, aggregating to EUR 24,718,645.

(ii) In accordance with the Company's Constitution, the main rights and obligations attached to the ordinary shares are as follows:

- confer to its holder the rights to attend and exercise one vote at meetings of members generally and class meetings of the ordinary shares;
- have a right to receive any dividend or distribution; and
- be entitled, on a winding up, to share in the assets of the Company available for distribution.

16. CASH FLOW INFORMATION

Net debt reconciliation

	2024	2023
	EUR	EUR
Net debt		
Borrowings:		
- Repayable within one year	**78,021,004**	25,788,390
- Repayable after one year	**–**	67,638,877
	78,021,004	93,427,267

	Borrowings due within 1 year	**Borrowings due after 1 year**	**Total**
	EUR	**EUR**	**EUR**
Net debt as at April 1, 2023	**25,788,390**	**67,638,877**	**93,427,267**
Cash flows:			
- Additional loan from Axis Bank Limited	**1,000,000**	**–**	**1,000,000**
- Repayment of loan from HSBC Bank (Mauritius) Limited	**8,770,000**	**–**	**8,770,000**
- Interest paid	**(3,857,576)**	**–**	**(3,857,576)**

	Borrowings due within 1 year	Borrowings due after 1 year	Total
	EUR	**EUR**	**EUR**
- Conversion of loan from Mahindra Holidays and Resorts India Limited ("MHRIL")	**(25,250,000)**		**(25,250,000)**
Non-cash movement:			
- Amortisation of loan	**–**	**247,274**	**247,274**
- Interest expense	**3,684,039**	**–**	**3,684,039**
- Reclassification of loans	**67,886,151**	**(67,886,151)**	**–**
Net debt as at March 31, 2024	**78,021,004**	**–**	**78,021,004**

	Borrowings due within 1 year	Borrowings due after 1 year	Total
	EUR	EUR	EUR
Net debt as at April 1, 2022	19,811,520	63,868,930	83,680,450
Cash flows:			
- Additional loan from MHRIL	25,000,000	–	25,000,000
- Additional loan from Axis Bank Limited	–	9,000,000	9,000,000
- Repayment of loan from HSBC Bank (Mauritius) Limited	(19,350,000)	(3,500,000)	(22,850,000)
- Repayment of loan from Axis Bank Limited	–	(2,000,000)	(2,000,000)
- Interest paid	(1,487,532)	–	(1,487,532)
Non-cash movement:			
- Amortisation of loan	–	284,478	284,478
- Interest expenses	1,799,871	–	1,799,871
- Reclassification of loans	14,531	(14,531)	–
Net debt as at March 31, 2023	25,788,390	67,638,877	93,427,267

17. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2024, the Company had transactions with related parties. The nature, volume of transactions and balances with the related parties are as follows:

Name of companies	Nature of relationship	Nature of transactions	Volume of transactions	Debit/ (credit) balances at March 31, 2024	Debit/ (credit) balances at March 31, 2023
			EUR	**EUR**	EUR
Covington S.à.r.l. (Note 11)	Subsidiary	Loans and interest receivable	**8,039,544**	**70,317,805**	62,278,261
Mahindra Holidays and Resorts India Limited (Note 12(iii))	Holding company	Loan and interest payable	**25,526,990**	**–**	(25,526,990)
Mahindra Holidays and Resorts India Limited (Note 12(ii))	Holding company	Commission on Corporate Guarantee	**212,171**	**–**	(212,171)

The terms and conditions of the loans and payable to holding company are as disclosed in notes 11 and 12 to the financial statements.

18. CONTINGENT LIABILITIES

The Company has no litigation claims outstanding, pending or threatened against it, which could have a material adverse effect on the Company's financial position or results as at 31 March 2024.

19. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued financial support of the shareholder. At 31 March 2024, the Company had accumulated losses of EUR 9,878,582 (2023: EUR 7,978,703) including a loss of EUR 1,899,879 (2023: EUR 1,156,006). The financial statements have been prepared on a going concern basis, the validity of which depends upon continued financial support made available by the holding company The directors are of the opinion that financial support from the shareholder will be forthcoming over the next twelve months. They therefore believe that it is appropriate for the financial statements to be prepared on the going concern basis.

20. HOLDING COMPANIES

The directors consider Mahindra Holidays and Resorts India Limited, a quoted company incorporated in the Republic of India, as the Company's immediate holding company and Mahindra and Mahindra Limited, a quoted company incorporated in the Republic of India, as the Company's ultimate holding company.

21. EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date which require disclosures or amendments to the financial statements.

Grant Thornton
Chartered Accountants

K RAMCHURUN, FCCA
Licensed by FRC

Date: 24 APR 2024

Ebene 72201, Republic of Mauritius

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Board of Managers of Covington S.à.r.l.

Opinion

We have audited the annual accounts of Covington S.à r.l. (the "Company"), which comprise the balance sheet as at 31 March 2024, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 March 2024 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Managers for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Managers 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 Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the réviseur d'entreprises agréé for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" 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 Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 Board of Managers.
- Conclude on the appropriateness of the Board of Managers' 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts 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 report of the "réviseur d'entreprises agréé". 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 accounts, including the disclosures, and whether the annual accounts 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.

Luxembourg, April 25, 2024

KPMG Audit S.à r.l.
Cabinet de révision agréé
S. Yeo
Partner

BALANCE SHEET AS AT MARCH 31, 2024
(expressed in EUR)

ASSETS	Notes	As at March 31, 2024 EUR	As at March 31, 2023 EUR
FIXED ASSETS			
Financial fixed assets	3		
Shares in affiliated undertakings		**67,884,594.23**	67,884,594.23
		67,884,594.23	67,884,594.23
CURRENT ASSETS			
Debtors	4		
Amounts owed by affiliated undertakings			
becoming due and payable within one year		**16,006,853.23**	9,545,562.72
becoming due and payable after more than one year		**4,213,102.47**	4,038,702.47
Other debtors			
becoming due and payable within one year		**4,815.00**	2,407.15
		20,224,770.70	13,586,672.34
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		**227,581.03**	829,863.55
Prepayments		**1,462.50**	966.66
TOTAL ASSETS		**88,338,408.46**	82,302,096.78
LIABILITIES			
CAPITAL AND RESERVES	5		
Subscribed capital		**12,500.00**	12,500.00
Share premium and similar premiums		**23,165,000.00**	23,165,000.00
Reserves			
Legal reserve		**1,250.00**	1,250.00
Profit or loss brought forward		**(3,211,706.95)**	(1,917,940.96)
Profit or loss for the financial year		**(1,998,443.60)**	(1,293,765.99)
		17,968,599.45	19,967,043.05
CREDITORS	6		
Trade Creditors			
becoming due and payable within one year		**47,434.59**	51,976.93
Amounts owed to affiliated undertakings			
becoming due and payable within one year		**66,116,895.31**	56,216,394.93
becoming due and payable after more than one year		**4,200,664.11**	6,061,866.87
Tax and social security debts			
Tax debts		**4,815.00**	4,815.00
		70,369,809.01	62,335,053.73
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		**88,338,408.46**	82,302,096.78

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM APRIL 1, 2023 TO MARCH 31, 2024

(expressed in EUR)

	Notes	Period ended March 31, 2024 EUR	Period ended March 31, 2023 EUR
Raw materials and consumables and other external expenses		**(108,814.38)**	(93,928.92)
Other external expenses	**7**	**(108,814.38)**	(93,928.92)
Other operating expenses		**(11,207.11)**	(7,096.66)
Other interest receivable and similar income	**8**	**635,690.51**	234,078.22
Derived from affiliated undertakings		**635,690.51**	234,078.22
Other interest and similar income		**–**	–
Interest payable and similar expenses	**9**	**(2,509,297.62)**	(1,422,003.03)
Concerning affiliated undertakings		**(2,509,297.62)**	(1,422,003.03)
Other interest and similar expenses		**–**	–
Tax on profit or loss	**10**	**–**	–
Profit or loss after taxation		**(1,993,628.60)**	(1,288,950.39)
Other taxes not shown under items 1 to 16	**10**	**(4,815.00)**	(4,815.00)
Profit or loss for the financial year		**(1,998,443.60)**	(1,293,765.39)

NOTES TO THE ANNUAL ACCOUNTS

Note 1 - General information

Covington S.à r.l., hereinafter the "Company", was incorporated on November 27, 2013 as a "société à responsabilité limitée" for an unlimited period. The Company is organised under the laws of Luxembourg, in particular the law of August 10, 1915 on commercial companies, as amended.

The registered office of the Company is established at 3 Rue Gabriel Lippmann L-5365 Munsbach (prior to November 30, 2023, the registered office was established at 68-70 boulevard de la Pétrusse, 2320 Luxembourg City) and is registered at the Trade and Companies register in Luxembourg under the number B 182 265.

The financial year of the Company starts on April 1 and ends on March 31 of each year.

Based on the criteria defined by article 1711-7 of the Luxembourg law, the Company is exempt from the obligation to draw up consolidated accounts and a consolidation management report for the year ended March 31, 2024.

The Company is included in the consolidated accounts of Mahindra Holidays & Resorts India Limited, forming the smallest and largest body of undertakings of which the Company forms a part as direct subsidiary undertakings. The registered office of that company is located at Mahindra Towers, 1st Floor, "A" Wing, Dr. G M Bhosale Marg, Worli, Mumbai - 400 018, India and the consolidated financial statements are available at the registered adress.

The object of the Company is the acquisition of ownership interests, in Luxembourg or abroad, in any companies or enterprises in any form whatsoever and the administration, management, control and development of such participations. The Company may in particular acquire by way of subscription, purchase, exchange or in any other manner any stock, shares and/or other participation securities, bonds, debentures, certificates of deposit and/or other debt instruments and more generally any securities and/or financial instruments issued by any public or private entity whatsoever. It may participate in the creation, development, management and control of any company or enterprise. It may further make direct or indirect real estate investments and invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin whatsoever.

The Company may borrow in any form, except for borrowing from the public. It may issue notes, bonds, debentures and any other kind of debt and/or equity securities, including but not limited to preferred equity certificates and warrants, whether convertible or not in all cases. The Company may lend funds, including the proceeds of any borrowings and/or issues of debt securities, to its subsidiaries, affiliated companies or to any other company. It may also give guarantees and grant security interests in favour of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company. The Company may further mortgage, pledge, transfer, encumber or otherwise hypothecate all or some of its assets.

The Company may generally employ any techniques and utilize any instruments relating to its investments for the purpose of their efficient management, including techniques and instruments designed to protect the Company against creditors, currency fluctuations, interest rate fluctuations and other risks.

The Company may carry out any commercial, financial or industrial operations and any transactions with respect to real estate or movable property, which directly or indirectly, further or relate to its purpose.

Note 2 - Summary of significant accounting policies and valuation rules

Basis of preparation

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the amended law of December 19, 2002, (the "Law"), determined and applied by the managers of the Company (the "Board of Managers") in conformity with the going concern basis.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Board of Managers believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial 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.

Although the current liabilities of the Company exceed the current assets as of March 31, 2024, the Board of Managers has prepared these annual accounts on a going concern basis. The Company has received positive indicators from its shareholder acting as creditor that they will not ask for repayment of the principal amount nor of the accrued but unpaid interests if this repayment would trigger an insolvency for the Company and its shareholder will provide a financial support if it is needed. The Board of Managers is not aware of anything that would prevent the Company from continuing as a going concern.

Significant accounting policies and valuation rules

The main accounting and valuation rules applied by the Company are the following:

Financial assets

Shares in affiliated undertakings or participating interests are valued at acquisition cost including the expenses incidental thereto. Loans to these undertakings/ investment held as fixed assets and other loans are valued at nominal value.

In the case of durable depreciation in value according to the opinion of the Board of the Managers, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Creditors

Creditors are stated at their reimbursement value.

Current tax liability

The tax liability estimated by the Company for the financial years for which the tax assessments have not yet been received are recorded under the caption "Tax authorities". The advance payments are shown in the assets of the balance sheet under the caption "Other Debtors", if applicable.

Foreign currency translation

The Company maintains its accounting records in Euro (EUR) and the balance sheet and the profit and loss accounts are expressed in this currency.

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

Formation expenses and long term non-monetary assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain converted using the exchange rate at the time of the transaction (the "historical exchange rate").

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

In accordance with prudence principles found within generally accepted accounting principles in Luxembourg ("Lux Gaap"), other assets are translated separately, at the lower of the value converted using the historical exchange rate and the value converted using the exchange rate at the balance sheet date. Conversely, other liabilities are translated separately, at the higher of the value converted using the historical exchange rate and the exchange rate at the balance sheet date. Consequently, both realised and unrealised exchange losses are recorded in the profit and loss account while exchange gains are recorded in the profit and loss account when realised only.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account while the net unrealised gains are not recognised.

Note 3 - Financial assets

a) The movements for the year are as follows:

	Shares in affiliated undertakings March 31, 2024 EUR	Total March 31, 2024 EUR	Total March 31, 2023 EUR
Gross book value - opening balance	**67,884,594.23**	**67,884,594.23**	67,884,594.23
Additions for the year	–	–	–
Gross book value - closing balance	**67,884,594.23**	**67,884,594.23**	67,884,594.23
Net book value - closing balance	**67,884,594.23**	**67,884,594.23**	67,884,594.23
Net book value - opening balance	**67,884,594.23**	**67,884,594.23**	67,884,594.23

b) Undertakings in which the Company holds at least 20% interests in their share capital as at March 31, 2024 are as follows:

Undertaking's name	Registered office	Percentage of holding	Last balance sheet date	Net equity at the last balance sheet date (EUR)	Result for the last financial year (EUR)	Net book value March 31, 2024 EUR	Net book value March 31, 2023 EUR
Holiday Club Resorts Oy	Finland	95.96%	March 31, 2024	44,631,451.00	(798,832.00)	**67,884,594.23**	67,884,594.23
Total						**67,884,594.23**	67,884,594.23

Based on the assessment performed the management of the Company believes that there are no indicators of durable value adjustment regarding shares in affiliated undertakings.

Note 4 - Debtors

This caption is detailed as follows:

	Within one year	After one year and within five years	Total March 31, 2024 EUR	Total March 31, 2023 EUR
Amounts owed to affiliated undertakings:				
Loans to Holiday Club Resorts OY - Principal (*)	15,151,337.45	4,000,000.00	**19,151,337.45**	13,151,337.45
Loans to Holiday Club Resorts OY - Accrued interest	855,515.78	213,102.47	**1,068,618.25**	432,927.74
Other debtors:				
Net wealth tax - Advances	4,815.00	–	**4,815.00**	2,407.15
Total	**16,011,668.23**	**4,213,102.47**	**20,224,770.70**	13,586,672.34

(*) On September 1, 2017, the Company agreed to lend to Holiday Club Resorts Oy the sum of EUR 2,000,000.00 which bears interest at a nominal rate of 2.50% per annum. The tenure of the loan is one year, extendable with the consent of the Company. On August 20, 2018, EUR 1,318,662.55 has been repaid. On November 12, 2018, the remaining amount of EUR 681,337.45 together with the EUR 2,318,662.55 out of the remaining loan of EUR 2,470,000.00 from the second loan (below) has been converted into 200,000 new shares at the subscription price of EUR 15.00 per share for a total value of EUR 3,000,000.00.

On July 13, 2018, the Company entered into a second loan agreement with Holiday Club Resorts Oy for an amount up to EUR 3,000,000.00 with an interest rate of 5.41% (2018-2023: 2.50%). On July 23, 2018, the Company paid out an amount of EUR 2,470,000.00 to Holiday Club Resorts Oy. As stated above, on November 12, 2018, EUR 2,318,662.55 of the loan have been converted into equity. The initial maturity date of this loan was July 13, 2019 and has been extended for four additional years. On March 31, 2024, the outstanding amount of this loan is EUR 151,337.45 and the accrued interest amount to EUR 21,153.09.

On October 4, 2018, the Company entered into a third loan agreement of EUR 3,000,000.00 with Holiday Club Resorts Oy with an interest rate of 5.41% (2018-2023: 2.50%) per annum. The initial maturity date of this loan was October 3, 2019 and has been extended until October 03, 2024. On March 31, 2024, the accrued interest amount to EUR 360,951.27.

On March 1, 2022, the Company entered in a fourth loan agreement up to EUR 6,000,000.00 with Holiday Club Resorts Oy with an interest rate of 2.5% per annum. The initial expiry date of this loan is on March 1, 2024, but the loan was extended on April 27, 2022 with an extended maturity date of February 28, 2025. On March 7, 2022, the Company transferred additional EUR 4,000,000.00 to Holiday Club Resorts Oy. On March 31, 2024, the accrued interest amount to EUR 206,849.32.

On December 1, 2022, the Company entered into a loan agreement of EUR 2,000,000.00 with Holiday Club Resorts with an interest rate of 3.86% per annum. The maturity date of this loan is on February 28, 2025. On March 31, 2024, the accrued interest amount to EUR 102,792.33.

On December 29, 2022, the Company entered into a loan agreement of EUR 4,000,000.00 with Holiday Club Resorts with an interest rate of 4.36% per annum. The maturity date of this loan is on December 20, 2025. On March 31, 2024, the accrued interest amount to EUR 213,102.47.

On October 05, 2023, the Company entered into a loan agreement of EUR 6,000,000.00 with Holiday Club Resorts Oy. First tranch was paid on October 11, 2023, amounting to EUR 4,000,000.00 with an interest rate of 6.16% per annum. The maturity date of this loan is on October 11, 2024. On March 31, 2024, the accrued interest amount to EUR 116,411.04.

On November 08 2023, the second tranch of the loan agreement was paid amounting to EUR 2,000,000.00 with Holiday Club Resorts Oy with an interest rate of 5.98% per annum. The maturity date of this loan is on November 08, 2024. On March 31, 2024, the accrued interest amount to EUR 47,358.74.

Note 5 - Capital and reserves

Subscribed capital and share premium (and similar premiums)

The share capital of the Company amounts to EUR 12,500.00 and is divided into 12,500 shares fully paid up to EUR 12,500.00 without nominal value.

The movements on the “Subscribed capital “ caption during the year are as follows:

	Share capital March 31, 2024 EUR	Total number of Shares March 31, 2024 EUR
Opening balance	**12,500.00**	**12,500**
Subscriptions for the year	–	–
Closing balance	**12,500.00**	**12,500**

Share premium account

The movements on the “Share premium account” caption during the year are as follows:

	Share premium March 31, 2024 EUR
Opening balance	**23,165,000.00**
Additions for the year	–
Closing balance	**23,165,000.00**

Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5.00% of its annual net profit until this reserve equals 10.00% of the subscribed share capital. This reserve may not be distributed.

Movements for the year on the reserves and profit/ (loss) captions

	Legal reserve EUR	Other reserves EUR	Profit or loss brought forward EUR	Profit or loss for the financial year EUR
As at the beginning of the year	**1,250.00**	–	**(1,917,940.96)**	**(1,293,765.99)**
Allocation of the prior year's result:				
Allocation to the result brought forward	–	–	(1,293,765.99)	1,293,765.99
Profit or loss for the year	–	–	–	(1,998,443.60)
As at the end of the year	**1,250.00**	–	**(3,211,706.95)**	**(1,998,443.60)**

Note 6 - Creditors

Creditors as at March 31, 2024 are composed of the following:

	Within one year	After one year and within five years	Total March 31, 2024 EUR	Total March 31, 2023 EUR
Trade creditors	47,434.59	–	**47,434.59**	51,976.93
Amounts owed to affiliated undertakings:				
Loans from MHR Holdings (Mauritius) Ltd. - Principal (*)	60,120,000.00	4,000,000.00	**64,120,000.00**	58,120,000.00
Loans from MHR Holdings (Mauritius) Ltd. - Accrued interest	5,996,895.31	200,664.11	**6,197,559.42**	4,158,261.80
	66,116,895.31	**4,200,664.11**	**70,317,559.42**	62,278,261.80
Tax debts:				
Net wealth tax - estimated tax 2024	4,815.00	–	**4,815.00**	–
Net wealth tax - estimated tax 2023	–	–	–	4,815.00
	4,815.00	–	**4,815.00**	4,815.00
Total	**66,169,144.90**	**4,200,664.11**	**70,369,809.01**	62,335,053.73

(*) The loans owed to affiliated undertakings are as follows:

	Interest rate	Maturity	**Total March 31, 2024 EUR**	Total March 31, 2023 EUR
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	29/07/2024	**3,500,000.00**	3,500,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	21/08/2024	**16,700,000.00**	16,700,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	20/09/2024	**1,750,000.00**	1,750,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	25/12/2024	**6,000,000.00**	6,000,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	03/04/2024	**1,100,000.00**	1,100,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	31/08/2024	**2,570,000.00**	2,570,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	01/10/2024	**3,000,000.00**	3,000,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	03/11/2024	**6,500,000.00**	6,500,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	21/03/2025	**2,500,000.00**	2,500,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	24/08/2024	**3,500,000.00**	3,500,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.11%	07/03/2025	**5,000,000.00**	5,000,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	4.06%	20/12/2025	**4,000,000.00**	4,000,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	3.56%	17/11/2024	**2,000,000.00**	2,000,000.00
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.86%	10/10/2024	**4,000,000.00**	–
Interest bearing loan owed to MHR Holdings (Mauritius) Ltd.	5.68%	07/11/2024	**2,000,000.00**	–
Total			**64,120,000.00**	58,120,000.00

EUR 3,500,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 1.89%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on July 29, 2024. The accrued interest as at March 31, 2024 amount to EUR 398,911.

EUR 16,700,000.00 loan which bears interest at a nominal rate of 5.11.00% (2023: 3.00%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on August 21, 2024. The accrued interest as at March 31, 2024 amount to EUR 2,017,490.

EUR 1,750,000.00 which bears interest at a nominal rate of 5.11% (2023: 3.01%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on September 20, 2024. The accrued interest as at March 31, 2024 amount to EUR 262,831.

EUR 6,000,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 4.17%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on December 25, 2024. The accrued interest as at March 31, 2024 amount to EUR 925,553

EUR 1,100,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 2.25%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on April 3, 2024 and the accrued interest as at March 31, 2024 amount to EUR 173,531.

EUR 2,570,000.00 loan which bears interest at a nominal rate of 5.11% per annum (2.25% per annum between April 1, 2020 and August 31, 2020 and 2.20% per annum between April 2021 and August 2023) has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on August 31, 2024. The accrued interest as at March 31, 2024 amount to EUR 355,484.

EUR 3,000,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 3.02%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on October 1, 2024. The accrued interest as at March 31, 2024 amount to EUR 430,277.

EUR 6,500,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 3.52%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on November 3, 2024. The accrued interest as at March 31, 2024 amount to EUR 792,254.

EUR 2,500,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 4.75%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on March 21, 2025. The accrued interest as at March 31, 2024 amount to EUR 286,048.

EUR 3,500,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 2.20%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on August 24, 2024. The accrued interest as at March 31, 2024 amount to EUR 338,421.

EUR 5,000,000.00 loan which bears interest at a nominal rate of 5.11% (2023: 2.20%) per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on March 7, 2025. The accrued interest as at March 31, 2024 amount to EUR 235,568.

EUR 2,000,000.00 loan which bears interest at a nominal rate of 3.56% per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on November 17, 2024. The accured interest as at March 31, 2024 amount to EUR 94,803.

EUR 4,000,000.00 loan which bears interest at a nominal rate of 4.06% per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on December 20, 2025. The accured interest as at March 31, 2024 amount to EUR 200,664.

EUR 4,000,000.00 loan which bears interest at a nominal rate of 5.86% per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on October 10, 2024. The accured interest as at March 31, 2024 amount to EUR 110,738.91.

EUR 2,000,000.00 loan which bears interest at a nominal rate of 5.68% per annum has been made between MHR Holdings (Mauritius) Ltd. and Covington S.à r.l.. The maturity date of the loan is on November 07, 2024. The accured interest as at March 31, 2024 amount to EUR 44,981.69.

MHR Holdings (Mauritius) Ltd. considers to extend the repayment date of the loans for a period as mutually agreed upon. The necessary agreement for renewal of the loans will be executed on or before the due dates of the loans.

Note 7 - Other external charges

This caption is detailed as follows:

	For the year ended March 31, 2024 EUR	For the year ended March 31, 2023 EUR
Professional fees	**97,986.30**	79,170.35
Bank fees	**10,478.08**	14,408.57
Luxembourg Chamber of Commerce contribution	**350.00**	350.00
	108,814.38	93,928.92

Note 8 - Other interest and similar financial income
This caption is detailed as follows:

	For the year ended March 31, 2024 EUR	For the year ended March 31, 2023 EUR
Concerning affiliated undertakings:		
Interest receivable from HCRO	**635,690.51**	234,078.22
	635,690.51	234,078.22

Note 9 - Interest payable and similar charges
This caption is detailed as follows:

	For the year ended March 31, 2024 EUR	For the year ended March 31, 2023 EUR
Concerning affiliated undertakings:		
Interest charge on loan amounts owed to MHR Holdings (Mauritius) Ltd. (See Note 6)	**2,509,297.62**	1,422,003.63
	2,509,297.62	1,422,003.63

Note 10 - Taxation

The Company is subject to the general tax regulation applicable to all Luxembourg commercial companies.

Note 11 - Staff

The company did not employ any staff during the financial year ended 31 March 2024 (2023: Nil).

Note 12 - Emoluments granted to the members of the management and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies

The Company did not grant any emoluments and has no commitments in respect of retirement pensions to members of its management during the financial year ended 31 March 2024 (2023: EUR Nil).

During the financial year, the Company incurred directors' fees for an amount of EUR 11,179.16 (2023: EUR 7,096.66).

Note 13 - Advances and loans granted to the members of the management and supervisory bodies

The Company did not grant any advances or loans to members of its management during the financial period ended 31 March 2024 (2023: Nil).

Note 14 - Off balance sheet commitments and contingencies

The Company does not have any off balance sheet commitments or contingencies at the end of the financial year.

Note 15 - Subsequent events

No other matters or circumstances of importance other than those already described in the present notes to the accounts have arisen since the end of the financial year which could have significantly affected or might significantly affect the operations of the Company, the results of those operations or the affairs of the Company.

Dhanraj Mulki
Class A Manager

Emanuele Grippo
Class B Manager

AUDITOR'S REPORT

To the Annual General Meeting of Holiday Club Resorts Oy

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Holiday Club Resorts Oy (business identity code 2033337-1) for the year ended 31 March, 2024. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, 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 the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for 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.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice 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 the financial statements.

As part of an audit in accordance with good auditing practice, 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 parent company's or the group'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 the Board of Directors' and the Managing Director'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 parent company's or the group'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 so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

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. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

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

Helsinki, 22 April 2024

KPMG OY AB

ESA KAILIALA
Authorised Public Accountant, KHT

BALANCE SHEET OF THE GROUP AS AT MARCH 31, 2024

Particular	Note	Eur As at March 31, 2024	Eur As at March 31, 2023
ASSETS			
NON CURRENT ASSETS			
Intangible assets	10	7,938,741	7,031,411
Group goodwill	10	627,877	740,176
Tangible assets	11	26,992,940	26,933,248
Investments	12	5,095,035	6,550,676
TOTAL NON CURRENT ASSETS		40,654,594	41,255,510
CURRENT ASSETS			
Inventories	14	59,410,416	56,712,477
Long-term receivables	15	692,812	513,859
Deferred tax receivables	18	4,658,284	4,527,073
Short-term receivables	16	17,815,440	12,632,697
Financial instruments		3,558	3,558
Cash and cash equivalents		7,110,843	9,138,755
TOTAL CURRENT ASSETS		89,691,353	83,528,419
TOTAL ASSETS		130,345,946	124,783,929
EQUITY AND LIABILITIES			
EQUITY	17		
Share capital		11,959,146	11,959,146
Other reserves		42,395,175	42,395,175
Profit/ (Loss) from previous years		(8,924,038)	(8,324,348)
Profit/ (Loss) for the financial year		(798,831)	(524,353)
TOTAL EQUITY		44,631,451	45,505,620
STATUTORY PROVISIONS	19	508,505	798,416
LIABILITIES			
Deferred tax liabilities	18	8	627
Long-term liabilities	20	16,478,104	14,946,886
Short-term liabilities	21	68,727,877	63,532,381
TOTAL LIABILITIES		85,205,989	78,479,893
TOTAL EQUITY AND LIABILITIES		130,345,946	124,783,929

INCOME STATEMENT OF THE GROUP FOR THE YEAR ENDED MARCH 31, 2024

Particular	Note	**Eur** **Year ended March 31, 2024**	Eur Year ended March 31, 2023
REVENUE	**1**	**135,140,912**	136,661,591
Other operating income	**2**	**7,064,018**	7,520,432
Share of Associated Company Profit (Loss)		**177**	(5,334)
Materials and services	**3**	**(33,908,752)**	(36,687,458)
Personnel expenses	**4**	**(41,441,296)**	(40,414,202)
Depreciations and impairments	**5**	**(3,531,337)**	(4,256,923)
Other operating expenses	**6**	**(61,851,953)**	(61,913,886)
PROFIT/ (LOSS)		**1,471,768**	904,220
Financial income and expenses	**7**	**(2,070,207)**	(1,421,277)
PROFIT/ (LOSS) BEFORE APPROPRIATIONS AND TAXES		**(598,439)**	(517,057)
Income taxes	**9**	**(200,392)**	(7,296)
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR		**(798,831)**	(524,353)

CASH FLOW STATEMENT OF THE GROUP FOR THE YEAR ENDED MARCH 31, 2024

Particular	Eur Year ended March 31, 2024	Eur Year ended March 31, 2023
Cash flow from operating activities		
Profit/loss before appropriations and taxes	**(598,439)**	(517,057)
Adjustments:		
Depreciations	**3,531,337**	4,256,923
Other non-cash items	**(1,019,421)**	350,973
Financial income and expenses	**1,983,467**	1,135,138
Cash generated from operations before net working capital	**3,896,944**	5,225,978
Change in net working capital		
Change in non-interest-bearing receivables	**(5,337,820)**	183,141
Change in inventories	**(2,657,215)**	(594,251)
Change in non-interest-bearing liabilities	**(5,466,900)**	7,322,222
Change in provisions	**(289,910)**	(306,005)
Cash generated from operations before financial items and taxes	**(9,854,901)**	11,831,085
Interest expenses paid and other financial expenses	**(1,310,685)**	(876,178)
Income taxes paid	**(25,893)**	(5,922)
Net cash flow from operating activities	**(11,191,478)**	10,948,985
Cash flow from investments activities		
Investments in tangible and intangible assets	**(3,805,160)**	(2,790,944)
Proceeds from sale of tangible and intangible assets	**1,783,947**	516,203
Investments in other investments	**–**	(8,000)
Proceeds from disposals of other investments	**–**	11,826
Net cash flow from investing activities	**(2,021,213)**	(2,270,915)
Cash flow from financing activities		
Proceeds from short-term borrowings	**30,106,172**	7,152,493
Repayments in short-term borrowngs	**(10,022,056)**	(8,723,760)
Proceeds from long-term borrowing	**500,000**	6,000,000
Repayments in long-term borrowings	**(9,306,723)**	(6,307,887)
Loans granted	**(26,479)**	–
Proceeds from repayments of loans	**3,000**	–
Net cash used in financing activities	**11,253,914**	(1,879,154)
Net increase/decrease in cash and cash equivalents	**(1,958,777)**	6,798,916
Cash and cash equivalents at the beginning of period	**9,142,313**	2,505,438
Effects of exchange rate fluctuations on cash held	**(71,224)**	(162,043)
Cash and cash equivalents at the end of period	**7,114,401**	9,142,313
Change in net cash	**(1,958,777)**	6,798,916

PARENT COMPANY BALANCE SHEET AS AT MARCH 31, 2024

Particular	Note	Eur As at March 31, 2024	Eur As at March 31, 2023
ASSETS			
NON CURRENT ASSETS			
Intangible assets	**10**	**7,878,404**	7,031,411
Tangible assets	**11**	**10,219,754**	9,937,690
Investments			
Shares of the group companies	**12**	**1,101,063**	1,110,005
Shares of the associated companies	**12**	**217,500**	1,551,500
Receivables from group companies	**12**	**10,563,991**	10,792,961
Other shares	**12**	**4,714,275**	4,838,243
Other receivables	**12**	**64,549**	64,549
TOTAL NON CURRENT ASSETS		**34,759,537**	35,326,358
CURRENT ASSETS			
Inventories	**14**	**46,865,326**	44,059,073
Long-term receivables	**15**	**10,016,942**	11,224,204
Short-term receivables	**16**	**17,397,757**	13,294,836
Financial instruments		**3,558**	3,558
Cash and cash equivalents		**5,411,910**	4,555,337
TOTAL CURRENT ASSETS		**79,695,493**	73,137,007
TOTAL ASSETS		**114,455,030**	108,463,365
EQUITY AND LIABILITIES			
EQUITY	**17**		
Share capital		**11,959,146**	11,959,146
Reserve for invested non-restricted equity		**42,395,175**	42,395,175
Profit/ (Loss) from previous years		**(21,160,919)**	(15,490,898)
Profit/ (Loss) for the financial year		**(2,075,211)**	(5,670,021)
TOTAL EQUITY		**31,118,191**	33,193,402
ACCUMULATED DEPRECIATION		**–**	3,114
STATUTORY PROVISIONS	**19**	**465,751**	149,214
LIABILITIES			
Long-term liabilities	**20**	**10,536,656**	20,474,138
Short-term liabilities	**21**	**72,334,432**	54,643,498
TOTAL LIABILITIES		**82,871,088**	75,117,636
TOTAL EQUITY AND LIABILITIES		**114,455,030**	108,463,365

PARENT COMPANY INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particular	Note	Eur Year ended March 31, 2024	Eur Year ended March 31, 2023
REVENUE	**1**	**113,612,940**	112,341,738
OTHER OPERATING INCOME	**2**	**6,258,883**	6,789,022
Materials and services	**3**	**(30,366,209)**	(32,712,501)
Personnel expenses	**4**	**(34,061,980)**	(32,863,543)
Depreciations and impairments	**5**	**(2,451,759)**	(3,132,013)
Other operating expenses	**6**	**(54,061,395)**	(55,282,138)
PROFIT/ (LOSS)		**(1,069,520)**	(4,859,436)
Financial income and expenses	**7**	**(1,634,805)**	(810,585)
PROFIT/ (LOSS) BEFORE APPROPRIATIONS AND TAXES		**(2,704,325)**	(5,670,021)
Appropriations	**8**	**629,114**	–
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR		**(2,075,211)**	(5,670,021)

CASH FLOW STATEMENT OF THE PARENT COMPANY FOR THE YEAR ENDED MARCH 31, 2024

Particular	Eur Year ended March 31, 2024	Eur Year ended March 31, 2023
Cash flow from operating activities		
Profit/ (Loss) before appropriations and taxes	**(2,704,325)**	(5,670,021)
Adjustments:		
Amortizations and depreciations	**2,451,759**	3,132,013
Sales Profit / Loss from the Sales of Non-Current Assets	**(1,121,174)**	51,300
Unrealized foreign exchange gains and losses	**77,408**	40,838
Other non-cash items	**1,830,318**	2,875,876
Financial income and expenses	**1,557,397**	769,747
Cash generated from operations before net working capital	**2,091,384**	1,199,754
Change in working capital		
Change in non-interest-bearing receivables	**(3,732,802)**	127,331
Change in inventories	**(2,682,285)**	(422,623)
Change in non-interest-bearing liabilities	**(4,607,537)**	6,950,616
Change in provisions	**316,538**	–
Cash generated from operations before financial items and taxes	**(8,614,703)**	7,855,077
Interest expenses paid and other financial expenses	**(1,121,690)**	(884,256)
Income taxes paid	**–**	2,316
Net cash flow from operating activities	**(9,736,393)**	6,973,137
Cash flow from investments activities		
Investments in tangible and intangible assets	**(4,111,782)**	(2,612,645)
Proceeds from sale of tangible and intangible assets	**1,699,137**	516,204
Investments in equity investments	**–**	(8,000)
Proceeds from other investments	**–**	11,826
Interest received from investments	**–**	46,704
Dividends received from investments	**–**	1,162
Net cash flow from investing activities	**(2,412,645)**	(2,044,750)
Cash flow from financing activities		
Proceeds from short-term borrowings	**30,022,106**	7,079,520
Repayments of short-term borrowings	**(10,022,056)**	(8,650,787)
Proceeds from long-term borrowings	**–**	6,000,000
Repayments of long-term borrowings	**(7,974,851)**	(4,994,448)
Loans given	**(426,479)**	–
Repayments of loan receivables	**1,306,235**	–
Net cash used in financing activities	**12,904,955**	(565,715)
Net increase/decrease in cash and cash equivalents	**755,917**	4,362,673
Cash and cash equivalents at the beginning of period	**4,558,895**	178,970
Cash received from group internal rearrangements	**(100,657)**	17,252
Cash and cash equivalents at the end of period	**5,415,468**	4,558,895
Change in net cash	**755,917**	4,379,924

ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Basic information of the Group

The Group's main branch of business is to sell and rent the timeshare weeks and Villas apartments constructed by the Group. The Group also operates in the Spa hotel business. Group has activities in three countries: Finland, Sweden and Spain.

Holiday Club Resorts Oy is a parent company for the Group, having its registered domicile in Helsinki at Konepajankuja 5 C, FI-00510 Helsinki.

Holiday Club Resorts Oy is a subsidiary of Covington S.a.r.l. The Company's registered domicile is in Luxembourg. Covington S.a.r.l owns 100% of the company's shares. Covington S.a.r.l is a subsidiary of MHR Holdings (Mauritius) Limited and in turn Mahindra Holidays & Resorts India Limited (domicile in India) and in turn subsidiary of the ultimate holding company Mahindra & Mahindra Limited (domicile in India).

Consolidation principles

Intragroup ownership

Subsidiaries are consolidated using the acquisition method. The subsidiaries' acquisition cost and the corresponding share of the difference in shareholder's equity has been allocated partly to fixed assets, partially presented as goodwill and as group reserve. The acquired subsidiaries are consolidated from the moment the control has been obtained and divested subsidiaries until the day that the control has ceased to exist.

The consolidated financial statements include the parent company, Holiday Club Resorts Oy and all the subsidiaries in which it holds, directly or indirectly, over 50% of the voting rights or over which it otherwise has control. This does not include timeshare and Villas apartment companies as they are represented in the current assets. Also, according to the Finnish Accounting Act's chapter six, companies which do not have a material impact on the group's result and financial position, have been left out of the consolidated financial statements.

Intra-group transactions, unrealized internal margin, receivables, liabilities and dividends between group companies are eliminated in consolidation.

The subsidiaries' financial statements are prepared in correspondence of the accounting principles used by the group.

Associated companies and joint ventures

Associated companies and joint ventures are consolidated using the equity method in accordance with the instructions of the Finnish Accounting Board. The group's share of the results of the associated companies are shown under other operating income.

All timeshare and Villas apartment companies, including the ones of which the group owns more than 20%, are presented in the current assets as they are actively traded.

Foreign Currency Translation

Transactions in foreign currencies

Items in the subsidiaries' financial statements are valued in the currency, which is used in each subsidiary's main operating environment (functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of the group. Assets and liabilities are translated into euros at the closing rate of the balance sheet date. Exchange differences resulting from sales and purchases are recorded as adjustments to the corresponding items above the operating profit. At the company level, exchange gains from foreign currency denominated loans are presented in the accrued expenses according to the principle of prudence. Exchange losses are recognized through profit and loss. At the group level, exchange gains and losses are recognized in equity as retained earnings.

Foreign subsidiaries

Foreign subsidiaries' income statements are translated into euros using the average exchange rates for the period. All balance sheet items, except profit for the period, are translated into euros using the closing exchange rates. The translation differences arising from the translation of income statement and balance sheet at different exchange rates and from eliminating the foreign subsidiaries equity is recognized in the group's equity. When a subsidiary is divested entirely or partially, the cumulative translation difference is recognized in the income statement as a part of the gain or loss from the sale.

Valuation and depreciation of non-current assets

Non-current assets

Goodwill

Goodwill represents the excess of the acquisition cost and the acquired company's net assets at the fair value at the date of the acquisition. Goodwill is allocated to cash-generating units, if such can be designated. As a main rule, goodwill is amortized and if the expected future operating cash flow is lower than the carrying amount of the goodwill, an impairment loss is recognized as an expense in the income statement.

Other intangible assets

Intangible assets are recorded in the balance sheet at their original acquisition cost, if the cost can be measured reliably and if it is probable that the expected benefits of the asset will benefit the company. Significant renovations are capitalized and amortized over the remaining useful life of the asset, if it is probable that the future benefits associated with the asset will benefit the company.

Intangible assets mainly include software licenses and renovation investments.

Tangible assets

The subsidiaries' tangible assets have been valued in the balance sheet at historical cost less accumulated, straight-line depreciations and possible impairment losses. Land areas are not depreciated.

Residual values and useful lifetimes are reviewed at each balance sheet date and, if necessary, adjusted to reflect the changes of expected economic benefits.

Additional investments are capitalized and depreciated over the remaining useful life of the asset, if it is probable that the future benefits associated with the asset will benefit the company. Capital gains are presented in other operating income and losses under other operating expenses. The interest expenses related to the acquisition of the asset are expensed.

Fixed asset amortization and depreciation periods

The useful lives of the different asset categories are as follows:

Intangible rights	5-10 years
Goodwill and group goodwill	5-10 years
Long-term expenses	5-10 years
Buildings	50-60 years
Other constructions	10 years
Machinery and equipment	5-10 years
Renovations	5-10 years
Other tangible assets	10 years

Investments

Investments have been valued with original acquisition cost less possible impairments in the balance sheet.

Group reserve

The group reserve is allocated, in accordance with the share of ownership, to those assets and liabilities of the subsidiary that the group reserve is considered to derive from. The unallocated portion is recognized in the group's balance sheet as a separate item before liabilities. The group reserve is recognized as income when the corresponding expenditure or loss is recorded as an expense in the income statement of the subsidiary or where it corresponds to a realized return. The unallocated group reserve is recognized as income over time. These procedures are in accordance with the Finnish Accounting Act.

Received grants

Grants received by the company are recorded as other operating income in the income statement during the periods in which the related expenses are incurring. Investment grant for the acquisition of fixed assets is recorded in the balance sheet as accrued expense and recognized in the income statement as revenue over the asset's systematical depreciation period.

Inventory

Inventory is valued at the original acquisition cost or the lower net realizable value. Net realizable value is the estimated selling price less the estimated costs of completion and selling in the ordinary course of business. The cost of finished and unfinished products comprises of raw materials, direct labor costs and other direct costs. The costs of selling and financing are not allocated to the acquisition cost.

Receivables

Receivables are valued at the nominal value or the lower probable value.

Financial assets

The group's cash and cash equivalents consist of cash, bank deposits and other short-term highly liquid investments. Cash and cash equivalents have a maximum maturity of three months from the acquisition date. Financial assets are recognized on the settlement date and derecognized when the group has lost its contractual rights to the cash flows or when it has transferred substantial part of all the risks and rewards of ownership to parties outside the group.

Liabilities

Liabilities are valued at the nominal value. Transaction costs are expensed as incurred.

Deferred tax assets and liabilities

Deferred tax assets and liabilities of the Group are calculated with a current tax rate as temporary differences between taxation and financial statements. Deferred tax assets are recognized at the probable amount in the balance sheet. The deferred tax assets have been booked only to the amount of confirmed tax losses in the local taxation.

Deferred taxes are not recognized in parent company income statement nor balances sheet.

Ordinary repair and maintenance

Ordinary repair and maintenance costs are expensed as they incur.

External services

External services include among other things expenses from rented personnel and expenses from cleaning and laundry services used by the hotel.

Pensions

Payments for defined contribution plans are made to a pension insurance company. Payments made for defined con- tribution plans are recognized as expenses in the income statement for the financial period to which the debit relates.

Direct taxes

Taxes based on taxable income for the period are calculated on taxable income using the tax rate that is in force in the country in which the particular subsidiary is based. The amount of tax is adjusted for any taxes concerning previous periods.

Revenue recognition

Revenue from services is recognized as income when the service is rendered to the customer. Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer. At that time, the group has no longer any supervision or control power over the good sold.

Rental income from holiday homes and revenue from hotels are recognized when the customer has accommodated. Income from restaurants and from other services related to hotel activities are recognized as revenue when the service is rendered. Rental income from retail premises is recognized on a straight-line basis over the rental period.

Income from Villas apartments, and starting end of financial year 2020-2021, also income from Timeshare apartments, is recognized by using the stage of completion method in accordance with the guidelines of the Confederation of Finnish Construction Industries and the Finnish Accounting Board. The percentage of completion is defined based on the percentage of the completion of the construction project and the percentage of the shares sold.

At the closing of the Timeshare deal, the company will record a so-called cancellation provision in case of future cancelation of deals. This is done based on previous experience and statistics on customer behavior. Statutory cancellation time is 14 days from the moment the deal was signed.

Use of estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions regarding future events. Actual results may differ from these estimates and assumptions. In addition, management must exercise judgment in applying accounting principles. Estimates are based on management's best knowledge at the time. Possible changes in estimates and assumptions are recognized during the period in which the estimates or assumptions are adjusted and in all subsequent financial periods.

The key assumptions and uncertainties concerning the future, which may cause significant changes in the carrying values of assets and liabilities within the next financial year are as follows:

Impairment losses

The group reviews fixed assets and inventory annually and evaluates indications of impairment as set out above in the accounting policies. The deferred tax assets have been booked only to the amount of confirmed tax losses in the local taxation.

Revenue recognition

Timeshare weeks have a 14-day cancellation right stated by the Consumer Protection Act. The cancellation policy is taken into account in profit recognition by taking advantage of the experience and statistics on customer behavior.

Receivables

From uncertain loans and any permanent impairments, the group recognizes a credit loss in accordance with the principal of prudence.

Support received

In financial year 2022- 2023 the Group received subsidies totaling to EUR 1,002,042. The amount includes EUR 1,000,000 received from the state to the parent company Holiday Club Resorts Oy due to the Covid-19. In financial year 2023 - 2024 no prominent subsidies were received. The subsidies received by the company are recognized in the income statement for the financial year in other operating income.

NOTES TO THE FINANCIAL STATEMENTS

1. TURNOVER

TURNOVER BY BUSINESS AREAS

Eur

Business area review	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Timeshare	**38,618,180**	36,725,979	**38,112,206**	35,597,515
Service sector	**71,469,976**	75,784,655	**62,871,580**	64,089,101
Renting	**12,444,868**	11,490,113	**7,610,948**	7,269,434
Real Estate Management	**6,600,549**	6,206,797	**3,388,274**	3,154,385
Villas	**1,230,708**	2,487,866	**1,238,888**	2,414,864
Other Sales	**4,776,631**	3,966,180	**391,045**	(183,561)
Total	**135,140,912**	136,661,591	**113,612,940**	112,341,738

Eur

Partial revenue recognition	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Share of turnover recorded as revenue according to the percentage of completion method	**–**	1,540,047	**–**	1,540,047

TURNOVER BY MARKET AREAS

Eur

Geographical review	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Finland	**113,354,550**	112,190,527	**113,612,940**	112,341,738
Sweden	**12,360,970**	15,815,733	**–**	–
Spain	**9,425,391**	8,655,332	**–**	–
Total	**135,140,912**	136,661,591	**113,612,940**	112,341,738

2. OTHER OPERATING INCOME

Eur

	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Profit from the sales of fixed assets	**1,106,709**	1,667	**1,121,174**	1,667
Rental income	**1,101,338**	1,389,775	**948,018**	1,238,571
Commissions	**1,131,319**	1,043,323	**1,126,415**	1,038,049
Service income	**700,171**	734,360	**160,096**	154,627
Other income	**3,024,481**	4,351,307	**2,903,180**	4,256,380
Profit from mergers	**–**	–	**–**	99,727
Total	**7,064,018**	7,520,432	**6,258,883**	6,789,022

In financial year 2022-2023 other income included subsidies related to the Covid-19 pandemic paid to the parent entity amounting to Eur 1,00,00,00/Rs. 89,639,000.

3. MATERIALS AND SERVICES

Eur

Materials and supplies	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Purchases during the financial year	**27,819,502**	26,088,607	**26,029,345**	23,729,025
Change in inventory	**(4,521,093)**	(346,428)	**(4,661,533)**	(180,263)
Total	**23,298,409**	25,742,179	**21,367,812**	23,548,762
External services	**10,610,343**	10,945,279	**8,998,396**	9,163,739
Materials and services total	**33,908,752**	36,687,458	**30,366,209**	32,712,501

4. PERSONNEL AND MEMBERS OF THE BOARD

PERSONNEL EXPENSES

Eur

	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Salaries, wages, comissions	**34,511,307**	33,314,214	**28,405,525**	27,040,951
Pension expenses	**4,885,217**	4,903,611	**4,706,461**	4,725,935
Other indirect employee expenses	**2,044,773**	2,196,377	**949,994**	1,096,656
Total	**41,441,296**	40,414,202	**34,061,980**	32,863,543

EXECUTIVE REMUNERATION

Eur

	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Management board	**1,886,817**	1,582,852	**1,886,817**	1,582,852
Members of the board of directors	**70,000**	76,667	**70,000**	76,667
Total	**1,956,817**	1,659,519	**1,956,817**	1,659,519

THE AVERAGE NUMBER OF EMPLOYEES DURING THE FINANCIAL YEAR

	Group March 31, 2024	Group March 31, 2023	Parent March 31, 2024	Parent March 31, 2023
Employees	**962**	936	**692**	667
Total	**962**	936	**692**	667

NOTES TO THE BALANCE SHEET

5. AMORTIZATIONS, DEPRECIATIONS AND IMPAIRMENTS

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Intangible assets	749,562	921,958	747,430	921,958
Goodwill	–	–	–	–
Other long-term expenses	962,941	1,005,734	962,941	1,005,734
Buildings and structures	826,259	844,858	94,731	94,730
Machinery and equipment	777,085	1,267,718	537,966	1,001,442
Other tangible assets	118,612	113,649	108,691	108,149
Total	3,434,460	4,153,917	2,451,759	3,132,013
Group goodwill	96,877	103,007	–	–
Total	3,531,337	4,256,923	2,451,759	3,132,013

6. OTHER OPERATING EXPENSES

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Voluntary employee expenses	672,153	699,909	642,169	673,730
Rents	21,589,583	20,902,996	17,350,573	16,757,617
Maintenance fees	7,571,922	7,397,537	7,341,866	7,148,405
Marketing expenses	7,314,692	6,966,923	6,630,175	6,343,714
Travel and entertainment expenses	545,267	647,624	540,653	639,693
Maintenance expenses	6,055,610	6,223,844	5,371,221	5,493,926
Real estate expenses	9,926,437	9,690,443	8,031,856	8,060,035
Consulting and other services	2,580,721	2,951,541	2,052,271	2,449,178
Other operating expenses	5,595,568	6,433,070	6,100,612	7,715,840
Total	61,851,953	61,913,886	54,061,395	55,282,138

AUDITING FEES

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Auditing services	315,985	206,709	255,419	138,029
Tax consultancy	27,600	43,241	–	19,235
Other fees	10,960	7,562	10,960	7,562
Total	354,545	257,511	266,378	164,826

7. FINANCIAL INCOME AND EXPENSE

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Dividends	1,065	1,162	1,065	1,162
Other interest and financial income				
Interest income				
Group companies	–	–	752,364	515,754
Others	70,636	74,292	45,831	39,720
financial income				
Others	2,066,166	1,739,033	10,023	–
Total interest and financial income	2,137,867	1,814,486	809,283	556,635
Interest expenses and other financial expenses				
Interest expenses				
Group companies	–	–	353,881	220,684
Others	761,367	581,327	660,936	499,387
Other financial expenses				
Group companies	–	–	86,356	–
Reversal of impairment losses from financial securities	546	(4,000)	9,488	(4,000)
Foreign exchange loss (other items), unrealised	2,144,147	2,021,335	87,291	40,838
Others	1,302,015	637,101	1,246,136	610,311
Total interest expenses and other financial expenses	4,208,075	3,235,763	2,444,089	1,367,220
Financial income and expense	(2,070,207)	(1,421,277)	(1,634,805)	(810,585)

8. APPROPRIATIONS

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Change in accumulated depreciation	–	–	3,114	–
Group contribution	–	–	626,000	–
Total	–	–	629,114	–

9. INCOME TAXES

Eur

	Group	Group	Parent	Parent
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Income taxes from operating activities	(338,836)	(17,410)	–	–
Income taxes, previous financial year	–	–	–	–
Change in deferred tax receivables	137,825	(8,174)	–	–
Change in deferred tax liabilities	619	18,288	–	–
Total	(200,392)	(7,296)	–	–

FIXED ASSETS

10. INTANGIBLE ASSETS AND GROUP GOODWILL, GROUP

March 31, 2023

	Intangible assets	Other long-term expenses	Goodwill	Advance payments	Group goodwill	Total
						Eur
Acquisition cost April 1, 2022	7,934,417	14,820,450	6,816,971	–	1,547,363	31,119,202
Translation difference	(757)	–	(26,461)	–	(90,079)	(117,296)
Additions	228,417	558,895	–	1,206,412	–	1,993,724
Deductions	(118,017)	(22,469)	(580,992)	(40,433)	–	(761,912)
Transfers between items	156,808	45,109	–	405,024	–	606,941
Acquisition cost March 31, 2023	8,200,868	15,401,985	6,209,518	1,571,003	1,457,284	32,840,658
Accumulated amortizations April 1, 2022	(5,884,523)	(10,471,473)	(6,816,971)	–	(631,929)	(23,804,897)
Translation difference	757	–	26,461	–	17,828	45,046
Accumulated amortizations from transfers/ deductions	118,017	22,470	580,992	–	–	721,479
Amortizations	(921,958)	(1,005,734)	–	–	(103,007)	(2,030,699)
Accumulated amortizations March 31, 2023	(6,687,708)	(11,454,737)	(6,209,518)	–	(717,108)	(25,069,071)
Book value March 31, 2023	1,513,160	3,947,248	–	1,571,003	740,176	7,771,587

March 31, 2024

	Intangible assets	Other long-term expenses	Goodwill	Advance payments	Group goodwill	Total
						Eur
Acquisition cost April 1, 2023	8,200,868	15,401,985	6,209,518	1,571,003	1,457,284	32,840,658
Translation difference	–	–	–	–	(20,937)	(20,937)
Additions	140,031	199,918	–	2,289,885	–	2,629,833
Deductions	–	–	–	(3,557)	–	(3,557)
Transfers between items	704,895	(263,398)	–	(447,939)	–	(6,442)
Acquisition cost March 31, 2024	**9,045,794**	**15,338,504**	**6,209,518**	**3,409,392**	**1,436,347**	**35,439,555**
Accumulated amortizations April 1, 2023	(6,687,708)	(11,454,737)	(6,209,518)	–	(717,108)	(25,069,071)
Translation difference	–	–	–	–	5,515	5,515
Accumulated amortizations from transfers/ deductions	–	–	–	–	–	–
Amortizations	(747,430)	(965,073)	–	–	(96,877)	(1,809,381)
Accumulated amortizations March 31, 2024	**(7,440,934)**	**(12,414,014)**	**(6,209,518)**	**–**	**(808,470)**	**(26,872,936)**
Book value March 31, 2024	**1,604,860**	**2,924,490**	**–**	**3,409,392**	**627,877**	**8,566,618**

10. INTANGIBLE ASSETS, PARENT COMPANY

March 31, 2023

	Intangible assets	Other long-term expenses	Goodwill	Advance payments	Total
					Eur
Acquisition cost April 1, 2022	7,917,048	14,771,529	2,701,524	–	25,390,101
Additions	228,417	558,895	–	1,206,412	1,993,724
Transfers between items	156,808	45,109	–	405,024	606,941
Acquisition cost March 31, 2023	8,200,868	15,372,758	2,701,524	1,571,003	27,846,152
Accumulated amortizations April 1, 2022	(5,867,154)	(10,422,551)	(2,701,524)	–	(18,991,229)
Amortizations	(921,958)	(1,005,734)	–	–	(1,927,692)
Accumulated amortizations March 31, 2023	(6,687,708)	(11,425,510)	(2,701,524)	–	(20,814,741)
Book value March 31, 2023	1,513,160	3,947,248	–	1,571,003	7,031,411

March 31, 2024

	Intangible assets	Other long-term expenses	Goodwill	Advance payments	Total
					Eur
Acquisition cost April 1, 2023	8,200,868	15,372,758	2,701,524	1,571,003	27,846,152
Additions	140,031	137,449	–	2,289,885	2,567,364
Deductions	–	–	–	(3,557)	(3,557)
Transfers between items	704,895	(263,398)	–	(447,939)	(6,442)
Acquisition cost March 31, 2024	**9,045,794**	**15,246,808**	**2,701,524**	**3,409,392**	**30,403,517**
Accumulated amortizations April 1, 2023	(6,687,708)	(11,425,510)	(2,701,524)	–	(20,814,741)
Accumulated amortizations from transfers/deductions	(5,796)	5,796	–	–	–
Amortizations	(747,430)	(962,941)	–	–	(1,710,371)
Accumulated amortizations March 31, 2024	**(7,440,934)**	**(12,382,655)**	**(2,701,524)**	**–**	**(22,525,113)**
Book value March 31, 2024	**1,604,860**	**2,864,153**	**–**	**3,409,392**	**7,878,404**

11. TANGIBLE ASSETS, GROUP

March 31, 2023

	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Unfinished assets and advance payments	Total
						Eur
Acquisition cost April 1, 2022	13,317,216	21,831,361	25,082,678	3,345,627	818,015	64,394,897
Translation difference	(18,161)	(354,188)	(93,509)	–	–	(465,858)
Additions	–	–	797,221	–	–	797,221
Deductions	(527,400)	(16,192)	(433,271)	(1,619)	–	(978,481)
Transfers between items	–	–	120,013	–	(726,953)	(606,941)
Acquisition cost March 31, 2023	12,771,655	21,460,981	25,473,131	3,344,009	91,062	63,140,837
Accumulated amortizations April 1, 2022	(2,895,129)	(8,107,914)	(22,095,743)	(1,568,035)	–	(34,666,821)
Translation difference	–	159,424	82,822	–	–	242,246
Accumulated amortizations from transfers/ deductions	–	11,874	429,718	1,619	–	443,210
Amortizations	–	(844,859)	(1,267,718)	(113,649)	–	(2,226,226)
Accumulated amortizations March 31, 2023	(2,895,129)	(8,781,475)	(22,850,921)	(1,680,065)	–	(36,207,590)
Book value March 31, 2023	9,876,526	12,679,506	2,622,210	1,663,944	91,062	26,933,248

March 31, 2024

	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Unfinished assets and advance payments	Total
						Eur
Acquisition cost April 1, 2023	12,771,655	21,512,581	25,473,131	3,344,009	91,062	63,192,438
Translation difference	(4,221)	(83,098)	(21,045)	–	–	(108,364)
Additions	2,318,123	–	680,294	75,604	6,356	3,080,377
Deductions	(574,406)	–	(18,191)	–	(5,520)	(598,118)
Transfers between items	–	–	6,442	–	–	6,442
Acquisition cost March 31, 2024	**14,511,150**	**21,378,168**	**26,120,632**	**3,419,613**	**91,897**	**65,521,460**
Accumulated amortizations April 1, 2023	(2,895,129)	(8,781,475)	(22,850,921)	(1,680,065)	–	(36,207,590)
Translation difference	–	40,750	17,599	–	–	58,349
Accumulated amortizations from transfers/ deductions	–	–	18,191	–	–	18,191
Amortizations	(652,083)	(826,323)	(777,246)	(141,818)	–	(2,397,470)
Accumulated amortizations March 31, 2024	**(3,547,212)**	**(9,567,048)**	**(23,592,377)**	**(1,821,883)**	–	**(38,528,520)**
Book value March 31, 2024	**10,963,938**	**11,811,120**	**2,528,255**	**1,597,730**	**91,897**	**26,992,940**

11. TANGIBLE ASSETS, PARENT COMPANY

March 31, 2023

	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Unfinished assets and advance payments	Total
						Eur
Acquisition cost April 1, 2022	3,646,373	2,339,680	18,563,756	3,179,009	807,182	28,536,001
Additions	–	–	618,922	–	–	618,922
Deductions	(527,070)	–	(4,817)	–	–	(531,887)
Transfers between items	3,041,525	321,796	125,013	–	(726,953)	2,761,381
Acquisition cost March 31, 2023	6,160,828	2,661,477	19,302,873	3,179,009	80,229	31,384,416
Accumulated depreciations and impairments April 1, 2022	(583,298)	(859,517)	(16,666,392)	(1,518,291)	–	(19,627,498)
Accumulated depreciations from deductions and transfers	(577,229)	(42,495)	4,817	–	–	(614,907)
Depreciations for the financial year	–	(94,730)	(1,001,442)	(108,149)	–	(1,204,321)
Accumulated depreciations and impairments March 31, 2023	(1,160,527)	(996,742)	(17,663,017)	(1,626,440)	–	(21,446,726)
Book value March 31, 2023	5,000,301	1,664,734	1,639,856	1,552,569	80,229	9,937,690

March 31, 2024

	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Unfinished assets and advance payments	Total
						Eur
Acquisition cost April 1, 2023	6,160,828	2,661,477	19,302,873	3,179,009	80,229	31,384,416
Additions	1,059,766	–	482,838	75,604	6,356	1,624,564
Deductions	(574,406)	–	(18,191)	–	(5,520)	(598,118)
Transfers between items	–	–	6,442	–	–	6,442
Acquisition cost March 31, 2024	**6,646,188**	**2,661,477**	**19,773,962**	**3,254,613**	**81,064**	**32,417,305**
Accumulated depreciations and impairments April 1, 2023	(1,160,527)	(996,742)	(17,663,017)	(1,626,440)	–	(21,446,726)
Accumulated depreciations from deductions and transfers	–	–	18,191	–	–	18,191
Depreciations for the financial year	–	(94,731)	(537,966)	(136,318)	–	(769,015)
Accumulated depreciations and impairments March 31, 2024	**(1,160,527)**	**(1,091,473)**	**(18,182,792)**	**(1,762,758)**	**–**	**(22,197,550)**
Book value March 31, 2024	**5,485,661**	**1,570,004**	**1,591,170**	**1,491,855**	**81,064**	**10,219,755**

12. INVESTMENTS, GROUP

March 31, 2023

	Other shares	Shares in associated companies	Other receivables	Receivables from associated companies	Total
					Eur
Acquisition cost April 1, 2022	5,052,866	1,551,556	64,549	–	6,668,971
Additions	–	8,000	–	–	8,000
Deductions	(11,826)	–	–	–	(11,826)
Share of associated companies' results	–	(5,334)	–	–	(5,334)
Transfers between items	–	–	93,603	–	93,603
Exchange rate differences	(4,175)	–	–	–	(4,175)
Acquisition cost March 31, 2023	5,036,865	1,554,222	158,152	–	6,749,239
Accumulated impairments April 1, 2022	(206,797)	–	–	–	(206,797)
Reversal of impairments	4,000	–	–	–	4,000
Exchange rate differences	4,175	–	–	–	4,175
Accumulated impairments March 31, 2023	(198,621)	–	–	–	(198,621)
Book value March 31, 2023	4,838,243	1,554,222	158,152	–	6,550,617

March 31, 2024

	Other shares	Shares in associated companies	Other receivables	Receivables from associated companies	Total
					Eur
Acquisition cost April 1, 2023	5,036,865	1,554,222	158,152	–	6,749,239
Deductions	(123,968)	(1,331,849)	–	–	(1,455,817)
Share of associated companies' results	–	177	–	–	177
Exchange rate differences	(970)	–	–	–	(970)
Acquisition cost March 31, 2024	**4,911,926**	**222,550**	**158,152**	**–**	**5,292,629**
Accumulated impairments April 1, 2023	(198,621)	–	–	–	(198,621)
Exchange rate differences	970	–	–	–	970
Accumulated impairments March 31, 2024	**(197,651)**	–	**–**	**–**	**(197,651)**
Book value March 31, 2024	**4,714,275**	**222,550**	**158,152**	**–**	**5,094,978**

12. INVESTMENTS, PARENT COMPANY

March 31, 2023

	Shares in group companies	Shares in associated companies	Other shares	Capital Loan Receivables from group companies	Receivables from associated companies	Other receivables	Total
							Eur
Acquisition cost April 1, 2022	8,987,956	2,422,725	5,002,914	11,778,079	18,000	103,190	28,312,865
Additions	–	8,000	–	–	–	–	8,000
Deductions from group internal rearrangements	(7,574,508)	–	–	–	–	–	(7,574,508)
Exchange rate differences	–	–	–	(985,117)	–	–	(985,117)
Acquisition cost March 31, 2023	1,413,448	2,430,725	4,991,088	10,792,961	18,000	103,190	19,749,413
Accumulated depreciations and impairments April 1, 2022	(1,529,608)	(879,225)	(156,845)	–	(18,000)	(38,642)	(2,622,320)
Accumulated depreciations and impairments March 31, 2023	(303,442)	(879,225)	(152,845)	–	(18,000)	(38,642)	(1,392,154)
Book value March 31, 2023	1,110,006	1,551,500	4,838,243	10,792,961	–	64,549	18,357,259

March 31, 2024

	Shares in group companies	Shares in associated companies	Other shares	Capital Loan Receivables from group companies	Receivables from associated companies	Other receivables	Total
							Eur
Acquisition cost April 1, 2023	1,413,448	2,430,725	4,991,088	10,792,961	18,000	103,190	19,749,413
Deductions	(8,942)	(1,334,000)	(123,968)	–	–	–	(1,466,910)
Exchange rate differences	–	–	–	(228,970)	–	–	(228,970)
Acquisition cost March 31, 2024	**1,404,506**	**1,096,725**	**4,867,121**	**10,563,991**	**18,000**	**103,190**	**18,053,533**
Accumulated depreciations and impairments April 1, 2023	(303,442)	(879,225)	(152,845)	–	(18,000)	(38,642)	(1,392,154)
Accumulated depreciations and impairments March 31, 2024	**(303,442)**	**(879,225)**	**(152,845)**	**–**	**(18,000)**	**(38,642)**	**(1,392,154)**
Book value March 31, 2024	**1,101,064**	**217,500**	**4,714,275**	**10,563,991**	**–**	**64,549**	**16,661,379**

13. GROUP COMPANIES

Consolidated	Domicile	Group ownership %	Parent ownership %
Holiday Club Canarias Investment S.L.	Las Palmas	100.00	0.00
Holiday Club Canarias Resort Management S.L.	Las Palmas	100.00	0.00
Holiday Club Canarias Sales & Marketing S.L.	Las Palmas	100.00	0.00
Holiday Club CanariasVacation Club S.L.	Las Palmas	100.00	0.00
Holiday Club Rus LLC	Pietari	100.00	100.00
Holiday Club Sweden AB	Åre	100.00	100.00
Ownership Services AB	Åre	100.00	0.00
Åre Villas 3 AB	Åre	100.00	0.00
Holiday Club Sport and Spa Hotels AB	Åre	100.00	0.00
Kiinteistö Oy Rauhan Liikekiinteistöt	Lappeenranta	100.00	100.00
Kiinteistö Oy Vierumäen Kaari*	Vierumäki	100.00	100.00

The company marked with * merged with its parent company Holiday Club Resorts Oy on 31.3.2024

Associated companies and joint ventures	Domicile	Group ownership %	Parent ownership %
Kiinteistö Oy Seniori-Saimaa	Lappeenranta	31.15	31.15
Tropiikin Rantasauna Oy	Kuusamo	50.00	50.00

All associated companies have been consolidated into the group financial statements.

14. INVENTORY

				Eur
	Group	Group	**Parent**	Parent
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Materials and supplies	**665,493**	773,906	**534,604**	612,086
Timeshare	**50,095,767**	47,829,930	**37,930,019**	35,671,919
Unfinished construction projects	**906,787**	976,155	**707,960**	693,293
Other inventory	**2,572,913**	2,576,100	**2,559,898**	2,562,803
Villas apartments	**5,169,456**	4,556,387	**5,132,845**	4,518,972
Total	**59,410,416**	56,712,477	**46,865,326**	44,059,073

RECEIVABLES

15. LONG-TERM RECEIVABLES

				Eur
	Group	Group	**Parent**	Parent
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Sales receivables	**692,812**	513,859	**584,447**	418,473
Loan receivables from group companies	**–**	–	**9,432,495**	10,805,730
Deferred tax receivable	**4,658,284**	4,527,073	**–**	–
Total	**5,351,096**	5,040,931	**10,016,942**	11,224,204

16. SHORT-TERM RECEIVABLES

				Eur
	Group	Group	**Parent**	Parent
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Sales receivables	**11,585,297**	8,936,316	**8,149,822**	6,265,578
Receivables from group companies				
Sales receivables	**–**	–	**90,622**	11,293
Loan receivables	**–**	–	**3,347,060**	2,957,060
Accrued income	**–**	–	**1,059,700**	1,502,514
Receivables from group companies, total	**–**	–	**4,497,382**	4,470,867
Receivables from others				
Loan receivables	**172,307**	148,827	**172,307**	148,827
Accrued income	**3,538,767**	2,342,807	**3,085,338**	2,023,169
Other receivables	**2,519,070**	1,204,747	**1,492,908**	386,395
Total	**17,815,440**	12,632,697	**17,397,757**	13,294,836

RELEVANT ACCRUED INCOME (excluding receivables from group and associated companies)

				Eur
	Group	Group	**Parent**	Parent
	Year ended March 31, 2024	Year ended March 31, 2023	**Year ended March 31, 2024**	Year ended March 31, 2023
Accrued expenses	**2,616,639**	1,549,900	**2,392,442**	1,500,429
Accrued income	**684,057**	508,457	**644,426**	442,101
Tax receivables	**64,556**	116,398	–	–
Social security receivables	**45,857**	56,932	**45,857**	56,932
Others	**127,659**	111,119	**2,614**	23,706
Total	**3,538,767**	2,342,807	**3,085,338**	2,023,169

17. EQUITY

				Eur
	Group	Group	**Parent**	Parent
	Year ended March 31, 2024	Year ended March 31, 2023	**Year ended March 31, 2024**	Year ended March 31, 2023
RESTRICTED SHAREHOLDERS' EQUITY				
Share capital at the beginning of the financial year	**11,959,146**	11,959,146	**11,959,146**	11,959,146
Share capital at the end of financial year	**11,959,146**	11,959,146	**11,959,146**	11,959,146
RESTRICTED SHAREHOLDERS' EQUITY TOTAL	**11,959,146**	11,959,146	**11,959,146**	11,959,146
NON-RESTRICTED SHAREHOLDERS' EQUITY				
Reserve for invested non-restricted equity at the beginning of the financial year	**42,395,175**	42,395,175	**42,395,175**	42,395,175
Reserve for invested non-restricted equity at the end of the financial year	**42,395,175**	42,395,175	**42,395,175**	42,395,175
Profit from previous financial years at the beginning of the financial year	**(8,848,701)**	(8,027,809)	**(21,160,919)**	(15,490,898)
Translation differences	**(75,337)**	(296,539)	**–**	–
Profit from previous financial years at the end of financial year	**(8,924,037)**	(8,324,348)	**(21,160,919)**	(15,490,898)
Profit for the period	**(798,831)**	(524,353)	**(2,075,211)**	(5,670,021)
NON-RESTRICTED SHAREHOLDERS' EQUITY TOTAL	**32,672,305**	33,546,474	**19,159,045**	21,234,256
SHAREHOLDERS' EQUITY TOTAL	**44,631,451**	45,505,620	**31,118,191**	33,193,402

The Shareholders' equity of the Group includes Rs 223,333 (FY22-23: Rs 224,722) from appropriations and other voluntary provisions.

CALCULATION FOR DISTRIBUTABLE FUNDS

	Parent Year ended March 31, 2024	Parent Year ended March 31, 2023
		Eur
Reserve for invested non-restricted equity	**42,395,175**	42,395,175
Profit from the previous financial years	**(21,160,919)**	(15,490,898)
+Profit for the period	**(2,075,211)**	(5,670,021)
- Received business cost support from the government for the period November 1, 2020 - February 28, 2022	**–**	(1,000,000)
Total	**19,159,045**	20,234,256

18. DEFERRED TAX RECEIVABLES AND LIABILITIES

	Group Year ended March 31, 2024	Group Year ended March 31, 2023	**Parent** Year ended March 31, 2024	Parent Year ended March 31, 2023
				Eur
Deferred tax receivables:				
from unused losses in taxation	**3,945,395**	3,809,327	**–**	–
from other temporary differences	**712,889**	717,746	**–**	–
Total	**4,658,284**	4,527,073	**–**	–
Deferred tax liabilities:				
from appropriations	**8**	627	**–**	–
Total	**8**	627	**–**	–
Deferred not booked tax receivables:				
from unused losses in taxation	**6,018,924**	6,467,767	**–**	–
from other temporary differences	**1,545,846**	1,545,846	**–**	–
Total	**7,564,770**	8,013,613	**–**	–

19. STATUTORY PROVISIONS, GROUP

Year ended March 31, 2023	**Litigation provision**	**Other provisions**	**Total**
			Eur
Opening balance April 1, 2022	736,127	368,715	1,104,842
Additional provisions recognised	90,000	4,176,431	4,266,431
Amounts used during the period	(203,696)	(4,802,034)	(5,005,730)
Unused amounts reversed during the period	–	429,043	429,043
Translation differences	–	(421)	(421)
Other movement	4,251	–	4,251
Book value March 31, 2023	626,682	171,734	798,416

Year ended March 31, 2024	**Litigation provision**	**Other provisions**	**Total**
			Eur
Opening balance April 1, 2023	**626,682**	**171,734**	**798,416**
Additional provisions recognised	**20,000**	**4,541,782**	**4,561,782**
Amounts used during the period	**(648,358)**	**(5,159,447)**	**(5,807,805)**
Unused amounts reversed during the period	**–**	**956,055**	**956,055**
Other movement	**1,676**	**(1,617)**	**58**
Book value March 31, 2024	**–**	**508,505**	**508,505**

19. STATUTORY PROVISIONS, PARENT COMPANY

Eur

Year ended March 31, 2023	Litigation provision	Other provisions	Total
Opening balance April 1, 2022	–	344,424	344,424
Additional provisions recognised	–	3,811,390	3,811,390
Amounts used during the period	–	(4,717,239)	(4,717,239)
Unused amounts reversed during the period	–	710,639	710,639
Book value March 31, 2023	–	149,214	149,214

Eur

Year ended March 31, 2024	**Litigation provision**	**Other provisions**	**Total**
Opening balance April 1, 2023	**–**	**149,214**	**149,214**
Additional provisions recognised	**–**	**4,401,380**	**4,401,380**
Amounts used during the period	**–**	**(5,114,447)**	**(5,114,447)**
Unused amounts reversed during the period	**–**	**1,031,223**	**1,031,223**
Book value March 31, 2024	**–**	**465,751**	**465,751**

20. LONG-TERM LIABILITIES

Eur

	Group	Group	**Parent**	Parent
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Loans from financial institutions	**474,814**	4,937,682	**–**	3,788,739
Other long-term loans	**3,240**	9,204	**–**	7,064
Loans from group companies	**4,000,000**	10,000,000	**10,536,656**	16,678,335
Total	**4,478,054**	14,946,886	**10,536,656**	20,474,138

Holiday Club Resort Oy has loan from its parent company Covington S.a.r.l, amounting to EUR 19,151,337 (Rs 1,178,130,470), in total. The loans are unsecured and their interest rates are between 2.2% and 6.2% p.a.

The Group and the parent company have no loans from financial institutions maturing in more than five years.

21. SHORT-TERM LIABILITIES

Eur

	Group	Group	**Parent**	Parent
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Loans from financial institutions	**15,137,020**	5,480,875	**14,000,000**	4,186,112
Received advance payments	**9,826,878**	11,329,979	**9,076,319**	10,331,778
Accounts payable	**11,956,824**	12,568,786	**10,802,463**	11,130,591
Loans from group companies				
Accounts payable	**–**	–	**319,356**	208,084
Unsecured loans	**15,151,387**	3,151,337	**15,151,387**	3,151,337
Accrued liabilities	**–**	–	**390,070**	666,072
Total	**15,151,387**	3,151,337	**15,860,813**	4,025,493
Other loans	**7,491,501**	9,037,792	**5,502,059**	6,837,230
Accrued liabilities	**21,164,317**	21,963,612	**17,092,777**	18,132,294
Short-term liabilities, total	**80,727,927**	63,532,381	**72,334,432**	54,643,498

RELEVANT ACCRUED LIABILITIES (excluding receivables from group and associated companies)

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Personnel and social expenses	**7,333,922**	7,412,148	**6,747,456**	6,795,428
Accrued interests	**1,116,391**	460,942	**1,099,599**	444,920
Sales comissions	**1,236,242**	544,677	**1,197,315**	498,798
Taxes	**331,867**	69,484	**–**	–
Deferred discounts related to TS and Villas sales	**3,614,507**	3,539,523	**3,614,507**	3,539,523
Deferred revenue	**2,161,585**	2,161,585	**–**	–
Real estate tax accrual	**1,501,983**	1,622,555	**1,448,358**	1,567,768
Leases	**1,231,651**	2,310,072	**1,231,651**	2,310,072
Other*	**2,636,170**	3,842,625	**1,753,891**	2,975,784
Total	**21,164,317**	21,963,612	**17,092,777**	18,132,294

OTHER NOTES TO THE FINANCIAL STATEMENTS

COMMITMENTS AND CONTINGENT LIABILITIES

ASSETS PLEDGED AND MORTGAGES GIVEN FOR FINANCIAL LIABILITIES

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Loans from financial institutions	**1,000,000**	9,974,851	**–**	7,974,851
Total	**1,000,000**	9,974,851	**–**	7,974,851
Property under mortgages	**10,000,000**	19,050,000	**–**	9,050,000
Mortgage on company assets	**–**	28,445,638	**–**	28,445,638
Pledged assets	**–**	40,726,766	**–**	40,726,766
Total	**10,000,000**	88,222,404	**–**	78,222,404

OTHER COLLATERAL FOR OWN COMMITMENTS

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Deposits, rent guarantees	**1,779,249**	1,546,936	**1,779,249**	1,546,936
Total	**1,779,249**	1,546,936	**1,779,249**	1,546,936

COLLATERAL FOR GROUP COMPANIES' LIABILITIES

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Guarantees given	**1,000,000**	2,000,000	**1,000,000**	2,000,000
Total	**1,000,000**	2,000,000	**1,000,000**	2,000,000

CONTINGENT LIABILITIES AND OTHER COMMITMENTS

LEASING CONTRACT COMMITMENTS

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Due during the next financial year	**1,123,555**	978,169	**971,436**	806,203
Due thereafter	**1,463,825**	1,109,824	**1,244,674**	773,755
Total	**2,587,381**	2,087,993	**2,216,110**	1,579,957

RENTAL COMMITMENTS

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Due during the next financial year	**19,099,449**	18,296,543	**14,812,602**	14,154,320
Due thereafter	**188,423,645**	196,393,063	**186,397,779**	190,285,235
Total	**207,523,094**	214,689,606	**201,210,381**	204,439,556

CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	Group	Group	Parent	Parent
				Eur
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Investing commitments	**–**	1,996,780	**–**	1,996,780
Responsibility to review tax deductions related to real estate investments	**769,634**	1,289,630	**769,077**	1,059,476
Purchase and sales commitments	**382,000**	1,800,377	**382,000**	1,800,377
Other liabilities and guarantees	**4,327,289**	4,090,862	**4,327,289**	4,090,862

Investing commitments

Investing commitment to Fennia has been fulfilled as the Katinkulta resorts has been constructed. Holiday Club Resorts Oy has given completion commitments to Fennia in relation to the land areas sold. If the completion commitments are not met, Fennia has the right to cancel the deal. Holiday Club Resorts Oy has guaranteed the land lease payments until apartments have been build on the plots.

Holiday Club Resorts Oy has a commitment in the construction of two timeshare buildings to Levi. Valid until the project is completed, includes two exit possibilities. HCR's liability in case of exit is annual real estate rents of approximately 250k€/a capped on max 1m€ and land use interest annual payment of approximately 50k€ paid until exit.

Responsibility to review tax deductions related to real estate investments

Holiday Club Resorts Oy and Koy Rauhan Liikekiinteistöt 1 are responsible to annually review vat deductions made from the real estate investments and from renovation costs made to leased properties. Responsibility is for 10 years after the completion of the investment, in so far as the VAT taxable use of the property decreases during the ten-year period.

Purchase and sales commitments

According to the agreement made between Holiday Club Resorts Oy, Sunborn Oy and Sunborn Saga Oy, Holiday Club Resorts Oy is obliged to sell annually 75 Sunborn timeshares. If Holiday Club Resorts Oy doesn't achieve its yearly target, Holiday Club is obliged to purchase the missing amount of timeshares with a price related to the agreement. This commitment was fulfilled for year 2023-2024.

Holiday Club Resorts Oy has committed to purchase back the shares of Kiinteistö Oy Salla Star -named company from the buyer no later than 30.6.2025. The new date was agreed upon on in August 2020.

In the course of the Holiday Club Åre asset deal the commitment given by Holiday Club Spa Hotels AB to purchase a multi-purpose arena from Åre Kongress AB in 2023, if Åre Kongress AB has not sold the arena before that, transferred to Holiday Club Sport And Spa Hotels AB. Holiday Club Resorts Oy and Holiday Club Sport And Spa Hotels AB are jointly responsible for the sales price of the arena towards Åre Kongress AB. The first payment of the purchase price has been made and the final payment will be made as the ownership to the property transfers on 30.4.2024.

Other liabilities and guarantees

Other liabilities and guarantees contain a surety that the parent has given regarding the lease obligations of Holiday Club Sport and Spa Hotels AB. The surety equates the lease obligation of 12 months.

Liabilities from customer finance agreements

Holiday Club Resorts Oy has agreed in the customer financing agreement made in 2022 between Holiday Club Resorts Oy and OP Corporate Bank Oyj (OP Financing) the following:

In secured finance, the Property will be pledged with OP in security for finance and HCR will sign the pledge agreement for the Property with customers on OP's account. If, due to the customer's delinquency or other breach of the agreement, OP has the right to demand repayment of the customer's remaining loan or cancel the customer's financing agreement, HCR, upon OP's demand, undertakes to redeem the price of said Property, which equals 50% of the sale price of the Property under the deed of sale based on the sale price and to remit the redemption price to OP.

In loan applications where OP is not prepared to take credit risk, a 100% repurchase commitment for the entire loan amount is required of HCR to receive an approved loan decision, in other words HCR will sign a separate repurchase commitment of the debt receivable and OP will have the right to transfer the debt receivable to HCR.

In loan applications where the customer has existing finance and OP is not prepared to increase credit risk arising from the additional purchase, a repurchase commitment in euros is required of HCR to receive an approved loan decision. In such a situation, HCR will sign a separate repurchase commitment.

Holiday Club Resorts Oy has agreed in the customer financing agreement made between Holiday Club Resorts Oy and Danske Bank Oyj the following:

If Danske Bank terminates the customer's financing contract for timeshare purchase based on the terms of contract, the following risk distribution contract applies:

If Danske Bank claims, Holiday Club Resorts Oy is committed to purchase the timeshare which has been given as a collateral for a financing agreement. The purchase price is 30% of the timeshare's original purchase price. If the purchase price, calculated by the foregoing way, is more than the financier's financed part based on the sale agreement issue, the purchase price will be the amount of financed part of the sale agreement at issue. For the timeshares Holiday Club Resorts Oy has financed on its own risk, 100% buyback commitment is applied.

RELATED PARTY TRANSACTIONS

				Eur
	Group	Group	**Parent**	Parent
	Year ended March 31, 2024	Year ended March 31, 2023	**Year ended March 31, 2024**	Year ended March 31, 2023
MHR Holdings Mauritius Ltd. (Parent company of Covington S.a.r.l.)				
Financial expenses	**52,795**	50,027	**50,027**	50,027
Received Guarantee	**3,166,136**	3,166,136	**3,166,136**	3,166,136
Mahindra Holiday & Resorts India Limited				
Other income	**2,676**	–	**2,676**	–
Other expense	**5,081**	–	**5,081**	–
Covington S.a.r.l. (Parent company of Holiday Club Resorts Oy)				
Interest expenses	**635,618**	234,078	**234,078**	234,078
Interest liabilities	**1,068,618**	432,928	**432,928**	432,928
Loans	**19,151,337**	13,151,337	**13,151,337**	13,151,337
Subsidiaries				
Sales of Services / Materials	**–**	–	**390,155**	338,793
Purchases of Services / Materials	**–**	–	**98,770**	76,273
Rent expenses	**–**	–	**906,500**	818,768
Interest income	**–**	–	**752,364**	515,754
Interest expenses	**–**	–	**449,725**	220,684
Other operating expenses	**–**	–	**581,443**	220,685
Associated companies				
Rental expenses	**66,043**	62,636	**66,043**	62,636

List of ledgers, materials and corresponding safekeeping methods

Financial statements

The financial statements will be saved as PDF files and kept in the root folder.

List of ledgers and balances lists

The ledger-specific income statements, balance sheets and list of ledgers will be saved as PDF files and kept in the root folder.

Ledgers, voucher types and corresponding safekeeping methods

The daily and main ledgers of the Hansa accounting system will be saved as PDF files and kept in the root folder.

Summary of subsidiary ledgers

Subsidiary ledgers	System	Voucher types	Voucher series	Safekeeping method
Accounts receivables, share and other business areas	Hansa	Sales invoices	multiple, based on the sale type	Electronic
Accounts receivables, SPA business area	Hotellinx Cloud	Sales invoices, SPA	multiple for each spa	Electronic
Accounts receivables, renting	Cabinlinx Cloud	Sales invoices, renting	multiple for each resort	Electronic
Accounts receivables, shares and other business areas	Hansa	Sales invoice payments	SUOR.24000000-SUOR.24011210	Electronic
Accounts receivables, SPA and renting	Hansa	Sales invoice payments	bank receipts	Electronic
Accounts payables	Basware/Palette	Purchase invoices	OL.22400001-OL.22447914	Electronic
	Hansa	Purchase payments	MAKS.20240001-MAKS.20243937	Electronic
Payroll accounting	Mepco	Summary of payroll system	2024.940000-2024.940232	Electronic
Travel invoices accounting	M2	Travel invoice	2024.950000-2024.950051	Electronic
Cash book	Excel	Memo voucher	-	As PDF files in the root folder
Hotels' stock records	Hotellinx and excel	Memo voucher	-	Electronic
Share sales' stock records	SPI	Memo voucher	-	Printed

Other voucher types	Voucher series	Storage method
Memo vouchers	multiple	Electronic
Bank receipts	2024.100000 -2024.157597	Electronic
Notes vouchers	LTT01-	As PDF files in the root folder

A more detailed description of the methods used for the safekeeping of accounting records and backup procedures is provided in a separate company document.

This document also contains a listing of all voucher types.

DATE AND SIGNATURES

Signatures of the financial statements and annual report

Helsinki, April 22, 2024

Chander Prakash Gurnani
Chairman of the Board

Kavinder Singh
Member of the Board

Harri Pärssinen
Member of the Board

Diwakar Gupta
Member of the Board

Maisa Romanainen
Member of the Board, CEO

AUDITOR'S NOTE

Auditor's report has been issued today.

Helsinki, 22 April 2024

KPMG Oy Ab

Esa Kailiala
Authorised Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Holiday Club Sweden AB, corporate identity number 556683-0385

Report on the annual accounts

Opinions

We have audited the annual accounts of Holiday Club Sweden AB for the financial year April 1, 2023 to March 31, 2024.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Holiday Club Sweden AB as on March 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Holiday Club Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Holiday Club Sweden AB for the financial year April 1, 2023 to March 31, 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Holiday Club Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Sundsvall, April 18, 2024

Öhrlings PricewaterhouseCoopers AB

Magnus Olsson

Authorized Public Accountant

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note	March 31, 2024 kSEK	March 31, 2023 kSEK
Non-current assets			
Property, plant and equipment			
Land and buildings	5	**3,727**	3,838
Equipment and tools	6	**–**	–
Current new developements	7	**2,291**	3,191
Total property, plant and equipment		**6,019**	7,029
Financial non-current assets			
Participations in Group companies	8,9	**60,773**	60,773
Receivables from Group companies	10	**84,198**	77,100
Other non-current receivables		**–**	–
Total financial assets		**144,971**	137,873
Total non-current assets		**150,990**	144,902
Current assets			
Inventories etc.			
Raw materials and consumables		**39,571**	39,945
Other inventory assets		**–**	–
Total inventories		**39,571**	39,945
Current receivables			
Trade receivables		**14**	725
Receivables from Group companies		**2,639**	16,611
Other receivables		**391**	360
Prepaid expenses and accrued income		**258**	275
Total current receivables		**3,302**	17,970
Cash and bank balances			
Cash and bank balances		**429**	4,001
Total cash and bank balances		**429**	4,001
Total current assets		**43,301**	61,916
Total assets		**194,291**	206,818

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note	March 31, 2024 kSEK	March 31, 2023 kSEK
Equity and liabilities			
Equity			
Restricted equity			
Share capital, 1000 shares		**100**	100
Total restricted equity		**100**	100
Non-restricted equity			
Profit/ (Loss) brought forward		**115,802**	120,391
Profit/ (Loss) for the year		**300**	(4,588)
Total Non-restricted equity		**116,102**	115,802
Total equity		**116,202**	115,902
Non-current liabilities	11		
Liabilities to Group companies		**75,748**	88,142
Other liabilities		**–**	–
Total non-current liabilities		**75,748**	88,142
Current liabilities			
Advances from customers		**–**	–
Trade creditors		**210**	436
Liabilities to Group companies		**1**	–
Other liabilities		**1,271**	1,338
Accrued expenses and deferred income		**859**	1,000
Total current liabilities		**2,341**	2,773
Total equity and liabilities		**194,291**	206,818

INCOME STATEMENT

Particulars	Note	Year ended March 31, 2024 kSEK	Year ended March 31, 2023 kSEK
Operating income, changes in inventory, etc.			
Net sales		**7,076**	12,074
Other operating income		**5,985**	6,262
Total operating income, changes in inventory, etc.		**13,061**	18,336
Operating expenses			
Raw materials and consumables		**(3,673)**	(4,417)
Other external expenses		**(10,180)**	(11,374)
Personnel costs	2	**(3,375)**	(4,367)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		**(111)**	(128)
Total operating expenses		**(17,339)**	(20,286)
Operating Profit/ (Loss)		**(4,278)**	(1,950)
Financial items			
Share of profits from interests in associates		**4,550**	–
Other interest income and similar Profit/ (Loss) items	3	**7,611**	5,433
Interest and similar expenses	4	**(7,583)**	(8,072)
Total financial items		**4,578**	(2,638)
Profit/ (Loss) after financial items		**300**	(4,588)
Profit/ (Loss) before tax		**300**	(4,588)
Profit/ (Loss) for the year		**300**	(4,588)

SUPPLEMENTARY DISCLOSURES

Note 1 Accounting and Valuation Principles

The annual accounts have been prepared in accordance with BFNAR 2016: 10 Annual Accounts of Small Limited Companies.

Service assignments and contract work

The Company's income from assignments undertaken on a fixed price basis is recognised according to the main rule.

Amortisation

Land and buildings	30 years
Equipment and tools	5 years

Definitions of key performance indicators

Equity/assets ratio

Equity and untaxed reserves (less deferred tax) as a percentage of total assets.

Note 2 Personnel

	March 31, 2024	March 31, 2023
Average number of employees	**6**	8

Note 3 Other interest income and similar profit/loss items

	Year ended March 31, 2024 kSEK	Year ended March 31, 2023 kSEK
Of which from Group companies	**7,601**	5,432

Note 4 Interest expense and similar profit/loss items

	Year ended March 31, 2024 kSEK	Year ended March 31, 2023 kSEK
Of which from Group companies	**6,485**	4,537

Note 5 Land and buildings

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost of acquisition	**5,571**	5,571
Sales	**–**	–
Closing cost of acquisition	**5,571**	5,571
Opening depreciation/amortisation	**(1,733)**	(1,622)
- Depreciation for the year	**(111)**	(111)
Closing depreciation	**(1,844)**	(1,733)
Carrying amount	**3,727**	3,838

Note 6 Equipment and tools

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost of acquisition	**80**	80
Purchase	**–**	–
Closing cost of acquisition	**80**	80
Opening depreciation/amortisation	**(80)**	(63)
- Depreciation for the year	**–**	(17)
Closing depreciation	**(80)**	(80)
Carrying amount	**–**	–

Note 7 Current new developements

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost of acquisition	**3,191**	3,132
Purchase	**1,326**	59
Reclassification	**(2,225)**	–
	2,291	3,191
- Depreciation for the year	**–**	–
Closing depreciation	**–**	–
Carrying amount	**2,291**	3,191

Note 8 Participations in Group companies

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost of acquisition	**60,773**	60,773
- Purchases	**–**	–
- Provided shareholder contribution	**–**	–
- Sales	**–**	–
Carrying amount	**60,773**	60,773

Note 9 Specification participations in Group companies

	March 31, 2024 kSEK	**March 31, 2023 kSEK**
Name	**Equity kSEK**	**Net profit/loss kSEK**
Ownership Service AB 556676-0327 Åre	**1,935**	**(10)**
HC Canarias Investment S.L B-76081603 Las Palmas	**37**	**16**
HC Sport and Spahotels AB 559032-5733 Åre	**32,717**	**(11,780)**
Åre Villa 3 AB 559137-7659 Åre	**52**	**(2)**
Total	**34,742**	**(11,775)**

Name	Number of shares	Share of equity, %	Carrying amount, March 31, 2024 SEK
Ownership Service AB	**1,000**	**100**	**100**
HC Canarias Investment	**1**	**100**	**129**
Holiday Club Sport and Spa Hotels AB	**1,000,000**	**100**	**60,494**
Åre Villa 3 AB	**50,000**	**100**	**50**
			60,773

Note 10 Receivables from Group companies

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost of acquisition	**77,100**	80,651
Ductible receivables	**3,996**	6,449
- Deductible receivables	**(5,898)**	–
- Reclassification	**9,000**	(10,000)
Carrying amount	**84,198**	77,100

Note 11 Non-current liabilities

	March 31, 2024 kSEK	March 31, 2023 kSEK
Non-current liabilities maturing more than five years after the balance sheet date:		
Liabilities to Group companies	**75,748**	88,142
Total	**75,748**	88,142

Note 12 Parent Company

The parent company in the smallest group in which the company is included, and which prepares consolidated accounts is Holiday Club Resorts OY, Corporate Identity Number 2033337-1, which has its registered office in Helsinki, Finland.

The parent company in the largest group in which the company is included and which prepares consolidated accounts is Mahindra & Mahindra Ltd, L65990MH1945PLC004558 with its registered office in India.

Annual reports for parent company could be found at Patent- och registerstyrelsen, PRH, for Finland and Ministry of Corporate Affairs (Company Master Data) for India.

Note 13 Pledged assets

	March 31, 2024 kSEK	March 31, 2023 kSEK
Mortgages	**–**	–
Guarantee commitments subsidiary	**–**	–
Other pledged assets	**39,050**	39,424
Total pledged assets	**39,050**	39,424

Note 14 Significant events after the financial year

Sweden has been in a recession for a year now. However, it is positive that inflation has fallen back recently, and we expect inflation to continue to be lower in 2024 and that economic activity will begin to recover at the end of the year, with consumption becoming an important driver of the recovery through e.g. lower interest rates. We are already seeing early signs of a turnaround in the economic situation and we are seeing a great deal of interest in the mountains, Åre and not least Holiday Club. The liquidity of the company is considered to be good and liquidity forecasts are prepared on an ongoing basis.

Stockholm April 18, 2024

Maisa Romanainen

Pauli Puntala

Andreas Sand
Managing Director

Our auditor's report has been submitted 2023-04-18
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Ownership Service Sweden AB, corporate identity number 559137-7659

Report on the annual accounts

Opinions

We have audited the annual accounts of Ownership Service Sweden AB for the financial year April 1, 2023 to March 31, 2024.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Ownership Service Sweden AB as of 31 March 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Ownership Service Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors is also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors is responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Ownership Service Sweden AB for the financial year April 1, 2023 to March 31, 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Ownership Service Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Sundsvall, April 18, 2024

Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note	**March 31, 2024 SEK**	March 31, 2023 SEK
Assets			
Current assets			
Current receivables			
Other receivables		**2,372,954**	2,372,954
Receivables from Group Companies		**541,622**	2,167,396
Total current receivables		**2,914,576**	4,540,350
Cash and bank balances			
Cash and bank balances		**13,046,995**	10,033,910
Total cash and bank balances		**13,046,995**	10,033,910
Total current assets		**15,961,570**	14,574,260
Total assets		**15,961,570**	14,574,260
Equity and liabilities			
Equity			
Restricted equity			
Share capital		**100,000**	100,000
Total restricted equity		**100,000**	100,000
Non-restricted equity			
Profit bought forward		**1,845,084**	1,853,947
Profit/ (Loss) for the year		**(9,871)**	(8,863)
Total non-restricted equity		**1,835,213**	1,845,084
Total equity		**1,935,213**	1,945,084
Current liabilities			
Other liabilities		**14,022,707**	12,629,175
Accrued expenses and deferred income		**3,650**	–
Total current liabilities		**14,026,357**	12,629,175
Total equity and liabilities		**15,961,570**	14,574,259

INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note	**Year ended March 31, 2024 SEK**	Year ended March 31, 2023 SEK
Operating expenses			
Other external expenses		**(9,871)**	(8,863)
Total operating expenses		**(9,871)**	(8,863)
Operating profit/ (loss)		**(9,871)**	(8,863)
Financial items			
Other interest income and similar profit/loss items		**–**	–
Total financial items		**–**	–
Profit/ (Loss) after financial items		**(9,871)**	(8,863)
Profit/ (Loss) before tax		**(9,871)**	(8,863)
Profit/ (Loss) for the year		**(9,871)**	(8,863)

SUPPLEMENTARY DISCLOSURES

Note 1 Accounting and Valuation Principles

The annual accounts have been prepared in accordance with BFNAR 2016:10 Annual Accounts of Small Limited Companies.

Definitions of key performance indicators

Equity/assets ratio

Equity and untaxed reserves (less deferred tax) as a percentage of total assets..

Note 2 Parent Company

The parent company in the smallest group in which the company is included, and which prepares consolidated accounts is Holiday Club Resorts OY, Corporate Identity Number 2033337-1, which has its registered office in Helsinki, Finland. The parent company in the largest group in which the company is included and which prepares consolidated accounts is Mahindra & Mahindra Ltd, L65990MH1945PLC004558 with its registered office in India.

Annual reports for parent company could be found at Patent-och registerstyrelsen, PRH, for Finland and Ministry of Corporate Affairs (Company Master Data) for India.

The income statement and balance sheet will be presented for adoption at the Annual General Meeting of Shareholders held on 2024-04-18

Åre April 18, 2024

Pauli Puntala

Our auditor’s report has been submitted 2024-04-18
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson

Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Holiday Club Sport and Spa Hotels AB, corporate identity number 559032-5733

Report on the annual accounts

Opinions

We have audited the annual accounts of Holiday Club Sport and Spa Hotels AB for the financial year April 1, 2023 to March 31, 2024.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Holiday Club Sport and Spa Hotels AB as of 31 March 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Holiday Club Sport and Spa Hotels AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Holiday Club Sport and Spa Hotels AB for the financial year April 1, 2023 to March 31, 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Holiday Club Sport and Spa Hotels AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Sundsvall, April 18, 2024
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

BALANCE SHEET

	Note	**March 31, 2024 kSEK**	March 31, 2023 kSEK
Fixed assets			
Intangible fixed assets			
Goodwill	8	**–**	–
Software	8	**–**	–
Total intangible fixed assets		**–**	–
Tangible assets			
Ongoing investment building	9	**1,667**	–
Equipment, tools, fixtures and fittings	10	**19,058**	20,955
Improvement fees on the property of others	11	**1,458**	1,583
Total tangible fixed assets		**22,183**	22,538
Financial fixed assets			
Receivables group companies	12	**40,000**	40,000
Total financial fixed assets		**40,000**	40,000
Total fixed assets		**62,183**	62,538
Current assets			
Inventories etc.			
Raw materials and consumables		**1,086**	1,375
Finished goods and goods for resale		**303**	310
Total inventories		**1,389**	1,685
Current receivables			
Accounts receivable		**9,696**	7,640
Receivables group companies		**1**	–
Current tax assets	13	**284**	283
Other receivables		**2,361**	638
Prepaid expenses and accrued income	14	**3,029**	3,915
Total current receivables		**15,371**	12,475
Cash and bank balances			
Cash and bank balances		**2,041**	24,552
Total cash and bank balances		**2,041**	24,552
Total current assets		**18,802**	38,712
Total assets		**80,985**	101,250

BALANCE SHEET

	Note	**March 31, 2024 kSEK**	March 31, 2023 kSEK
Equity and liabilities			
Equity	15,16		
Restricted equity			
Share capital		**1,000**	1,000
Total restricted equity		**1,000**	1,000
Non-restricted equity			
Share premium reserve		**12,000**	12,000
Retained earnings		**31,497**	11,358
Profit/(Loss) for the year		**(11,780)**	20,138
Total Non-restricted equity		**31,717**	43,497
Total equity		**32,717**	44,497
Non-current liabilities	17		
Liabilities to Group companies		**9,000**	–
Other liabilities		**3,225**	4,418
Total non-current liabilities		**12,225**	4,418
Current liabilities	17		
Liabilities to credit institutions		**–**	–
Advances from customers		**6,259**	10,724
Accounts payable		**8,512**	12,408
Liabilities to Group companies		**1,026**	11,030
Other liabilities		**9,440**	7,704
Accrued expenses and deferred income	18	**10,806**	10,469
Total current liabilities		**36,043**	52,336
Total equity and liabilities		**80,985**	101,250

INCOME STATEMENT

	Note	**March 31, 2024 kSEK**	March 31, 2023 kSEK
Operating income			
Net sales	3,4	**135,779**	159,464
Other operating income		**3,982**	4,710
Total operating income		**139,762**	164,174
Operating expenses			
Raw materials and consumables		**(17,566)**	(17,885)
Other external expenses	5,6	**(92,334)**	(85,472)
Personnel costs	7	**(37,110)**	(36,540)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		**(3,705)**	(3,483)
Other operating expenses		**(8)**	(85)
Total operating expenses		**(150,724)**	(143,465)
Operating Profit/ (Loss)		**(10,962)**	20,709
Financial items			
Interest expenses to Group companies		**(263)**	(384)
Interest income		**–**	1
Interest expenses and similar Profit/ (Loss) items		**(555)**	(187)
Total financial items		**(818)**	(570)
Profit/ (Loss) after financial items		**(11,780)**	20,138
Profit/ (Loss) before tax		**(11,780)**	20,138
Profit/ (Loss) for the year		**(11,780)**	20,138

CASH-FLOW STATEMENT

	Note	March 31, 2024 kSEK	March 31, 2023 kSEK
Operating activities			
Profit/(Loss) after financial items		**(11,780)**	20,138
Adjustments for items not included in cash flow	19	**3,713**	3,568
Income tax paid		**(1)**	(53)
Cash flow from operating activities before changes in working capital		**(8,068)**	23,654
Cash flow before changes in working capital			
Change in inventories		**295**	(435)
Change in accounts receivable		**(2,057)**	(2,130)
Change in current receivables		**(838)**	2,195
Change in accounts payable		**(3,896)**	357
Change in current liabilities		**(4,590)**	(4,614)
Cash flow from operating activities		**(19,152)**	19,028
Investing activities			
Net investments in tangible assets		**(3,358)**	(1,277)
Cash flow from investing activities		**(3,358)**	(1,277)
Financing activities			
Shareholder contribution		**–**	–
Repayment of debt		**–**	–
Cash flow from financing activities		**–**	–
Cash flow for the year		**(22,510)**	17,751
Cash and cash equivalents at beginning of the year			
Opening cash and cash equivalents		**24,552**	6,801
Closing cash and cash equivalents		**2,041**	24,552

SUPPLEMENTARY DISCLOSURES

Note 1 Accounting and Valuation Principles

General information

This annual report has been prepared in accordance with the Swedish Annual Accounts and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

The accounting policies remain unchanged as compared to the previous year.

Revenue recognition

Revenue has been measured at the fair value of consideration received or receivable. The Company therefore recognises revenue at nominal value (invoice amount) of remuneration received in cash and cash equivalents directly upon delivery. Deduction is made for discounts granted.

Fixed assets

Intangible and tangible assets are recognised at cost less accumulated amortisation/depreciation and any impariment.

Amortisation/depreciation takes place on a straight-line basis over the estimated useful life of the asset taking the significant residual value into account. The following periods of depreciation/amortisation are applied:

Intangible fixed assets	
Software	20%
Tangible assets	
Improvement fees on the property of others	5%
Equipment, tools, fixtures and fittings	5-20%

Accounts receivable/ current receivables

Accounts receivable and current receivables are recognised as current assets at the amount expected to be paid after deduction of individually assessed doubtful receivables.

Leases

The Company recognises all leases, both financial and operating, as operating leases. Operating leases are recognised as a cost straight-line over the leasing period.

Inventories

Inventories are valued at the lower of cost and net realisable value on the balance sheet date. The net realisable value refers to the calculated sales price of the products less selling costs. The selected valuation method means that the inventory obsolescence has been taken into consideration.

Income tax

Current tax

Current tax refers to income tax for the current financial year and the portion of previous income tax which has not yet been recognised. Current tax is calculated based on the tax rate applicable on the balance sheet date.

Definitions of key performance indicators

Equity/assets ratio (%)
Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of the balance sheet total.

Note 2 Significant events after the end of the financial year

The company predicts that with a continued weak Swedish crown and a high interest in Swedish mountain holidays, there is a possibility to increase the business and widen the target groups. Those factors together with a more stable Swedish economy and our own product development will increase turnover and demand.

Note 3 Distribution of sales

	March 31, 2024 kSEK	March 31, 2023 kSEK
Net sales by business segment		
Hotel operations	**135,779**	159,464
	135,779	159,464

Note 4 Intra-Group purchases and sales

	March 31, 2024	March 31, 2023
Percentage of total purchases during the year from other companies in the Group	**1.59%**	0.30%
Percentage of total sales during the year from other companies in the Group	**0.56%**	0.96%

Note 5 Leases - Operating leases lessee

Lease costs for the year amounted to SEK 47.855.175

Future lease payments, for non-cancellable leases, fall due for payment as follows:

	31 Mar 2024 kSEK	31 Mar 2023 kSEK
Within one year	**49,788**	41,290
Between one and five years	**195,286**	170,358
Later than five years	**48,814**	42,587
	293,888	254,235

Note 6 Auditors' fees

The audit assignment relates to the review of the annual report and accounts as well as the administration by the Board of Directors, other duties to be performed by the Company's auditor and advisory services or other assistance in response to observations during such examination or implementation or such other duties. Other services are such services as are not included in the audit assignment, auditing activities or tax advisory services.

	March 31, 2024 kSEK	March 31, 2023 kSEK
PwC		
Audit assignment	**171**	170
Tax advisory	**–**	–
Other services	**–**	–
	171	170

Note 7 Employees and personnel costs

	March 31, 2024	March 31, 2023
Average number of employees		
Women	**31**	33
Men	**24**	25
	55	58
Salaries and other remuneration		
Board of Directors and Managing Director	**2,182**	1,521
Other employees	**24,186**	24,998
	26,368	26,519
Social security expenses		
Pension costs for Board and Managing Director	**514**	463
Pension costs for other employees	**1,352**	1,210
Statutory and contractual other social security contributions	**8,558**	7,834
	10,424	9,507
Total salaries, remuneration, social security expenses and pension costs	**36,791**	36,026

Note 8 Software

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost	**–**	180
Disposal	**–**	(180)
Closing accumulated cost	**–**	–
Opening amortisation	**–**	180
Disposal	**–**	180
- Amortisation for the year	**–**	–
Closing accumulated amortisation	**–**	–
Closing carrying amount	**–**	–

Note 9 Ongoing investment building

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost	**–**	–
Purchase	**1,667**	–
Closing accumulated cost	**1,667**	–

Note 10 Equipment, tools, fixtures and fittings

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost	**48,739**	50,054
Purchase	**1,691**	1,277
Disposal	**(8,920)**	(2,592)
Closing accumulated cost	**41,510**	48,739
Opening depreciation	**(27,785)**	(26,934)
Disposal	**8,912**	2,507
- Depreciation for the year	**(3,580)**	(3,358)
Closing accumulated depreciation	**(22,453)**	(27,785)
Closing carrying amount	**19,058**	20,955

Note 11 Improvement fees on the property of others

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost	**2,500**	2,500
	2,500	2,500
Opening depreciation	**(917)**	(792)
- Depreciation for the year	**(125)**	(125)
Closing depreciation	**(1,042)**	(917)
Carrying amount	**1,458**	1,583

Note 12 Receivables group companies

	March 31, 2024 kSEK	March 31, 2023 kSEK
Opening cost	**40,000**	40,000
	40,000	40,000

Note 13 Tax loss carryforward

No tax is found in the company due to a rolling tax loss carryforward.

	March 31, 2024 kSEK	March 31, 2023 kSEK
Tax loss carryforward	**26,631**	15,267
	26,631	15,267

Note 14 Prepaid expenses and accrued income

	March 31, 2024 kSEK	March 31, 2023 kSEK
Property rental	**–**	–
Other	**3,029**	3,915
Carrying amount	**3,029**	3,915

Note 15 Number of shares and quotient value

	Number of shares	Quotient value
Number of Class A shares	1,000,000	1
	1,000,000	

Note 16 Appropriation of profit or loss

The Board of Directors proposes that the profit available for distribution:

	31 Mar 2024 kSEK
accumulated loss	**31,497**
share premium	**12,000**
shareholder contribution	**–**
loss for the year	**(11,780)**
Total pledged assets	**31,717**

Note 17 Liabilities recognised in several items

Temporary payment defferals of kSEK 10.200 are recognised under the following items in the balance sheet.

	March 31, 2024 kSEK	March 31, 2023 kSEK
Non-current liabilities		
Other liabilities to the tax authority	**3,225**	4,418
Total pledged assets	**3,225**	4,418
Current liabilities		
Other liabilities to the tax authority	**6,975**	5,632
Total pledged assets	**6,975**	5,632

Note 18 Accrued expenses and deferred income

	March 31, 2024 kSEK	March 31, 2023 kSEK
Personnel-related items	**7,271**	6,824
Other	**3,535**	3,645
Total pledged assets	**10,806**	10,469

Note 19 Adjustments for non-cash items

	March 31, 2024 kSEK	March 31, 2023 kSEK
Depreciation	**3,705**	3,483
Loss on disposal of fixed assets	**8**	85
Total pledged assets	**3,713**	3,568

Note 20 Pledged assets

	March 31, 2024 kSEK	March 31, 2023 kSEK
Liabilities to credit institutions:		
Chattel mortgages	**19,000**	19,000
Total pledged assets	**19,000**	19,000
Liabilities for which security is provided		
Chattel mortgages	**–**	–
Total pledged assets	**–**	–

Åre April 18, 2024

Maisa Romanainen
Chairman

Pauli Puntala

Andreas Sand
Managing Director

Our auditor’s report has been submitted 2024-04-18
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Åre Villa 3 AB, corporate identity number 559137-7659

Report on the annual accounts

Opinions

We have audited the annual accounts of Åre Villa 3 AB for the financial year April 1, 2023 to March 31, 2024.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Åre Villa 3 AB as of 31 March 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Åre Villa 3 AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors is also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors is responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Åre Villa 3 AB for the financial year April 1, 2023 to March 31, 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Åre Villa 3 AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Sundsvall, April 18, 2024
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

BALANCE SHEET AS AT MARCH 31, 2024

	Note	**March 31, 2024 SEK**	March 31, 2023 SEK
Assets			
Non-current assets			
Financial non-current assets			
Other non-current receivables	**3**	**–**	–
Total non-current assets		**–**	–
Current assets			
Current receivables			
Other receivables		**–**	–
Total current receivables		**–**	–
Cash and bank balances			
Cash and bank balances		**52,434**	4,653,984
Total cash and bank balances		**52,434**	4,653,984
Total current assets		**52,434**	4,653,984
Total assets		**52,434**	4,653,984
Equity and liabilities			
Equity			
Restricted equity			
Share capital, 50,000 shares		**50,000**	50,000
Total restricted equity		**50,000**	50,000
Non-restricted equity			
Retained earnings		**3,984**	4,555,534
Profit/ (Loss) for the year		**(1,550)**	(1,550)
Total non-restricted equity		**2,434**	4,553,984
Total equity		**52,434**	4,603,984
Current liabilities			
Other liabilities		**–**	50,000
Total current liabilities		**–**	50,000
Total equity and liabilities		**52,434**	4,653,984

INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

	Note	March 31, 2024 SEK	March 31, 2023 SEK
Operating income, changes in inventory, etc.			
Net sales		**–**	–
Total operating income, changes in inventory, etc.		**–**	–
Operating expenses			
Raw materials and consumables		**–**	–
Other external expenses		**(1,550)**	(1,550)
Total operating expenses		**(1,550)**	(1,550)
Operating Profit/ (Loss)		**(1,550)**	(1,550)
Profit from shares in group companies		**–**	–
Profit/ (Loss) after financial items		**(1,550)**	(1,550)
Profit/ (Loss) before tax		**(1,550)**	(1,550)
Profit/ (Loss) for the year		**(1,550)**	(1,550)

ADMINISTRATION REPORT

Operations

Information regarding the operations

The Company shall own and manage shares in subsidiaries and thus compatible business.

The company has its registered office in Åre.

In this annual report FC amounts are translated for convenience into Indian Rupees at the exchange rate of Rs 7.8478 = FC 1 wich is the Bloomberg rate as on 31st March 2024.

	2023/24	2022/23
Multi-year review	**kSEK**	kSEK
Net sales	**–**	–
Profit/ (Loss) after financial items	**(2)**	(2)
Equity/ assets ratio	**100.0%**	98.9%

Proposed appropriation of profits	SEK
The following profits are at the disposal of the Annual General Meeting:	
Profit bought forward	3,984
Profit/ (Loss) for the year	(1,550)
Total	2,434

Changes in equity

	Share capital	**Profit/loss brought forward**	**Net profit/ loss**	**Total**
Share capital	50,000SEK	4,555,534SEK	(1,550SEK)	4,603,984SEK
Appropriation of profits as resolved by the AGM	–	–	–	–
Dividends	–	(4,550,000SEK)	–	(4,550,000SEK)
To be carried forward	–	(1,550SEK)	1,550SEK	–
Net profit/loss for the year	–	–	(1,550SEK)	(1,550SEK)
Balance at year-end	50,000SEK	3,984SEK	(1,550SEK)	52,434SEK

SUPPLEMENTARY DISCLOSURES

Note 1 Accounting and Valuation Principles

The annual accounts have been prepared in accordance with the Annual Accounts Act and BFNAR 2016:10 Annual reports in small limited companies.

Definitions of key performance indicators

Equity/ assets ratio

Equity and untaxed reserves (less deferred tax) as a percentage of total assets.

Note 2 Parent Company

The parent company in the smallest group in which the company is included, and which prepares consolidated accounts is Holiday Club Resorts OY, Corporate Identity Number 2033337-1, which has its registered office in Helsinki, Finland.

The parent company in the largest group in which the company is included and which prepares consolidated accounts is Mahindra & Mahindra Ltd, L65990MH1945PLC004558 with its registered office in India.

Annual reports for parent company could be found at Patent- och registerstyrelsen, PRH, for Finland and Ministry of Corporate Affairs (Company Master Data) for India.

Note 3 Other non-current receivables

	March 31, 2024 SEK	March 31, 2023 SEK
Additional receivables	**–**	4,611,434
- Deductible receivables	**–**	(4,611,434)
Carrying amount	**–**	4,611,434

The income statement and balance sheet will be presented for adoption at the Annual General Meeting of Shareholders held on 2024-04-18

Åre 2024-04-18

Pauli Puntala

Our auditor's report has been submitted 2024-04-18
Öhrlings PricewaterhouseCoopers AB

Magnus Olsson
Authorized Public Accountant

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS

To the Shareholders of HOLIDAY CLUB CANARIAS INVESTMENT, SLU:

Report on the Financial Statements

We have audited the financial statements of HOLIDAY CLUB CANARIAS INVESTMENT, SLU, (the Company) which comprise the balance sheet as at 31 March 2024, the income statement and the related explanatory notes thereto for the year then ended.

In our opinion, the accompanying financial statements present, in all material aspects, a true and fair view of the net equity and financial situation of the Company as at 31 March 2024 and of its results for the year then ended, in accordance with the regulatory financial reporting framework that is applicable (identified in note 2 to the financial statements) and, in particular, with the accounting principles and criteria contained therein.

Basis for the opinion

We have carried out our audit in accordance with the prevailing standards governing the activity of auditing accounts in Spain. Our responsibilities in accordance with these standards are described later in the section of our report on *"Responsibilities of the auditor in connection with the audit of the financial statements"*.

We are independent from the Company in accordance with the requirements on ethics, including those of independence, which are applicable to our audit of financial statements in Spain, as required by the regulations governing the activity of auditing accounts. In this regard, we have not provided services other than the audit of the financial statements, nor have situations or circumstances arisen that, in accordance with the aforementioned regulations, may have compromised our necessary independence.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, according to our professional judgment, have been considered to give rise to the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks have been addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon we do not express a separate opinion on said risks.

Balances with related parties

As shown in the balance sheet, the items of assets and liabilities with the highest amount correspond to "Short-term investments in Group, Multigroup and Associate companies", amounting to 2,577,960 Euros, and" Short term debts with Group and Associated Companies", amounting to 2,607,976 Euros, respectively (see note 10 of the report). These items represent practically the total assets and liabilities of the balance sheet. Due to the monetary relevance of said items and the balance connection, the valuation of said credits has been considered a relevant aspect, especially the collectability of the asset figure.

Our procedures included the analysis of the reconciliation of the balances with the group companies, as well as the collectability of the asset's item. To this end, the Annual Accounts of the group companies have been audited.

Directors' responsibilities

The Director is responsible for the preparation of the accompanying financial statements in order to present a true and fair view of the net equity, the financial position and the results of the Company in accordance with the Financial Reporting Standards applicable in Spain, and for such internal control as they consider necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as appropriate, the issues related to going concern and using the accounting principle of going concern, except if the Director intends to liquidate the Company or cease operations, or if there is no other realistic alternative.

Responsibilities of the auditor in connection with the audit of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free of material misstatement, due to fraud or error, and to issue an audit report that contains our opinion.

Reasonable assurance is a high degree of assurance but it does not guarantee that an audit conducted in accordance with the prevailing regulations governing the activity of auditing in Spain will always detect material misstatement when it exists. Misstatements may be due to fraud or error and are considered material if, individually or in aggregate, they can reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an audit in accordance with the regulations governing the activity of auditing accounts in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, falsification, deliberate omissions, intentionally erroneous statements, or circumvention of internal control.

- We obtain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate whether the accounting policies applied are adequate as well as the reasonableness of the accounting estimates and the corresponding information disclosed by the Director.
- We conclude on whether the use, by the Director, of the accounting principle of going concern is adequate and, based on the audit evidence obtained, we conclude on whether or not there is material uncertainty related to facts or conditions that could generate significant doubt as to the ability of the company to continue as a going concern. If we conclude that there is material uncertainty, in our audit report we are required to draw attention to the corresponding information disclosed in the financial statements or, if such disclosures are not adequate, we are required to express an amended opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.
- We evaluate the overall presentation, the structure and content of the financial statements, including the disclosed information, and whether the financial statements represent the underlying transactions and events in a way that expresses a true and fair view.

We communicate with the entity's Director regarding, among other matters, the scope and timing of the planned audit and the significant findings of the audit, as well as any significant internal control deficiencies that we identified during the course of the audit.

Among the issues that have been communicated to the entity's Director, we determine those that have been most significant to the audit of the financial statements of the current period and that are, consequently, the risks considered most significant.

We describe those issues in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter.

RSM SPAIN AUDITORES, SLP
(n° ROAC S2158)

JAVIER ALVAREZ CABRERA
(n° ROAC 16092)

Las Palmas de Gran Canaria,
on April 18, 2024

BALANCE SHEET AS AT MARCH 31, 2024

ASSET	Notes	(Euros) March 31, 2024	(Euros) March 31, 2023
NON CURRENT ASSET			
Long-Term investments in group companies and associates	5	**6,203**	6,203
TOTAL		**6,203**	6,203
CURRENT ASSETS			
Trade and other receivables	5	**571**	56,704
Other debtors		**571**	56,704
Short-term investments in group, multigroup and associate companies	5-10	**2,877,960**	2,582,005
Cash and equivalent liquid assets	5	**58,397**	149
TOTAL		**2,936,928**	2,638,858
TOTAL ASSET		**2,943,131**	2,645,061
TOTAL EQUITY AND LIABILITIES			
Capital			
Share Capital	7	**3,100**	3,100
Reserves		**1,901**	1,901
Profit & loss from previous periods		**(13,204)**	(12,040)
Partner Contributions		**10,033**	10,033
Result for the period	3-8	**1,418**	(1,164)
TOTAL		**3,247**	1,830
CURRENT LIABILITIES			
Short term debts with group and associated companies	6-10	**2,607,976**	2,573,578
Trade Creditors and other Accounts payable			
Sundry Creditors	6	**331,908**	69,654
TOTAL		**2,939,884**	2,643,232
TOTAL EQUITY AND LIABILITIES		**2,943,131**	2,645,061

PROFIT AND LOSS ACCOUNT AT MARCH 31, 2024

	Notes	(Euros) March 31, 2024	(Euros) March 31, 2023
Revenue	10	5,000	0
Other operating expenses	9	(3,997)	(1,308)
Other results		(54)	(226)
OPERATING INCOME		949	(1,534)
PROFIT BEFORE TAXES		949	(1,534)
Corporate income Tax	8	468	370
PROFIT & LOSS IN THE PERIOD		1,417,75	(1,164)

ANNUAL REPORT CORRESPONDING TO THE FINANCIAL PERIOD ENDING ON MARCH 31, 2024

1. THE COMPANY'S BUSINESS

1.1. HOLDAY CLUB CANARIAS INVESTMENT, S.L.U was set up as a limited corporation on December 9, 2010, before the Notary Public Valentín Concejo Arranz, Member of the Guild of Notaries of the Canary Islands, whose offices are located in Maspalomas, under his Protocol Number 1525.

On March 3, 2011, it acquired its current status as a Sole Proprietor Limited Liability Company and on July 22, 2011, a corporate decision was notarised in which the accounting year initially established in the Corporate By-Laws from October 1 to September 30 was changed. However, in February 1, 2016 the General Meeting of the company decided to modify the beginning and the end of the financial period in the Company Bylaws and now is from April 1 till March 31 every year.

1.2. The main corporate mission comprises the acquisition, promotion, construction, urbanisation, management, operation, holding, use, enjoyment of, yielding of, business management of any type, or property, buildings, tourist complexes, hotels, and /or agricultural land in the country or urban areas and personal rights or rights in rem of real-estate property including its conveyance, whether in its entirety or partially, per apartment or by means of the sale of or assignment of rotational enjoyment rights, timeshare or any other kind of rights to use.

1.3. The Corporate offices are located at Avenida Ministra Anna Lindh 1, Urb. Amadores, in the municipality of Mogán (Gran Canaria).

1.4. The Company is dominant in the Holiday Club Canarias group under the terms of the article 42 of the Commercial Code. However, it does not prepare consolidated annual accounts because it does not exceed the limits set forth in the Capital Companies Law, so the following annual accounts refer exclusively to Holiday Club Canarias Investment, S.L.U. Furthermore, the company is a member of a group whose parent company is Holiday Club Resort OY, located in an EU Member State, Finland, that presents consolidated Financial Statements in that country. in addition, Holiday Club Resort OY is a member of a group whose holding company is Mahindra & Mahindra limited, located in India.

The Spanish group is composed of the next companies:

- HOLDAY CLUB CANARIAS INVESTMENT, S.L.U
- HOLDAY CLUB CANARIAS SALES & MARKETING, SLU
- HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, SLU
- HOLIDAY CLUB CANARIAS VACATION CLUB, SLU

2. BASIS USED FOR THE PRESENTATION OF THE ANNUAL ACCOUNTS

The figures contained in the abridged annual accounts are expressed in Euros, which, upon being rounded out, cause small differences in their presentation.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90.2355= FC:EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on March 31, 2024.

In the presentation of the accompanying abridged annual accounts, expressed in euros, the current commercial guidelines have been followed, which are:

2.1. True and Fair View

The annual accounts are obtained from the Company's accounting records and have been presented according to the regulations set out in Law 16/2007 of July 4, on the revised and adapted mercantile accounting legislation to harmonise it internationally on the basis of the European Union and by Royal Decree 1515/2007 of November 16, in which the General Accounting Plan was approved and the added modifications by Royal Decree 1159/2010 of September 17 and Royal Decree 602/2016 of September 2, in order to reflect a true and fair view of the Equity, the financial situation and the Company's Profit & Loss as well as the veracity of the streams incorporated into the Cash-flow, according to generally accepted accounting practices and regulations.

2.2. Non-Mandatory Accounting Principles Applied

During this Financial Year, only those Accounting Principles mandatory according to the Spanish Business Code and the Small & Medium Companies General Accounting Plan have been applied.

The Administrative Body has formulated these Annual Accounts, taking into account all mandatory accounting regulations and principals which carry a significant effect.

There is no principle which, if mandatory, has not been applied.

2.3 Critical Aspects in the Valuation and Judgement of Uncertainty

Due to future development, it is possible that additional information to the existing at the date of formulation of these annual accounts make that some estimates have to be changed in future periods.

2.4. Comparison of the Information

The figures corresponding to the Financial Year ending on March 31, 2024 according to the current law, show comparatively the balances of the previous financial period, which match with the information of the annual account for the financial period ending on March 31, 2023.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90.2355= FC:EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on March 31, 2024.

3. APPLICATION OF RESULTS

The proposal for the application of the results of the financial period ending March 31, 2024 which the Administrators shall draw up for approval by the Members, together with the distribution approved for the period ending on March 31, 2023, is as follows:

	Euros	
Distribution Balance	**March 31, 2024**	March 31, 2023
Financial period Losses	**1,418**	(1,164)
Total	**1,418**	(1,164)
Distribution		
Losses accumulated from previous Financial Periods	**1,418**	(1,164)
Total	**1,418**	(1,164)

4. RECOGNITION AND MEASUREMENT

The main accounting principles and practices applied in the preparation of the annual accounts are adapted to the current legal requirements, highlighting as most important the principles of going concern, accrual, uniformity, prudence, not compensation and relative importance.

The main rules used by the company for the drafting of their financial period Annual Accounts, according to those established in the Spanish General Accounting Plan were the following:

4.1. Financial Instruments

The Company has registered in the chapter of financial instruments, those contracts that give rise to an asset in one company and, simultaneously, a financial liability or an equity instrument in another company. Therefore, this standard results from the application of the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets.
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets
- Equity instruments acquired from other companies: shares, participations in institutions of collective investment and other equity instruments

Long and short-term financial investments

Financial Assets at Amortized cost. A financial asset is included in this category, even when is admitted to trading on an organized market, if the company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give place, on specified dates, to cash flows that are solely collections of principal and interest on the outstanding principal amount. Contractual cash flows that are solely collections of principal and interest on the amount of the outstanding principal are inherent to an agreement that has the nature of an ordinary loan or common, without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate. In general, credits for commercial operations are included in this category (those financial assets that originate in the sale of goods and the provision of services for traffic operations of the company with collection deferred), and credits for non-commercial operations those financial assets that, not being instruments of equity or derivatives, do not have commercial origin and whose collections are of a determined or determinable amount, which come from loan or credit operations granted by the company. That means, within this category there would be the loans and accounts receivable, as well as those securities representing debt, with a date of fixed maturity, collections of a determined or determinable amount, that are negotiated in an active market and that the Company intends and has the capacity to keep until maturity.

- Initial valuation: Initially they are valued at their fair value, plus the transaction costs that are directly attributable to them. However, credits for commercial operations with a maturity of no more than one year and that do not have an explicit contractual interest rate, as well as credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to receive in the short term, may be valued at their nominal value when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost and accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

  However, credits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

  When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the company will analyze whether it is appropriate to record a loss due to impairment of value.
- Impairment: The Company records the corresponding impairments for the difference between the amount to be recovered from accounts receivable and the book value for which they are recorded.

  At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset included in this category, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in future estimated cash flows, which may be motivated by the insolvency of the debtor.

The loss due to impairment of the value of these financial assets is the difference between their book value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated will generate, discounted at the effective interest rate calculated at the time of initial recognition.

Value adjustments for impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

Financial assets at cost. This category includes, among others, investments in the equity of group companies, jointly controlled entities and associates, as well as other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or a reliable estimate cannot be obtained.

Participating loans whose interests are contingent and any other financial asset that should initially be classified in the fair value portfolio with changes in the profit and loss account when it is not possible to obtain a reliable estimate of its fair value will also be included in this category.

- Initial valuation: They are valued at cost, which is equal to the fair value of the consideration given plus the transaction costs that are directly attributable to them.
- Subsequent valuation: The equity instruments included in this category are valued at their cost, less, where appropriate, the accumulated amount of the valuation corrections for impairment.
- Impairment: At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the book value of an investment is not recoverable.

The Company records the corresponding impairments for the difference between the book value and the recoverable amount, understood as the higher amount between its fair value less costs of sale and the present value of the future cash flows derived from the investment, which, in the case of equity instruments, are calculated either by estimating what is expected to be received as a result of the distribution of dividends made by the investee company and the disposal or derecognition of the investment in the same, or by estimate of its participation in the cash flows that are expected to be generated by the investee company, both from its ordinary activities and from its disposal or derecognition.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the loss due to impairment of this class of assets is calculated based on the equity of the investee and the tacit capital gains existing at the valuation date, net of the tax effect.

Determining this value, and provided that the investee company has in turn invested in another, the equity included in the consolidated annual accounts prepared by applying the criteria of the Code of Commerce and its implementing regulations is taken into account.

The recognition of valuation corrections for value impairment and, where appropriate, their reversal, are recorded as an expense or income, respectively, in the profit and loss account. The reversal of impairment will be limited to the book value of the investment that would be recognized on the reversal date if the impairment had not been recorded.

b) Financial liabilities:

- Debts for commercial operations: suppliers and other creditors
- Other financial liabilities: debts with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.

  Financial liabilities, for measurement purposes, are included in one of the following categories:

Financial Liabilities at Amortized cost. All financial liabilities are classified in this category except when they must be valued at fair value with changes in the profit and loss account. In general, debits for commercial operations and debits for non-commercial operations are included in this category.

Participating loans that have the characteristics of an ordinary or common loan will also be included in this category without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate.

- Initial valuation: Initially they are valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by the transaction costs that are directly attributable to it. However, debits for commercial transactions maturing in no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, can be valued at their nominal value, when the effect of not updating the cash flows is not significant.

- Subsequent valuation: it is done at amortized cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method. However, debits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount.

4.2. Tax on Profits

The Company pays tax under the Tax Consolidation System, according to what is set out in Chapter 7 of title 7 of the Law 274/2014 of November 27 of Corporate Tax. Holiday Club Canarias Investment is the parent Company, which presents the correspondent settlement.

A deferred tax asset has been recognized on negative tax bases.

4.3. Income and Expenses

The company recognizes the income derived from a contract when (or as) the transfer to the client of the control over the promised goods or services (that is, the obligation or obligations to be fulfilled) takes place.

The control of a good or service (an asset) refers to the ability to fully decide on the use of that asset and obtain substantially all of its remaining benefits. The control includes the ability to prevent other entities from deciding on the use of the asset and obtaining its benefits.

For each obligation to be fulfilled (delivery of goods or provision of services) that is identified, the company determines at the beginning of the contract whether the commitment assumed will be fulfilled over time or at a certain moment.

The income derived from the commitments (in general, the provision of services or the sale of goods) that are fulfilled over time are recognized based on the degree of progress or progress towards the complete fulfillment of the contractual obligations, provided that the company has reliable information to measure the degree of progress.

The company reviews and, if necessary, modifies the estimates of income to be recognized, as it complies with the commitment assumed. The need for such reviews does not necessarily indicate that the outcome or result of the operation cannot be reliably estimated.

When, at a certain date, the company is not able to reasonably measure the degree of compliance with the obligation (for example, in the early stages of a contract), although it expects to recover the costs incurred to satisfy said commitment, only revenue is recognized and the corresponding consideration in an amount equivalent to the costs incurred up to that date.

In case of contractual obligations that are fulfilled at a certain time, the income derived from their execution is recognized on that date. Until this circumstance occurs, the costs incurred in the production or manufacturing of the product (goods or services) are recorded as inventories.

When there are doubts regarding the collection of the credit right previously recognized as income from sales or provision of services, the impairment loss will be recorded as an expense for the correction of the value due to impairment and not as less income.

- Assessment.

Ordinary incomes from the sale of goods and the provision of services is valued at the monetary amount or, as the case may be, at the fair value of the consideration, received or expected to be received, derived from it, which, except evidence to the contrary, it is the agreed price for the assets to be transferred to the client, deducting: the amount of any discount, reduction in price or other similar items that the company may grant, as well as the interest included in the nominal value of the loans. However, interests included in commercial credits with a maturity of no more than one year that do not have a contractual interest rate may be included, when the effect of not updating the cash flows is not significant.

The taxes levied on the operations of delivery of goods and provision of services that the company must pass on to third parties, such as value added tax and special taxes, as well as the amounts received on behalf of third parties, are not part of the income.

In the income from medical-surgical assistance services, the General Indirect Canary Tax is not passed on as it is an activity exempt from this tax.

In purchases and services, the taxes levied on the operation are included, including the General Indirect Canary Tax, as it does not have the deductible condition.

The company considers in the valuation of income the best estimate of the variable consideration if it is highly probable that there will not be a significant reversal of the amount of recognized income when the uncertainty associated with said consideration is subsequently resolved.

4.4. Transactions between related parties

Transactions between related parties are accounted by their reasonable value which is the same value for transactions with not related third parties.

5. FINANCIAL ASSETS

5.1. Categories of financial assets (except investments in equity of group companies, multigroup and associates)

The breakdown of financial assets (excluding investments in group, multi-group and associated companies) by categories and classes is as follows:

	Equity Instruments		Debt Securities		Credits / Derivatives / Others	
Euros	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Short-term Financial Assets						
Activos financieros a coste amortizado	**–**	–	**–**	–	**2,877,960**	2,582,005
Liquid Assets	**–**	–	**–**	–	**58,397**	149
Totals	**–**	–	**–**	–	**2,936,357**	2,582,154

5.2. Breakdown by maturity:

The classification by maturity of the different financial assets is all related to the short term and all the loans and receivables with companies of the group and associated, for the amount of 2,582,005 Euros.

5.3. Companies of the group, multigroup and associated:

a) The information of companies of the group and associated referred to March 31, 2024 is detailed below:

Euros

	GROUP COMPANIES									
	Balance as at March 31, 2024						Participation value			
Sociedad	%	Share Capital	Reserves	Profit & loss from previous periods	Result for the period	Grants	Participatory loan	Theoretical	Accountant	Deterioration
Holiday Club Canarias Sales & Marketing, S L U. Address: Avda Ministra Anna Lindh, número 1, Urbanización Amadores, Mogán Activity: Its main activity is the sale of use rights per shift of properties of the complexes Playa Amadores, Sol Amadores, Vista Amadores, Jardín Amadores and Puerto Calma.	100	3,100	5,396,060	(7,056,380)	(14,269)	62,646	2,000,000	391,157	3,100	–
Holiday Club Canarias Resort Management, SLU Address: Avda Ministra Anna Lindh, número 1, Urbanización Amadores, Mogán Activity: Its main activity is the management of five hotel complexes (Playa Amadores, Sol Amadores, Vista Amadores, Jardín Amadores y Puerto Calma)	100	3,100	7,421,717	–	574,931	–	–	7,999,748	3,100	–

Euros

Sociedad	GROUP COMPANIES									
	Balance as at March 31, 2024						Participation value			
	%	Share Capital	Reserves	Profit & loss from previous periods	Result for the period	Grants	Participatory loan	Theoretical	Accountant	Deterioration
Holiday Club Canarias Vacation Club, S.L Address: Avda Ministra Anna Lindh, número 1, Urbanización Amadores, Mogán Activity: Its main activity is that of tourist accommodation and other short-stay accommodation	100	3,000	1,630,122	(0)	423,480	–	–	2,056,601	3	–
TOTAL GROUP COMPANIES									6,203	

b) There are not movements during 2023-24 and 2022-23 in equity instruments in companies of the Group and associated.

6. FINANCIAL LIABILITIES

6.1. Types of liabilities

The breakdown of financial liabilities by category is as follows:

Euros

	Debits with Credit Institutions		Bonds and Other Market Securities		Derivatives / Others	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Short-term Financial Liabilities						
Financial liabilities at amortized cost	–	–	–	–	**2,607,976**	2,573,748
Totals	–	–	–	–	**2,607,976**	2,573,748

6.2. Classification by maturity

The short-term financial liabilities indicated in the previous section correspond to "Debts with companies of the Group and associates in the short term" for the amount of 2,607,976 Euros.

7. EQUITY

7.1. The Share Capital comes to 3,100 Euros, divided into thirty-one shares at face value of 100 Euros each.

7.2. The Company has the sole proprietorship status, being its unique partner the entity Holiday Club Sweden AB.

8. FISCAL POSITION

8.1 Tax Consolidation Regime

The Company is taxed in the consolidated tax system in accordance with Chapter VI, title VII of the 27/2017 law, of November 27 of the profit tax, which approved the revised text from the Law of Corporate Tax.

The Tax Group comprises the following corporations:

Parent: Holiday Club Canarias Investment, S.L.U.

Subsidiaries: Holiday Club Canarias Sales & Marketing, S.L.U., Holiday Club Canarias Resort Management, S.L.U. and Holiday Club Canarias Vacation Club S.L.

8.2. Individual tax base

The reconciliation of the net amount of incomes and expenses with the taxable base of the corporate tax is as follows:

	Profit and Loss account	Euros Expenses and income directly attributed to equity
Balance of income and expenses for the year	**1,418**	–
Tax revenue	(468)	–
Non-deductible expenses	54	–
95% dividend exemption adjustment	(4,750)	–
Tax base	**(3,747)**	–
Integration 50% negative individual BIN for fiscal year 2023	1,873	
Tax base (tax result)	**(1,873)**	
Full fee (25% of tax result)	**(468)**	

Notwithstanding the aforesaid, the Company is taxed within a group in which it is the parent company, subject to the special tax system of consolidated taxation. The generated taxable income that would be offset in future periods is compensated with positive taxable bases generated in the Group.

The tax base of the group, before the compensation of the negative tax bases (BINs) amounts 1,684,558 Euros. This base increases by the integration of the 50% of the individual negative BINs of the mother company in the year 2023 for the amount of 1,873 Euros, therefore the final tax base of the group amounts 1,686,432 Euros.

As per current legislation, taxes cannot be considered to have been settled until the returns presented have been inspected by the Revenue Service or the four-year statute of limitations has passed.

Therefore, at the date of closing, the Company has all taxes applicable corresponding to the last four years, including its Corporate Tax for the period 2023-24 available for inspection.

The Administrative body of the Company considers that the above mentioned taxes have all been adequately settled, for which, even in the event of discrepancies in the interpretation of current regulations in the fiscal treatment practised on the operations, possible resulting liabilities, in the event they should materialise, would not significantly affect the attached abridged annual accounts.

8.3 Profits or Tax Incentives

In the settlement of Corporate Taxes corresponding to the period 2023-24, the Company has not applied any tax incentives.

9. INCOME AND EXPENSES

The Company has carried out the following operations in this period, which are reflected in the corresponding heading in the Profit and Loss Account:

a) External services:

	Euros **March 31, 2024**	March 31, 2023
Professional services	**2,923**	234
Local Tax	**1,074**	1,074
Totals	**3,997**	1,308

10. TRANSACTIONS WITH RELATED PARTIES

The balances at March 31, 2024 and 2023 with related companies are as follows:

	2024		2023	Euros
	Debit Balances	**Credit Balances**	Debit Balances	Credit Balances
Company				
Holiday Club Canarias Sales & Marketing, SLU	–	**2,607,976**	–	2,573,578
Holiday Club Canarias Resort Management, SLU	**2,224,427**	–	2,030,465	–
Holiday Club Canarias Vacation Club, SL	**653,533**	–	551,540	–
Totals	**2,877,960**	**2,607,976**	2,582,005	2,573,578

11. OTHER INFORMATION

11.1. Average number of Employees

The Company has not had employees during this period or the period before.

11.2. Information about the Environment and Greenhouse Gas Emission Rights.

Given the activity that the Company carries out, there are no responsibilities, expenses, assets or contingencies of any environmental nature that could be of any significance with regard to equity, the financial position and its results. Therefore, no specific breakdowns are included in this report.

Mogán
April 12, 2024

Miguel Angel Munoz Martin
Sole Administrator
Holiday Club Resorts Oy Representative

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS

To the Sole Shareholder of HOLIDAY CLUB CANARIAS SALES & MARKETING, SLU:

Report on the Financial Statements

We have audited the financial statements of HOLIDAY CLUB CANARIAS SALES & MARKETING, SLU, (the Company) which comprise the balance sheet as at 31 March 2024, the income statement, and the related explanatory notes thereto for the year then ended.

In our opinion, the accompanying financial statements present, in all material aspects, a true and fair view of the net equity and financial situation of the Company as at 31 March 2024 and of its results and cash flows for the year then ended, in accordance with the regulatory financial reporting framework that is applicable (identified in note 2 to the financial statements) and, in particular, with the accounting principles and criteria contained therein.

Basis for the opinion

We have carried out our audit in accordance with the prevailing standards governing the activity of auditing accounts in Spain. Our responsibilities in accordance with these standards are described later in the section of our report on “Responsibilities of the auditor in connection with the audit of the financial statements”.

We are independent from the Company in accordance with the requirements on ethics, including those of independence, which are applicable to our audit of financial statements in Spain, as required by the regulations governing the activity of auditing accounts. In this regard, we have not provided services other than the audit of the financial statements, nor have situations or circumstances arisen that, in accordance with the aforementioned regulations, may have compromised our necessary independence.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, according to our professional judgment, have been considered to give rise to the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks have been addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon we do not express a separate opinion on said risks.

Inventories

As shown in the liquid assets in the balance sheet, the Company has registered inventories for the net of 7.8 million euros. In note 10 is shown that 99% of the stocks are made up of the weeks not sold in *timeshare* regime for each of the complexes and type of room. The valuation of the unsold weeks can be of two types: The valuation of few weeks is the cost of the original acquisition that it had for the Company in April 2011 (see note 1.4). Other weeks, which were sold at the time and the Company had them back at rest due to contractual breach by customers, are valued at the cost of their repossession. The Entity maintains inventory control at the close of the fiscal year, both for the weeks acquired at the origin, as well as for the weeks repossessed. Due to the large number of none sold weeks, the diversity of room types by the complex and the results for which these weeks are activated in stock, the proof of the laborious work is correct and the units of the stocks, the integrity and the valuation of the inventories has been considered to be subject to significant risk.

Our procedures included, among others, the verification of the inventory of weeks not sold and the costs associated to each one of them, validating the possible types of valuation, based on the reason for registration in stock. In addition, it has carried out verifications in weeks sold in the year to verify that they have not been sold below cost and that they do not appear in the Company’s stock at the end of the year.

Directors’ responsIbIlItIes

The Director is responsible for the preparation of the accompanying financial statements in order to present a true and fair view of the net equity, the financial position and the results of the Company in accordance with the Financial Reporting Standards applicable in Spain, and for such internal control as they consider necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Director is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as appropriate, the issues related to going concern and using the accounting principle of going concern, except if the Director intends to liquidate the Company or cease operations, or if there is no other realistic alternative.

Responsibilities of the auditor in connection with the audit of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free of material misstatement, due to fraud or error, and to issue an audit report that contains our opinion.

Reasonable assurance is a high degree of assurance but it does not guarantee that an audit conducted in accordance with the prevailing regulations governing the activity of auditing in Spain will always detect material misstatement when it exists. Misstatements may be due to fraud or error and are considered material if, individually or in aggregate, they can reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an audit in accordance with the regulations governing the activity of auditing accounts in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, falsification, deliberate omissions, intentionally erroneous statements, or circumvention of internal control.

- We obtain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- We evaluate whether the accounting policies applied are adequate as well as the reasonableness of the accounting estimates and the corresponding information disclosed by the Director.

- We conclude on whether the use, by the Director, of the accounting principle of going concern is adequate and, based on the audit evidence obtained, we conclude on whether or not there is material uncertainty related to facts or conditions that could generate significant doubt as to the ability of the company to continue as a going concern. If we conclude that there is material uncertainty, in our audit report we are required to draw attention to the corresponding information disclosed in the financial statements or, if such disclosures are not adequate, we are required to express an amended opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.

- We evaluate the overall presentation, the structure and content of the financial statements, including the disclosed information, and whether the financial statements represent the underlying transactions and events in a way that expresses a true and fair view.

We communicate with the entity's Director regarding, among other matters, the scope and timing of the planned audit and the significant findings of the audit, as well as any significant internal control deficiencies that we identified during the course of the audit.

Among the issues that have been communicated to the entity's Director, we determine those that have been most significant to the audit of the financial statements of the current period and that are, consequently, the risks considered most significant.

We describe those issues in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter.

RSM SPAIN AUDITORES, SLP
(nº ROAC S2158)

Javier ALVAREZ CABRERA
(nº ROAC 16092)

Las Palmas de Gran Canaria,
on April 18, 2024

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Notes	(Euros) As at March 31, 2024	(Euros) As at March 31, 2023
ASSETS			
Non-current assets			
Intangible assets	**5**	**361,599**	542,398
Fixed assets	**6**	**499,065**	558,115
Long-term financial investments	**7**	**578,267**	479,410
Deferred tax assets	**12**	**13,886**	23,010
		1,452,816	1,602,933
LIQUID ASSETS			
Inventories	**10**	**7,805,844**	7,727,519
Commercial debtors and other accounts receivables		**727,733**	600,383
Trade receivables	**7**	**525,783**	492,786
Trade receivables / long term		**108,365**	40,884
Trade receivables / short term		**417,418**	451,903
Trade receivable from group and associated	**7-18**	**129,570**	30,800
Other debtors		**72,380**	76,797
Short-term Investments in affiliated group and associated companies	**7-18**	**3,180,673**	7,786,444
Short-term financial investments	**7**	**5,040**	4,872
Short term accruals	**7**	**1,639,565**	1,614,679
Cash and other equivalent liquid assets	**7**	**74,845**	36,529
		13,433,699	17,770,425
TOTAL ASSETS		**14,886,516**	19,373,358

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Notes	(Euros) As at March 31, 2024	(Euros) As at March 31, 2023
EQUITY AND LIABILITIES			
EQUITY		**(1,671,489)**	(1,657,219)
Capital	**9**	**3,100**	3,100
Shared capital		**3,100**	3,100
Reserves	**9**	**5,396,060**	5,396,060
Profit & loss from previous periods		**(7,056,380)**	(6,878,068)
Losses for the period	**3**	**(14,269)**	(178,312)
Grants, donations and legacies received	**16**	**62,646**	72,944
		(1,608,843)	(1,584,276)
Non-current liabilities.			
Long-term provisions	**14**	**–**	626,682
Long-term debts with group and associated companies	**8-18**	**6,524,753**	6,834,764
Deferred tax liabilities	**12-16**	**412,817**	419,863
		6,937,569	7,881,309
Current liabilities			
Short-term provisions	**14**	**86,008**	66,766
Short-term debts	**8**	**2,928**	5,443
Other financial liabilities		**2,928**	5,443
Short-term debts with group and associated companies	**8-18**	**9,191,601**	12,824,896
Trade Creditors and other accounts payable		**277,252**	179,219
Suppliers, group companies and associates	8-18	**83,591**	11,293
Other payables		**193,661**	167,926
		9,557,789	13,076,325
TOTAL EQUITY AND LIABILITIES		**14,886,516**	19,373,358

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Notes	(Euros) Year ended March 31, 2024	(Euros) Year ended March 31, 2023
Continuing operations			
Turnover		**4,133,904**	4,264,074
Variation in inventories of products finished and being manufactured	**10**	**80,751**	110,490
Supplies	**13**	**(337,525)**	(348,336)
Personnel expenses		**(935,759)**	(966,145)
Other operating expenses	**13**	**(3,037,490)**	(2,730,641)
Depreciation of fixed assets	**5-6**	**(290,840)**	(327,904)
Allocation of subsidies for non-financial fixed assets and others	**16**	**13,731**	13,731
Other incomes and expenses	**13**	**603,425**	(101,650)
Operating Income (LOSS)		**230,196**	(86,382)
Financial incomes	**7**	**11,046**	15,440
Financial expenses	**8-18**	**(283,478)**	(231,370)
Exchange differences	**11**	**(771)**	(2,729)
Financial profit & loss (LOSS)		**(273,203)**	(218,660)
Profit before taxes (LOSS)		**(43,007)**	(305,042)
Corporate Income Tax	**12**	**28,737**	126,730
Profit & loss in the period (LOSS)		**(14,269)**	(178,312)

NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDING ON MARCH 31, 2024

1. The company's business activity

1.1. Holiday Club Canarias Sales & Marketing, S.L.U. was founded as a limited corporation on December 9, 2010, before the Notary Public of the Guild of the Canary Islands, whose office is located in Maspalomas, Mr. Valentín Concejo Arranz, under his protocol number 1524.

On March 03, 2011 the Company acquired its current condition as a Sole Proprietor Limited Liability Company. On July 22, 2011 a social agreement changes the financial year that in the corporate statutes was from October the 1st till September the 30th. However, on February 01, 2016 in the annual general meeting was agreed to modify the dates of starting and ending of the financial year to April the 1st till March the 31st.

1.2. Its main corporate mission comprises the acquisition, promotion, construction, urbanisation, management, operation, holding, use, enjoyment of, yielding of, business management of any type, or property, buildings, tourist complexes, hotels, and /or agricultural land in the country or urban areas and personal rights or rights in rem of real-estate property including its conveyance, whether in its entirety or partially, per apartment or by means of the sale of or assignment of rotational enjoyment rights, timeshare or any other kind of rights to use. The main activity is the sale of rotational enjoyment rights of holiday units in the five resorts called Playa Amadores, Sol Amadores, Vista Amadores, Jardín Amadores and Puerto Calma, as well as the management of a theme park in the municipality of Mogán, in Gran Canaria.

1.3. The Corporate offices are located at Avenida Anna Lindh 1, Urbanización Amadores, in the municipality of Mogán (Gran Canaria).

1.4. On April 06, 2011 the Public Deed was signed, by means of which the Company, together with its related company Holiday Club Canarias Resort Management, S.L.U., acquired the business of the five tourist complexes which they are currently operating. In said acquisition, the Company was assigned the unsold weeks, which were recorded in the inventory for the amount of 3,730,000 Euros; the rights to client's' loans recorded as financial assets for the amount of 2,251,656 Euros, and the Goodwill corresponding to the main business of "Timeshare" for the amount of 1,967,742 Euros. The remaining assets (real-estate property and goodwill from the administration and maintenance business) was assigned to the abovementioned related Company. On June 1, 2012 a public Deed was also signed comprising a series of agreements related to the purchase of the business described above, which caused amongst other things, goodwill to be adjusted to 1,807,995 Euros.

1.5. The Company is a part of a Group whose parent Company is Holiday Club Canarias Investment, S.L.U., headquartered in the same address. Said company does not present yearly consolidated accounts, because it is not mandatory due to its size. This Spanish Group is integrated in a higher one, which the parent company is Holiday Club Resorts Oy, located in a EU country, Finland, which presents yearly consolidated accounts. Furthermore, the mentioned company belongs to a group which parent company is Mahindra & Mahindra limited, located in India.

The Spanish group is composed of the next companies:

- Holiday Club Canarias Investment, SLU
- Holiday Club Canarias Sales & Marketing, SLU
- Holiday Club Canarias Resort Management, SLU
- Holiday Club Canarias Vacation Club, SL

2. Basis used for the presentation of the annual accounts

The figures contained in the abridged annual accounts are expressed in Euros, which, upon being rounded out, cause small differences in their presentation. Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90,2355 = FC. EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31, March 2024.

2.1. True and fair view

The annual accounts are obtained from the Company's accounting records and have been presented according to the regulations set out in Law 16/2007 of July 4, on the revised and adapted mercantile accounting legislation to harmonise it internationally on the basis of the European Union and by Royal Decree 1515/2007 of November 16, in which the General Accounting Plan was approved and the added modifications by Royal Decree 1159/2010 of September 17 and Royal Decree 602/2016 of September 2, in order to reflect a true and fair view of the Equity, the financial situation and the Company's Profit & Loss as well as the veracity of the streams incorporated into the Cash-flow, according to generally accepted accounting practices and regulations.

2.2. Non-mandatory accounting principles applied

During this Financial Year, only those Accounting Principles mandatory according to the Spanish Business Code and the Small & Medium Companies General Accounting Plan have been applied.

The Administrative Body has formulated these Annual Accounts, considering all mandatory accounting regulations and principals which carry a significant effect. There is no principle which, if mandatory, has not been applied.

2.3. Critical aspects in the valuation and judgement of uncertainty

At the end of the financial year some estimations are used to formulate these annual accounts: calculation of the asset's impairment, estimation of the asset's useful life, and more. Due to future development, it is possible that additional information to the existing at the date of formulation of these annual accounts make that some estimates have to be changed in future periods.

At the end of the financial year the company has a negative net equity for an amount of 1,608,843 Euros. It means that, according to the article 363 of the Law on corporations, the company is in cause of dissolution. However, on January 31, 2022 a participating loan was signed with the company of the group Holiday Club Sweden AB for the amount of 2,000,000 euros (see notes 8.3 and 9.5). It means a higher value of the net equity.

However, shareholders consider that there are some mitigating factors, based on the fact that the reasonable value of the week's inventory owned by the company is much bigger than the accounted value. It means that the real net equity is very positive (See Notes 10.1 and 10.2). During the financial year 2022-23 the company has requested an appraisal of the weeks from a specialized company. The value of the weeks on 31, March 2023 is 150,000,000 euros according to that company.

2.4. Comparing information

The figures corresponding to the Financial Year ending on March 31, 2024 according to the current law, show comparatively the balances of the previous financial period, which match with the information of the annual account for the financial period 2022-23.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90.2355 = FC: EUR 1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31, March 2024.

3. Application of results

The proposal for the application of the results of the financial period ending March 31, 2024 which the Administrators shall draw up for approval by the Members, together with the distribution approved for the period ending on March 31, 2023 is as follows:

		Euros
Particulars	**2023-24**	2022-23
Distribution balance		
Financial period losses	**(14,269)**	(178,312)
Distribution		
Losses accumulated from previous Financial periods	**(14,269)**	(178,312)
Total	**(14,269)**	(178,312)

4. Recognition and measurement regulations

The main accounting principles and practices applied in the drafting of the Annual Accounts follow current legislation, highlighting as most important the principles of company operation, accrual, consistency, prudence, non-compensation and relative importance.

The most significant accounting criteria applied in the drafting of the Annual Accounts is the following ones:

4.1. Intangible fixed assets

The intangible fixed assets are comprised of goodwill and computer applications which are valued at their acquisition price, including necessary additional expenses to get them up and running. The computer applications are amortised at 33 per cent according to their useful lives and the goodwill is amortised at 10 per cent since the entry of the Royal Decree 602/2016 of December 2, which determine that this intangible has to be amortised in 10 years.

At the closing of the financial period, goodwill has been measured and no impairment has been identified, as it has been estimated that the recoverable value is higher than the accounting value.

4.2. Tangible fixed assets

These have been appraised at their acquisition cost, including those additional costs necessary to put the assets into operation.

Maintenance and repair costs which do not improve the use of or extend the useful life of the assets are charged to the Profit and Loss account when they occur.

It is depreciated linearly depending on the useful life of assets and their residual value, according to the normal depreciation experienced during its operation, use and enjoyment, using as a reference point, the regulations contained in Law 27/2014 of November 27, in which the Regulation of Corporate Taxes was approved, without prejudice to taking into consideration the technical or commercial obsolescence which could affect it. The percentages applied are the following:

Buildings.	12-14 %
Machinery.	11 %
Other installations.	10 - 25%
Furniture.	10 - 16 %
IT equipment	14- 25 %
Other intangible assets.	10 - 33 %

On November 1, 2021 has been renovated the Angry Birds´ rental contract for a period of 8.5 years. Due to this renovation, the fixed assets assigned to this rental have been recalculated, provided that they were not fully depreciated at the renewal date.

The Company's administrators consider that the accounting value of these assets does not exceed their recoverable value.

4.3. Financial instruments

The Company has registered in the chapter of financial instruments, those contracts that give rise to an asset in one company and, simultaneously, a financial liability or an equity instrument in another company. Therefore, this standard results from the application of the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets.
- Credits for commercial operations: customers and different debtors
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets
- Debt securities of other companies acquired: such as obligations, bonds and promissory notes
- Equity instruments of other companies acquired: shares, shares in collective investment institutions and other equity instruments;
- Derivatives with a favorable valuation for the company: among them, futures or term operations, options, financial swaps, and forward foreign currency trading, and
- Other financial assets: such as deposits in credit institutions, advances and loans to personnel, guarantees and deposits, dividends receivable and disbursements required on own equity instruments.

Long and short term financial investments

Financial assets at amortized cost: A financial asset is included in this category, even when is admitted to trading on an organized market, if the company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give place, on specified dates, to cash flows that are solely collections of principal and interest on the outstanding principal amount. Contractual cash flows that are solely collections of principal and interest on the amount of the outstanding principal are inherent to an agreement that has the nature of an ordinary loan or common, without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate. In general, credits for commercial operations are included in this category (those financial assets that originate in the sale of goods and the provision of services for traffic operations of the company with collection deferred), and credits for non-commercial operations those financial assets that, not being instruments of equity or derivatives, do not have commercial origin and whose collections are of a determined or determinable amount, which come from loan or credit operations granted by the company). That means, within this category there would be the loans and accounts receivable, as well as those securities representing debt, with a date of fixed maturity, collections of a determined or determinable amount, that are negotiated in an active market and that the Company intends and has the capacity to keep until maturity.

- Initial valuation: Initially they are valued at their fair value, plus the transaction costs that are directly attributable to them. However, credits for commercial operations with a maturity of no more than one year and that do not have an explicit contractual interest rate, as well as credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to receive in the short term, may be valued at their nominal value when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost and accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

However, credits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the company will analyze whether it is appropriate to record a loss due to impairment of value.

- Impairment: The Company records the corresponding impairments for the difference between the amount to be recovered from accounts receivable and the book value for which they are recorded.

At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset included in this category, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in future estimated cash flows, which may be motivated by the insolvency of the debtor.

The loss due to impairment of the value of these financial assets is the difference between their book value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated will generate, discounted at the effective interest rate calculated at the time of initial recognition.

Value adjustments for impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

b) Financial liabilities:

- Debts for commercial operations: suppliers and different creditors
- Other financial liabilities: debts with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.
- Debts with credit institutions

Financial liabilities, for measurement purposes, are included in one of the following categories:

Financial liabilities at amortized cost: All financial liabilities are classified in this category except when they must be valued at fair value with changes in the profit and loss account. In general, debits for commercial operations and debits for non-commercial operations are included in this category.

Participating loans that have the characteristics of an ordinary or common loan will also be included in this category without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate.

- Initial valuation: Initially they are valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by the transaction costs that are directly attributable to it. However, debits for commercial transactions maturing in no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, can be valued at their nominal value, when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method. However, debits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount.

4.4. Inventories

The Company's commercial stocks correspond to rotational enjoyment rights of rooms in the possession of the Company and merchandise stock in Angry Birds Park. Both are valued at acquisition price.

The Company's Administrators consider that the book value of the inventories does not exceed their recoverable value.

4.5. Transactions in foreign currency

The accounts mentioned in foreign currency are measured at the exchange rate in effect at the time of the transaction. Positive or negative differences occurring at the time of payment or collection as a consequence of monetary fluctuations are carried over to the Profit and Loss Account. At closing of the period, differences both positive and negative that did not occur are carried over to the profit and loss account.

4.6. Profit tax

The Company pays tax under the Tax Consolidation System, according to what is set out in Chapter 7 of Royal Legislative Decree 4/2004 of March 5, in which the Revised Text of the Corporate Tax Law was approved. Holiday Club Canarias Investment is the parent Company which presents the correspondent settlement.

Following the Accrual Principle, profit tax has been charged as an income during the period. Current tax has been calculated per the financial results before taxes, adjusted by permanent differences and consolidation and decreased by applying deductions, as set out in the tax regulations in effect.

Income has also been accrued from deferred tax by activating tax credits at different times, originated in part by a fiscally non-deductible amortisation.

4.7. Income and expenses

Regarding the incomes from delivery of goods and services, the criteria followed to conclude that the obligations assumed by the company are met over time or at a given time.

- **Common aspects**

The company recognizes incomes for the ordinary development of its activity when the transfer of control of the goods or services committed to customers occurs. At that time, the company will value the income at the amount that reflects the consideration to which it expects to be entitled in exchange for said goods or services.

- **Recognition**

The company recognizes the income derived from a contract when (or as) the transfer to the client of the control over the promised goods or services (that is, the obligation or obligations to be fulfilled) takes place.

The control of a good or service (an asset) refers to the ability to fully decide on the use of that asset and obtain substantially all of its remaining benefits. The control includes the ability to prevent other entities from deciding on the use of the asset and obtaining its benefits.

For each obligation to be fulfilled (delivery of goods or provision of services) that is identified, the company determines at the beginning of the contract whether the commitment assumed will be fulfilled over time or at a certain moment.

The income derived from the commitments (in general, the provision of services or the sale of goods) that are fulfilled over time are recognized based on the degree of progress or progress towards the complete fulfillment of the contractual obligations, provided that the company has reliable information to measure the degree of progress.

The company reviews and, if necessary, modifies the estimates of income to be recognized, as it complies with the commitment assumed. The need for such reviews does not necessarily indicate that the outcome or result of the operation cannot be reliably estimated.

When, at a certain date, the company is not able to reasonably measure the degree of compliance with the obligation (for example, in the early stages of a contract), although it expects to recover the costs incurred to satisfy said commitment, only revenue is recognized and the corresponding consideration in an amount equivalent to the costs incurred up to that date.

In case of contractual obligations that are fulfilled at a certain time, the income derived from their execution is recognized on that date. Until this circumstance occurs, the costs incurred in the production or manufacturing of the product (goods or services) are recorded as inventories.

When there are doubts regarding the collection of the credit right previously recognized as income from sales or provision of services, the impairment loss will be recorded as an expense for the correction of the value due to impairment and not as less income.

- **Assessment**

Ordinary incomes from the sale of goods and the provision of services is valued at the monetary amount or, as the case may be, at the fair value of the consideration, received or expected to be received, derived from it, which, except evidence to the contrary, it is the agreed price for the assets to be transferred to the client, deducting: the amount of any discount, reduction in price or other similar items that the company may grant, as well as the interest included in the nominal value of the loans. However, interests included in commercial credits with a maturity of no more than one year that do not have a contractual interest rate may be included, when the effect of not updating the cash flows is not significant.

The taxes levied on the operations of delivery of goods and provision of services that the company must pass on to third parties, such as value added tax and special taxes, as well as the amounts received on behalf of third parties, are not part of the income.

In the income from medical-surgical assistance services, the General Indirect Canary Tax is not passed on as it is an activity exempt from this tax.

In purchases and services, the taxes levied on the operation are included, including the General Indirect Canary Tax, as it does not have the deductible condition.

The company considers in the valuation of income the best estimate of the variable consideration if it is highly probable that there will not be a significant reversal of the amount of recognized income when the uncertainty associated with said consideration is subsequently resolved.

4.8. Provisions and contingencies

Provisions are present obligations on the date of the balance sheet that have arisen as a result of past events; the amount and timing of cancellation are undetermined. Provisions are recorded at the current value of the estimated amount that the company will have to pay to settle the obligation in the future.

Contingent liabilities are potential liabilities arising as a result of past events, whose realization is contingent upon that happening or not, one or more future events independent of the will of the Company. Contingent liabilities, as well as the Provisions whose amount cannot be estimated reliably or it is not very likely that the Company must dispose of resources embodying profits, for their cancellation are not recognized for accounting purposes but are broken down in the Report.

4.9. Personnel expenses

Personnel expenses are recognised on the basis of their accrual, considering that bonus payments are accrued on a yearly basis. There are no commitments for pensions nor retirement bonuses in the Company.

4.10. Grants, Donations and Legacies

Capital grants, which are non-refundable, are recorded directly in Equity as revenue, excluding the tax effect and are attributed to the Financial Period's results in proportion to the allocation of depreciation in the period for the assets pertaining to the grant.

The operating grants are attributed to the financial period for the granted amount.

4.11. Criteria used in transactions between related parties

Transactions between related parties are accounted for, in general, by their reasonable value.

5. Intangible fixed assets

5.1. The transactions that occurred during the 2022-23 and 2023-24 periods were the following:

Euros

Particulars	Balance March 31, 2022	Acquisitions	Disposals	Balance March 31, 2023
Gross costs				
Goodwill	1,807,995	–	–	1,807,995
IT applications	29,227	–	–	29,227
Totals	1,837,222	–	–	1,837,222
Accumulated amortization				
Goodwill	1,084,797	180,799	–	1,265,596
IT applications	29,227	–	–	29,227
Totals	1,114,024	180,799	–	1,294,823
Net totals	723,198			542,398

Euros

Particulars	Balance March 31, 2023	Acquisitions	Disposals	Balance March 31, 2024
Gross costs				
Goodwill	1,807,995	–	–	1,807,995
IT applications	29,227	–	–	29,227
Totals	1,837,222	–	–	1,837,222
Accumulated amortization				
Goodwill	1,265,596	180,799	–	1,446,396
IT applications	29,227	–	–	29,227
Totals	1,294,823	180,799	–	1,475,623
Net totals	542,398			361,599

5.2. As indicated in Note 1.5, The Company acquired the Goodwill corresponding to the main "Timeshare" business in 2011 for the amount of 1,967,742 Euros, Said price was adjusted in the Purchase Deed granted in June 2012, for the amount of 159,747 Euros.

5.3. There is no evidence of impairment through March 31, on any of the elements in the Intangible Fixed Assets.

5.4. There are fully depreciated software applications in use on March 31, 2024 and March 31, 2023 for the amount of 29,226 Euros respectively.

6. Tangible fixed assets

6.1. The transactions occurring during the 2022-23 and 2023-24 periods were the following:

Euros

Particulars	Balance March 31, 2022	Acquisitions	Transfers	Disposals	Balance March 31, 2023
Gross costs					
Buildings	1,125,496	–	–	–	1,125,496
Machinery	72,631	1,920	–	–	74,551
Other facilities	2,895,159	–	–	–	2,895,159
Furniture	252,159	–	–	–	252,159
IT equipment	95,347	13,121	–	–	108,468
Vehicles	27,994	–	–	–	27,994
Other tangible fixed assets	368,372	33,045	–	–	401,417
Advances and fixed assets in progress	10,832	1,637	–	–	12,469
Totals	4,847,991	49,723	–	–	4,897,715
Accumulated amortization					
Buildings	1,047,105	8,247	–	–	1,055,352
Machinery	64,054	8,387	–	–	72,441
Other installations	2,466,189	58,469	–	–	2,524,658
Furniture	246,092	2,872	–	–	248,964
IT equipment	88,570	3,833	–	–	92,403
Vehicles	27,994	–	–	–	27,994
Other tangible fixed assets	252,492	65,296	–	–	317,788
Totals	4,192,496	147,104	–	–	4,339,600
Net totals	655,496				558,115

Euros

Particulars	Balance March 31, 2023	Acquisitions	Transfers	Disposals	Balance March 31, 2024
Gross costs					
Buildings	**1,125,496**	**–**	**–**	**–**	**1,125,496**
Machinery	**74,551**	**10,980**	**–**	**–**	**85,531**
Other facilities	**2,895,159**	**3,646**	**–**	**–**	**2,898,805**
Furniture	**252,159**	**3,280**	**–**	**–**	**255,439**
IT equipment	**108,468**	**–**	**–**	**–**	**108,468**
Vehicles	**27,994**	**–**	**–**	**–**	**27,994**
Other tangible fixed assets	**401,417**	**22,366**	**–**	**–**	**423,783**
Advances and fixed assets in progress	**12,469**	**12,355**	**–**	**(1,637)**	**23,187**
Totals	**4,897,715**	**52,627**	**–**	**(1,637)**	**4,948,705**
Accumulated amortization					
Buildings	**1,055,352**	**8,247**	**–**	**–**	**1,063,598**
Machinery	**72,441**	**2,551**	**–**	**–**	**74,992**
Other installations	**2,524,658**	**56,256**	**–**	**–**	**2,580,914**
Furniture	**248,964**	**2,308**	**–**	**–**	**251,272**
IT equipment	**92,403**	**3,548**	**–**	**–**	**95,951**
Vehicles	**27,994**	**–**	**–**	**–**	**27,994**
Other tangible fixed assets	**317,788**	**37,130**	**–**	**–**	**354,918**
Totals	**4,339,600**	**110,040**	**–**	**–**	**4,449,640**
Net totals	**558,115**				**499,065**

6.2 There are no signs of impairment through March 31st, for the elements in the Tangible Fixed Assets.

6.3. The fixed assets are covered against risk of fire, theft, etc., by means of several insurance policies with the corresponding premiums paid up to date.

6.4. There are fully depreciated elements in use on March 31, 2024 and March 31, 2023 for the amount of 1,598,671 Euros and 1,351,280 Euros respectively.

7. Financial assets

Information related to the Balance Sheet

7.1 Categories of financial assets (except for investments in the equity of Group, Multigroup and associated companies):

The breakdown of financial assets (except for investments in the equity of Group, jointly controlled group and associated companies) by categories and classes is as follows:

Euros

Particulars	Equity Instruments		Debt Securities		Credits/Derivatives/Others	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Long-term financial assets						
Financial assets at amortized cost	**–**	–	**–**	–	**686,632**	520,293
Totals	**–**	–	**–**	–	**686,632**	520,293
Short- term financial assets						
Financial assets at amortized cost	**–**	–	**–**	–	**3,735,408**	8,278,115
Liquid assets	**–**	–	**–**	–	**74,845**	36,529
Totals	**–**	–	**–**	–	**3,810,252**	8,314,644

7.2. **Classification by maturity:**

The ratings depending on the maturity of different financial assets are as follows:

							Euros
Financial assets	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**Next**	**Total l/t**
Financial investments	**5,040**	**–**	**–**	**–**	**–**	**578,267**	**578,267**
Other financial assets	5,040	–	–	–	–	578,267	578,267
Investments in group and associated companies	**3,180,673**	**–**	**–**	**–**	**–**	**–**	**–**
Loans to companies	3,180,673	–	–	–	–	–	–
Commercial debts and other receivables	**549,694**	**70,508**	**31,074**	**4,962**	**1,821**	**–**	**108,365**
Customer receivables for sales and services	532,863	70,508	31,074	4,962	1,821	–	108,365
Clients' impairment	(115,445)	–	–	–	–	–	–
Trade receivable from group and associated	129,570	–	–	–	–	–	–
Personnel	2,706	–	–	–	–	–	–
Cash and other liquid assets	**74,845**	**–**	**–**	**–**	**–**	**–**	**–**
Liquid assets	74,845	–	–	–	–	–	–
Totals	**3,810,252**	**70,508**	**31,074**	**4,962**	**1,821**	**578,267**	**686,632**

Long term financial investments for the amount of 578,267 Euros correspond to deposits on the court related to the claims commented in the note 14.1.

7.3. Corrections due to impairment caused by credit risk

Transactions in the corrective accounts representative of impairment losses due to credit risk to customers are as follows:

	Euros
Particulars	**Amount**
Balance at March 31, 2022	**107,592**
Impairment Maturity (Note 13.1)	3,991
Impairment reversal (Note 13.1)	(11,158)
Balance at March 31, 2023	**100,425**
Impairment Maturity (Note 13.1)	17,859
Impairment reversal (Note 13.1)	(2,838)
Balance at March 31, 2024	**115,445**

Information relating to the profit and loss account

7.4. Financial income

Under the heading Financial Income from Marketable Securities and Other Financial Instruments in the Profit and loss Account for the amounts of 11,046 Euros and 15,440 Euros for 2023-24 and 2022-23 Financial Periods respectively, correspond mainly to the accrual of default interest on late payments from clients.

Other information

7.5 Reasonable value

The book value of the financial assets is an acceptable approximation to the reasonable value.

Equity Instruments not being traded on an active market according to what is provided for in the 9th Rule of Recognition and Measurement of the Spanish New General Accounting Plan, are valued at their cost.

Equity Instruments traded on an active market according to what is provided for in the 9th Rule of Recognition and Measurement of the Spanish New General Accounting Plan are measured at their reasonable value.

7.6 Information regarding the nature and level of risk from financial assets:

Due to its normal activity, the Company is exposed to different financial risks, essentially, credit risk, liquidity risk and market risk, the latter referring to the rate of exchange, of interest rates and other price risks.

Credit risks:

This basically refers to sales on credit to clients and debtors. To prevent possible effects, credit granted to clients and debtors are granted based on a preliminary solvency study and strict follow-up of loans and receivables. The client base is quite diversified.

Liquidity risk:

The Company tries to keep an adequate liquidity ratio at all times to be able to honour its commitments, ensuring that current assets not including inventories, shall reasonably cover the current payables.

Market rate risk:

Due to the Company's activity and scope, it is subject to exchange rate risks of the sales made in foreign currency, depending on the volatility of the exchange rates.

Interest rate risks are minimum because the Company grants loans at a fixed interest rate.

7.7 Accrual adjustments

In January, every year, the company assumes the debt with the related company Holiday Club Canarias Resort Management SLU related to the yearly maintenance fees of the unsold weeks. At the end of the financial year there are, in the accrual adjustment balance, the proportional part of the not accrued months on March 31, 2024 for the amount of 1,619,443 Euros, 1,596,257 Euros in March 31, 2023.

8 Financial liabilities

Information related to the balance sheet

8.1. Categories of financial liabilities:

The breakdown of the financial liabilities by categories and classes is as follows:

Euros

Particulars	Debits with Credit Institutions		Bonds and Other Market Securities		Derivatives/Others	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Long-term financial liabilities						
Financial liabilities at amortized cost	**–**	–	**–**	–	**6,524,753**	6,834,764
Totals	**–**	–	**–**	–	**6,524,753**	6,834,764
Short- term financial liabilities						
Financial liabilities at amortized cost	**–**	–	**–**	–	**9,416,548**	12,958,011
Totals	**–**	–	**–**	–	**9,416,548**	12,958,011

8.2 Classification by maturity:

Classification according to the maturity of the different financial liabilities is as follows:

Euros

Financial liabilities	2024-25	2025-26	2026-27	2027-28	2028-29	Next	Total l/t
Debts	**2,928**	–	–	–	–	–	–
Other financial liabilities.	**2,928**	–	–	–	–	–	–
Debts with group and associated companies	**9,191,601**	2,000,000	–	–	–	**4,524,753**	**6,524,753**
Trade creditors and other accounts payable	**222,018**	–	–	–	–	–	–
Supplies, group companies and associates	**83,591**	–	–	–	–	–	–
Sundry creditors	**138,406**	–	–	–	–	–	–
Personnel (wages pending payment)	**22**	–	–	–	–	–	–
Totals	**9,416,548**	2,000,000	–	**–**	–	**4,524,753**	**6,524,753**

8.3 On January 31, 2022, the group company Holiday Club Sweden AB grants a participating loan to the Company for the amount of 2,000,000 euros (180,471,000) (see notes 2.3 and 9.5).

This participating loan expires on April 1, 2025 and has been established a fixed interest plus a variable one:

a) The variable interest is stipulated in 2% of the profit after taxes, as an exception, the profits from the first year will not be considered to calculate the first amount, so will be calculated as of March 31, 2022. If the loan is being amortized, the initial % will decrease in proportion to amortization.

b) The fixed interest will be calculated as the EURIBOR (12 months) + 2.5% per year.

Default interest is set at 5%.

Information relating to the profit and loss account and equity

8.4 Financial expenses

The heading for financial expenses corresponds, mainly, to debts with group and associated companies for the 2023-24 and 2022-23 financial years for the amounts of 283,380 Euros and 231,138 Euros, respectively, due to the accrual of interest on loans granted by group companies (See Note 18.3).

Other information.

8.5 Reasonable value

The book value of the financial liabilities is an acceptable approximation to the reasonable value.

8.6 Information on the nature and level of risk from financial liabilities

Due to its regular activity, the Company is exposed to diverse financial risks, basically credit risks, liquidity risks and market risks, the latter of which refers to exchange rate risks, interest rate risks and other price risks.

9 Shareholders' equity

9.1 The share capital, for an amount of 3,100 Euros, comprises 31 shares of 100 Euros face value each.

9.2 As per the Revised Text of the Law of Share Capital Companies, a figure equal to 10% of the period's profit must be kept in a reserve fund until this reaches at least 20% of the share capital. During the 2011-12 financial period, 3,100 Euros were allocated to these reserves.

9.3 The Canary Islands Investments Reserve Fund for the amount of 3,093,871 Euros, is subject to the availability limitations established in the tax regulations.

9.4 The corporation Holiday Club Canarias Investment, S.L.U., owns 100 per cent of the share capital of the Company.

9.5 On January 31, 2022 the group company Holiday Club Sweden AB grants a participating loan to the company for the amount of 2,000,000 Euros (see notes 2.3 and 8.3)

9.6 The breakdown of the heading "reserves" from the Balance Sheet for the periods 2023-24 and 2022-23 is as follows:

Euros

Particulars	**As at March 31, 2024**	As at March 31, 2023
Legal reserve	**3,100**	3,100
Voluntary reserves	**1,892,290**	1,892,290
Canary islands investment reserves	**3,093,871**	3,093,871
Goodwill reserves	**406,799**	406,799
Totals	**5,396,060**	5,396,060

10 Inventories

10.1. Inventories show the following break-down:

Particulars	As at March 31, 2024 (Euros)	As at March 31, 2023 (Euros)
Merchandise in stock, angry birds theme park	**23,357**	25,765
Unsold weeks in stock	**7,782,082**	7,701,331
Totals	**7,805,439**	7,727,096

10.2 The transactions of unsold weeks in stock during the 2022-23 & 2023-24 financial periods, have been as follows:

Particulars	As at March 31, 2023	Acquisitions	Disposals	As at March 31, 2024 (Euros)
Unsold weeks in stock	7,701,331	254,517	(173,766)	**7,782,082**

Particulars	As at March 31, 2022	Acquisitions	Disposals	As at March 31, 2023
Unsold weeks in stock	7,590,841	336,109	(225,619)	7,701,331

Acquisitions of inventory during the 2023-24 and 2022-23 financial period correpond to the weeks sold in previous financial periods and exchanged for other weeks during the mentioned periods, due to weeks received from the related company RESORT OY or weeks that come back to the company due to a court ruling (See Note 14.1) or expired contract.

There are not commitments for sales or purchases or a future contract about the inventories or restraints on disposal.

10.3 There are suppliers advance payments for the amount of 405 Euros on March 31, 2024.

10.4 There are no signs of impairment to the inventories at the end of the financial periods 2023-24 and 2022-23

11 Foreign currency

11.1 Assets in foreign currency mostly correspond to commercial loans for the sale of weeks in stock. The most significant balances in the diverse foreign currencies are detailed below:

Foreign currency	As at March 31, 2021	Exchange Rate at March 31, 2021	Euros at As at March 31, 2021
- Pounds sterling	103,526	0,85378 libra/euro	121,256

Foreign currency	As at March 31, 2022	Exchange Rate at March 31, 2022	Euros at March 31, 2022
- Pounds sterling	14,635	0,84595 libra/euro	17,299

Foreign currency	As at March 31, 2023	Exchange Rate at March 31, 2023	Euros at As at March 31, 2023
- Pounds sterling	7,693	0,87920 libra/euro	8,750

Foreign currency	As at March 31, 2024	Exchange Rate at March 31, 2024	Euros at As at March 31, 2024
- Pounds sterling	11,602	0,85768 libra/euro	13,528

11.2. The exchange differences recognized in the financial year 2023-24 and 2022-23 with debit balance for the amount of 771 Euros and 2,729 Euros respectively are related to the settled transactions during the period.

12 Tax position

Profit tax

12.1. Tax consolidation regime

The Company is taxed in the consolidated tax system in accordance with Chapter VI, title VII of the 27/2017 law, of 27 November of the profit tax, which approved the revised text from the Law of Corporate Tax.

The tax group comprises the following corporations:

Parent: Holiday Club Canarias Investment, SL.U.

Subsidiaries: Holiday Club Canarias Sales & Marketing, S.L.U., Holiday Club Canarias Resort Management, S.L.U. and Holiday Club Canarias Vacation Club S.L.U.

12.2 Individual tax base

The reconciliation of the net amounts of income and expenditures for the financial period against the tax base of Corporate Tax is the following:

Particulars	Profit & Loss Account (Euros)	Income & expenditure directly attributable to Equity (Euros)
Balance of income and expenditure for the financial year	**(14,269)** **(28,737)**	**–** **–**
Profit tax	(34,248)	–
Current tax	5,511	–
Deferred tax		
Non-deductible expenses	6,748	–
Goodwill deduction	90,400	–
Participative loan interest	50,137	–
Temporary differences		
70% limit amortization	(30,413)	–
Tax Base (tax profit & loss)	**73,865**	**–**
Internal operations (eliminations / additions)	14,454	**–**
Tax base (tax result)	**88,318**	**–**

12.3. Corporate tax settlement

By applying the tax rate on the tax base, the total tax liability is obtained, which is reduced by the following concepts and amounts:

Particulars	Euros
Full fee (25% of taxable income)	**22,080**
DAFN 19/20	**(34,518)**
DAFN 21/22	**(6,956)**
DAFN 23/24	**(10,068)**
Temporary measures reversal deduction	**(4,786)**
Liquid fee	**(34,248)**

Under the rules applicable to the Tax Consolidation Regime, the taxable income of the tax group is determined by adding individual taxable bases corresponding to the companies comprising the Fiscal group, deletions, additions of deletions carried out in previous years and, in the event that the above sum proves to be positive, compensating the carry-forwards of the Fiscal group, as well as the outstanding tax bases to be applied by the companies taxable at the time of joining the Tax Group.

In consequence, the Individual Tax Base of Holiday Club Canarias Sales & Marketing, S.L.U., for a negative amount of 34,248 Euros, is subject to addition together with the rest of the tax bases of the remaining companies comprising the Tax Group. The group tax base includes the elimination and net addition for the amount of 14,454 Euros related to internal operations made by Holiday Club Canarias Sales & Marketing, SLU.

The tax base of the group, before the compensation of the negative tax bases (BINs) amounts 1,684,558 Euros. This base is increased by the application of the 50% individual negative BINs generated in the previous year by the mother company for the amount of 1,873 Euros, therefore the final tax base of the group amounts 1,686,432 Euros on March 31, 2024.

12.4 Breakdown of expenditure on income tax

The expenditure on Income Tax accrued in the financial periods 2023-24 and 2022-23 is broken down as follows:

		Euros
Particulars	**As at March 31, 2024**	As at March 31, 2023
1. Current Tax	**(34,248)**	(219,005)
2. Deferred tax	**5,511**	92,275
- Temporary differences, 70% limit fiscal amortisation	**9,124**	9,124
- Temporary differences from intragroup operations	**(3,613)**	83,151
3. Total expenditure on income tax	**(28,737)**	(126,730)

12.5. Deduction because of the investments

Investments in fix assets during the financial period subject to deduction amount 40,272 Euros. Using the deduction rate (25%) in the investments made during the financial year, a deduction for the amount of 10,068 Euros is obtained. It means that, at the end of the financial period, the outstanding deductions are as follows:

						Euros
Exercise	**Initial out-standing amount**	**Acquisitions**	**Applications**	**Balance March 31, 2024**	**Limit**	**Time limit**
2019-20	34,518	–	(34,518)	**–**	**50%**	**2034-35**
2021-22	6,956	–	(6.956)	**–**	**50%**	**2036-37**
2023-24	–	34,248	(34.248)	**–**	**50%**	**2038-39**
Totals	41,474	34,248	(75,722)	**–**		

12.6. Deferred tax asset.

Transactions during the 2022/2023 and 2023/2024 financial periods found in this heading have been the following:

				Euros
Particulars	**As at March 31, 2022**	**Acquisitions**	**Applications**	**As at March 31, 2023**
- Temporary differences, 70% limit fiscal amortisation	32,134	–	(9,124)	23,010
Totals	32,134	–	(9,124)	23,010
	As at March 31, 2023	**Acquisitions**	**Applications**	**As at March 31, 2024**
- Temporary differences, 70% limit fiscal amortisation	**23,010**	**–**	**(9,124)**	**13,886**
Totals	**23,010**	**–**	**(9,124)**	**13,886**

12.7 Deferred tax liabilities.

Transactions during the 2021-22 and 2022-23 financial periods found in this heading have been the following:

				Euros
Particulars	**As at March 31, 2022**	**Acquisitions**	**Applications**	**As at March 31, 2023**
Capital grant (Note 16.2)	27,746	–	(3,433)	24,313
Intragroup operations	312,397	115,723	(32,571)	395,548
Totals	**340,144**	**115,722**	**(36,004)**	**419,863**
	As at March 31, 2023	**Acquisitions**	**Applications**	**As at March 31, 2024**
Capital grant (Note 16.2)	**24,313**	**–**	**(3,433)**	**20,881**
Intragroup operations	**395,548**	**29,718**	**(33,332)**	**391,935**
Totals	**419,863**	**29,718**	**(36,765)**	**412,817**

12.8 The Canary Islands Investment Reserve.

The Canary Islands Investment Reserve was provided for from January 01, 2007 and what has been set out in Royal Decree Act 12/2016 of December 29, in which Law 19/1994 of July 6, Modification of the Canary Islands Financial and Tax Regime (REF) was modified, is applicable.

At the end of the financial year 2023-24, the situation of the Canary Islands Investment Reserve is as follows:

			Euros
Item	**2011**	**2011-12**	**2012-13**
Provisions	**776,358**	**1,081,563**	**1,235,950**
Investments carried out			
Financial Period 2013-14	**(776,358)**	**(1,081,563)**	**(799,103)**
Financial Period 2014-15	**–**	**–**	**(263,916)**
Financial Period 2015-16	**–**	**–**	**(13,857)**
Financial Period 2016-17	**–**	**–**	**(159,074)**

The Company, during the financial period 2013-14, carried out the following investments, materialising the reserve in the following assets and on the indicated dates on the following table. This table shows the financial period for which the provisions were materialised by type of asset is indicated:

Account	Item	Date acquired	Acquisition amount	Grant deduction	Amount used	Provision 2011	Provision 2011-12	Provision 2012-13 (Euros)
21100001	ANGRY BIRDS CONSTRUCTIONS	01.11.2013	1,084,195	633,330	633,330	633,330	–	–
					633,330	**633,330**	**–**	**–**
21301001	ANGRY BIRDS ASSETS	01.11.2013	55,851	23,226	32,625	32,625	–	–
21301001	Machinery	12.06.2014	3,500		3,500	3,500	–	–
					36,125	**36,125**	**–**	**–**
21508001	ANGRY BIRDS ASSETS	01.11.2013	2,833,292	1,178,231	1,655,060	106,902	1,081,563	466,595
21508001	Other Facilities	21.11.2013	7,710	–	7,710	–	–	7,710
21508001	Other Facilities	01.02.2014	1,102	–	1,102	–	–	1,102
21508001	Other Facilities	01.02.2014	2,590	–	2,590	–	–	2,590
21508001	Other Facilities	18.02.2014	755	–	755	–	–	755
21508001	Other Facilities	26.02.2014	746	–	746	–	–	746
21508001	Other Facilities	08.04.2014	1,609	–	1,609	–	–	1,609
21508001	Other Facilities	07.05.2014	110	–	110	–	–	110
21508001	Other Facilities	09.05.2014	298	–	298	–	–	298
21508001	Other Facilities	09.05.2014	943	–	943	–	–	943
21508001	Other Facilities	14.05.2014	893	–	893	–	–	893
21508001	Other Facilities	19.05.2014	1,609	–	1,609	–	–	1,609
21508001	Other Facilities	20.05.2014	1,390	–	1,390	–	–	1,390
21508001	Other Facilities	21.05.2014	396	–	396	–	–	396
21508001	Other Facilities	31.05.2014	1,476	–	1,476	–	–	1,476
21508001	Other Facilities	31.05.2014	604	–	604	–	–	604
21508001	Other Facilities	05.06.2014	1,811	–	1,811	–	–	1,811
21508001	Other Facilities	06.06.2014	26	–	26	–	–	26
21508001	Other Facilities	06.06.2014	15	–	15	–	–	15
21508001	Other Facilities	06.06.2014	76	–	76	–	–	76
21508001	Other Facilities	01.08.2014	269	–	269	–	–	269
21508001	Other Facilities	01.08.2014	1,616	–	1,616	–	–	1,616
21508001	Other Facilities	01.08.2014	3,493	–	3,493	–	–	3,493
21508001	Other Facilities	08.08.2014	2,001	–	2,001	–	–	2,001
21508001	Other Facilities	01.09.2014	2,319	–	2,319	–	–	2,319
			–	**–**	**1,688,918**	**106,902**	**1,081,563**	**500,453**

Euros

Account	Item	Date acquired	Acquisition amount	Grant deduction	Amount used	Provision 2011	Provision 2011-12	Provision 2012-13
21601002	ANGRY BIRDS ASSETS	01.11.2013	83,856	34,871,61	48,984	–	–	48,984
21601002	Furniture	19.11.2013	783	–	783	–	–	783
21601002	Furniture	19.11.2013	175	–	175	–	–	175
21601002	Furniture	01.03.2014	600	–	600	–	–	600
21601002	Furniture	01.04.2014	690	–	690	–	–	690
21601002	Furniture	15.04.2014	690	–	690	–	–	690
21601002	Furniture	31.05.2014	356	–	356	–	–	356
21601002	Furniture	01.06.2014	199	–	199	–	–	199
21601002	Furniture	01.06.2014	63	–	63	–	–	63
21601002	Furniture	01.06.2014	175	–	175	–	–	175
21601002	Furniture	01.06.2014	1,142	–	1,142	–	–	1,142
21601002	Furniture	29.06.2014	814	–	814	–	–	814
					54,670	**–**	**–**	**54,670**
21701001	IT equipment	26.10.2013	1,347	–	1,347	–	–	1,346
21701001	IT equipment	04.12.2013	768	–	768	–	–	768
21701001	IT equipment	04.12.2013	749	–	749	–	–	749
21701001	IT equipment	04.12.2013	14,176	–	14,176	–	–	14,176
21701002	IT equipment	11.10.2013	1,224	–	1,224	–	–	1,224
					18,264	**–**	**–**	**18,264**
21801001	Vehicles	10.09.2014	19,509	–	19,509	–	–	19,509
21801001	Vehicles	12.09.2014	285	–	285	–	–	285
					19,794	**–**	**–**	**19,794**
21901008	Other tangible fixed assets	01.12.2013	1,400	–	1,400	–	–	1,400
21901008	Other tangible fixed assets	16.09.2014	64	–	64	–	–	64
21901008	Other tangible fixed assets	16.09.2014	2,500	–	2,500	–	–	2,500
21901008	Other tangible fixed assets	17.09.2014	64	–	64	–	–	64
					4,029	**–**	**–**	**4,029**

Also, at the time of the initial investment relating to the opening of the Angry Birds Park, the creation of jobs occurred, which caused an increase of the total average number of employees. This has resulted in the materialization of the reserve in the creation of jobs, which, as indicated in the Report for the 2013-14 Financial Period, amounted to 201,892 Euros.

During the financial period 2014-2015, the Company has carried out the following investments: using the Reserve on the following assets and on the dates indicated in the following table. This table shows the Financial Period for which the provisions were materialised by type of asset is indicated:

Euros

Account	Item	Acquisition date	Acquisition amount	Amount materialised	Provision 2012-13
21601002	Furniture	28.02.2015	220	220	220
21601002	Furniture	28.02.2015	715	715	715
21601002	Furniture	12.03.2015	298	298	298
21601002	Furniture	19.03.2015	1,060	1,060	1,060
21601002	Furniture	19.03.2015	60	60	60
21601002	Furniture	30.04.2015	2,373	2,373	2,373
21601002	Furniture	30.09.2015	571	571	571
		Furniture	**5,297**	**5,297**	**5,297**
21701001	IT equipment	31.10.2014	784	784	784
21701001	IT equipment	31.10.2014	645	645	645
21701001	IT equipment	30.11.2014	2,311	2,311	2,311
		IT equipment	**3,740**	**3,740**	**3,740**

Furthermore, on the occasion of the initial investment for the launch of the Angry Birds Park on November 1, 2013, jobs have been created which have determined an increase of the average total number of staff. This has resulted in the realization of the reserve due to the creation of jobs.

In particular, the increase to the average amount of staff pursuant to Article 27.4.C of Law 19/1994, July 6 and Article 10 of the Royal Decree of 1758/2007, was 1,056 employees.

During the financial period 2014-15, the amount of 24,136 Euros is the average cost of the gross wages and compulsory social contributions of employees connected to the park. Consequently, in accordance with Article 27.6 of Law 19/1994, the materialization of the reserve due to the increase of the number of employees at the initial investment, is 254,879 Euros

This investment, due to the creation of jobs materializes part of the reserve allocated in the Financial Period 2012-13.

During the financial period 2015-16, the Company has carried out the following investments: using the Reserve on the following assets and on the dates indicated in the following table. This table shows the Financial Period for which the provisions were materialised by type of asset is indicated:

					Euros
Account	**Item**	**Acquisition date**	**Acquisition amount**	**Amount materialised**	**Provision 2012/2013**
21601002	Furniture	01.10.2015	6,898	6,898	6,898
21601002	Furniture	31.10.2015	320	320	320
		Furniture	**7,218**	**7,218**	**7,218**
21701002	IT equipment	25.11.2015	749	749	749
21701002	IT equipment	30.11.2015	460	460	460
		IT equipment	**1,209**	**1,209**	**1,209**
21508001	Other facilities	29.02.2016	1,260	1,260	1,260
21508001	Other facilities	29.02.2016	355	355	355
		Other facilities	**1,615**	**1,615**	**1,615**
20601001	IT applications	01.03.2016	3,816	3,816	3,816
		IT applications	**3,816**	**3,816**	**3,816**

During the financial period 2016-17, the Company has carried out the following investments: using the Reserve on the following assets and on the dates indicated in the following table. This table shows the Financial Period for which the provisions were materialised by type of asset is indicated:

					Euros
Account	**Item**	**Acquisition date**	**Acquisition amount**	**Amount materialised**	**Provision 2012-13**
21601002	Furniture	01.06.2016	763	763	763
21601002	Furniture	28.06.2016	640	640	640
21608002	Furniture	01.03.2017	440	440	440
21608002	Furniture	23.03.2017	2,126	2,126	2,126
		Furniture	**3,969**	**3,969**	**3,969**
21701001	IT equipment	06.02.2017	930	930	930
21701001	IT equipment	01.03.2017	885	885	885
21701002	IT equipment	25.05.2016	460	460	460
		IT Equipment	**2,275**	**2,275**	**2,275**
21901008	Other tangible fixed assets	30.04.2016	35	35	35
21901008	Other tangible fixed assets	30.04.2016	37	37	37
21901008	Other tangible fixed assets	30.04.2016	12	12	12
21901008	Other tangible fixed assets	30.04.2016	3	3	3
21901008	Other tangible fixed assets	30.04.2016	4,749	4,749	4,749
21901008	Other tangible fixed assets	01.05.2016	239	239	239
21901008	Other tangible fixed assets	01.12.2016	48,551	48,551	48,551
21901008	Other tangible fixed assets	22.02.2017	11,921	11,921	11,921
21901008	Other tangible fixed assets	22.02.2017	86	86	86
21901008	Other tangible fixed assets	22.02.2017	66	66	66
21901008	Other tangible fixed assets	22.02.2017	113	113	113
21901008	Other tangible fixed assets	01.03.2017	3,589	3,589	3,589
21901008	Other tangible fixed assets	06.03.2017	6,603	6,603	6,603
21901008	Other tangible fixed assets	06.03.2017	172	172	172
21901008	Other tangible fixed assets	08.03.2017	1,340	1,340	1,340
21901008	Other tangible fixed assets	16.03.2017	1,060	1,060	1,060
21901008	Other tangible fixed assets	23.03.2017	34,200	34,200	34,200
21901008	Other tangible fixed assets	29.03.2017	828	828	828

					Euros
Account	**Item**	**Acquisition date**	**Acquisition amount**	**Amount materialised**	**Provision 2012-13**
21901008	Other tangible fixed assets	29.03.2017	3,700	3,700	3,700
21901008	Other tangible fixed assets	31.03.2017	22,253	22,253	22,253
		Other Tangible Fixed Assets	**139,558**	**139,557**	**139,558**
20601001	IT applications	01.05.2016	1,716	1,716	1,716
20601001	IT applications	01.03.2017	3,537	3,537	3,537
20601001	IT applications	29.03.2017	1,817	1,817	1,817
		IT applications	**7,070**	**7,070**	**7,070**
21508001	Other facilities	29.03.2017	6,202	6,202	6,202
		Other facilities	**6,202**	**6,202**	**6,202**

On March 31, 2017 the partners agreed to dispose part of the RIC 2012-13 special reserve, so that they agreed to transfer part of the special reserve to voluntary reserves, specifically for the amount pending to materialize at this date, the amount of 1,229,049 Euros. Consequently, one of the requirements established in the article 27 of the Law 19/1994 has been violated, integrating, in accordance with article 27.6 of Law 19/1994, this amount into the tax base of the corporate tax corresponding to 2016-17 period.

As a result of this breach, moratory interests have been paid to the administration for the amount of 53,975 Euros, of which 46,096 Euros were accrued as of 31 March 2017

The realization for the amount of 26,781 Euros in the annual report for the financial period 2016-17 that was booked in the account 21100001, has been reclassified during the financial period 2017-18 to the account 21901008, but the assets are still in the company with the same amount and all the requirements related to the realization have been fulfilled.

Finally, it must be reported that the Company has not carried out investments prior the provision and it has not been benefited from any other tax benefit accrued at the time of the Investments made as a result of the realization of the RIC.

12.9 Financial Periods Open to the Possibility of a Tax Inspection.

As set forth in current legislation, taxes cannot be considered definitively settled until the tax returns presented have been inspected by the tax authorities or the four-year statute of limitations has run out.

At the closing date, the company is also open to inspection of all the taxes that are applicable to it, corresponding to the last four years.

The Sole Administrator of the Company considered that liquidations of the mentioned taxes have been properly settled, so, even though discrepancies could arise in the interpretation or the existing tax regulations by the handling of tax granted to the operations, the eventual resulting liabilities in case of materialisation would not significantly affect the abridged annual accounts.

13 Incomes and expenses

13.1 Breakdown of the following items in the Profit and Loss Account:

4.a) Consumption of goods: corresponding to the cost of the acquired weeks and with purchases of merchandise and merchandising for the Theme Park. The amounts are as follows:

		Euros
Particulars	**As at March 31, 2024**	As at March 31, 2023
Cost of weeks acquired	**134,865**	159,775
Merchandise purchased Theme Park	**200,253**	180,547
Change in inventory merchandise theme park	**2,408**	8,014
Totals	**337,525**	348,336

The purchase of acquired weeks has been carried out in Spanish territory and the theme park merchandise has been purchased from members countries of the European Union.

6.b) Social security: corresponds entirely with the business contribution whose amount totalled 220,501 Euros and 215,141 Euros for the Financial Periods 2022-23 and 2021-22, respectively.

7.a) External Services:

		Euros
Particulars	**As at March 31, 2024**	As at March 31, 2023
Leases and charges	**103,741**	77,765
Repair and maintenance	**2,201,476**	1,954,356
Independent professional services	**461,467**	423,779
Transport	**3,631**	2,847
Insurance	**27,343**	26,600
Bank services and similar	**15,947**	13,078
Publicity, advertising and public relations	**38,622**	52,819
Supplies	**80,875**	87,792
Other Services	**61,966**	32,131
Other taxes	**3,438**	3,637
Other current management losses	**–**	50
Totals	**2,998,508**	2,674,854

7.c) Losses on, impairment of and change in trade provisions:

		Euros
Particulars	**As at March 31, 2024**	As at March 31, 2023
Losses from bad debts	**4,720**	29,625
Trade provision	**17,859**	3,991
Excess trade provision	**(2,838)**	(11,158)
Provision sales-persons' commissions.	**1,369**	23,045
Provision RCI	**(2,361)**	2,381
Other provisions	**20,234**	7,903
Totals	**38,982**	55,787

13.2. Other results: these correspond to the net of Profit & Loss that stem from events that are not a part of the Company's typical activities and which are not expected to occur frequently. In the financial year 2022-23 they correspond, mainly, to the long-term provision for the amount of 90,000 Euros. In the financial year 2023-24 they correspond, mainly, to the reversion of the long-term provision for 626,682 Euros. (See note 14.1)

14 PROVISIONS AND CONTINGENCIES.

Provisions

14.1 The long-term provision for the amount of 626,682 Euros corresponds to judicial processes in favour of different clients for claims for weeks sold in previous periods. Transactions during the 2022-23 and 2023-24 financial periods are as follows:

							Euros
Particulars	**As at March 31, 2022**	**Acquisitions**	**Disposals**	**As at March 31, 2023**	**Acquisitions**	**Disposals**	**As at March 31, 2024**
Long-term provisions	736,127	90,000	(199,445)	626,682	–	(626,682)	**–**

The company has been sued for several clients arguing that the contracts are null for de amount of 6.9 millions Euro. At the date of preparation of these annual accounts 167 claims have been received and 69 have been closed. From the 98 opened cases, 84 of them have a ruling from first instance and 57 of them have also a ruling from second instance. The amount to pay for the rulings can be the money received for the company minus the enjoyment of the weeks or a bigger amount. Although there are unfavourable rulings all of them have been appealed and two favourable rulings from the Supreme Court have been received for the contracts signed after July 2012, which are most cases. This is the reason why the company has reversed the whole amount of the legal claim provision (see note 13.2).

On the other hand, the Company presents a long-term financial asset in the amount of 578,267 euros corresponding to the deposits made in the court regarding these claims (see note 7.2.) The Company has begun to request refunds of the aforementioned claims. Management is aware that there is a non-quantifiable contingency, as it is possible that all amounts will not be recovered. However, no provision has been made because at this time it is not possible to make a reliable estimate, because the refund request procedures are in an early stage and there is still no basis to carry out a moderately rigorous calculation.

14.2 The short-term provision corresponds to the accrual of commissions pending payment to sales staff and provisions for the cancellation of sales. The balance at the end of the financial years 2023-24 and 2022-23 amounts 86,008 euros and 66,766 Euros, respectively.

Transactions during the 2021-22 and 2022-23 financial periods are as follows:

							Euros
Particulars	**As at March 31, 2022**	**Acquisitions**	**Disposals**	**As at March 31, 2023**	**Acquisitions**	**Disposals**	**As at March 31, 2024**
Short-term provisions	34,937	267,566	(235,737)	66,766	191,876	(172,634)	**86,008**

Contingencies

14.3 The company provided a guarantee to a Finance company for the amount of 204,450 Euros to face all the trials commented in the note 14.1. being also endorsed by the company of the group Holiday Club Canarias Resort Management SLU (See Note 18.3)

14.4 As mentioned in note 14.1, there is a contingency on an asset in the amount of 578,267 euros

15. Environmental information

Given the activity that the Company carries out, there are no responsibilities, expenses, assets or contingencies of any environmental nature that could be of any significance with regard to equity, the financial position and its results. Therefore, no specific breakdowns are included in this report.

16. Grants, donations and bequests

16.1 On June 24 2014, a grant was given by the Ministry of Finance and other Public Administrations for the investment Project in the Angry Birds Theme Park, for the amount of 870,213 Euros. On April 2018 the company paid back 69,982 Euros because some conditions were not complied. In November 2021 the rental contract was renewed for 8.5 years, which means a new calculation of allocation of the capital grant.

16.2 Variations in the capital grant during the financial years 2022-23 and 2023-24 are as follows:

				Euros
Particulars	**Balance 30.03.22**	**Acquisitions**	**Disposals**	**Balance March 31, 2023**
Capital Grant	110,988	–	(13,731)	97,257
Tax Effect	(27,746)	–	3,433	(24,313)
Totals	83,242	–	(10,298)	72,944

				Euros
Particulars	**Balance March 31, 2023**	**Acquisitions**	**Disposals**	**Balance March 31, 2024**
Capital Grant	**97,257**	**–**	**(13,731)**	**83,527**
Tax Effect	**(24,313)**	**–**	**3,433**	**(20,881)**
Totals	**72,944**	**–**	**(10,298)**	**62,646**

17 Events after the closing of the year

No events have occurred after closing that could be considered significant and affect the financial period's accounts.

18. Transactions between related parties

18.1 Regarding the managing board and key company staff

Managers and the key personnel of the company with whom related-party transactions have been carried out are the following:

- Mr. Calvm Stuart Lucock, Administrator and Managing Director, left the company in October 2023
- Mr. Miguel Angel Munoz Martin, Administrator and Managing Director, started in December 2023

Remuneration paid to managers and key personnel of the company, during the financial periods 2023-24 and 2022-23, in their status as employees of the company, amounts 46,287 Euros and 52,867 Euros, respectively.

On the Balance Sheet there is a current account with partners and administrators on March 31, 2024, that amounts 2,928 Euros in favour of the manager. (5,443 Euros on March 31, 2023)

18.2 Information required by article 229 of the corporate enterprises act

According to the Article 229 of the Corporate Enterprises Act, we hereby inform that the members of the Board of Directors do not have shares or hold positions or perform functions in companies whose corporate purpose is the same, similar, or complementary to the Company's.

However, the members of the Board of Directors hold various shares in companies related to the Company and hold management positions and carry out functions related to the management, which have not been subject to inclusion in this Note of the Report, as this does not pose any conflict with regard to their duties of diligence and loyalty or the existence of potential conflicts of interest in the context of Law 26/2004 17 July, that amended Law 24/1988, of July 28, in which the market values and the text revised from the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010 of 2 July.

Also, during the Financial Period, the members of the Board of Directors have not carried out transactions outside the normal course of business beyond the ordinary traffic or in conditions other than those of the market with the company or group companies. The only transactions with administrators are those outlined in Note 18.1.

18.3 Transactions and balances with group companies:

The transactions carried out with Group companies during the financial periods 2022-23 and 2023-24, are the following:

Euros

Particulars	As at March 31, 2023			
Company	**Financial Expenses**	**Services received**	**Services rendered**	**Supplies**
Holiday Club Canarias Resort Management, SLU	**–**	**1,899,863**	**156,927**	**–**
Holiday Club Canarias Invesment, S.L.	**–**	**–**	**–**	**–**
Holiday Club Resort OY	**–**	**277,945**	**–**	**–**
Holiday Club Sweden AB	**231,138**	**–**	**–**	**–**
Holiday Club Canarias Vacation Club, SL	**–**	**–**	**2,133,138**	**206,114**
Totals	**231,138**	**2,177,808**	**2,290,065**	**206,114**

Euros

Particulars	As at March 31, 2024			
Company	**Financial Expenses**	**Services received**	**Services rendered**	**Supplies**
Holiday Club Canarias Resort Management, SLU	–	2,144,312	126,628	–
Holiday Club Resort OY	–	29,468	98,770	264,390
Holiday Club Sweden AB	283,380	–	–	–
Holiday Club Canarias Vacation Club, SLU	–	–	2,106,079	134,865
Totals	**283,380**	**2,173,780**	**2,331,477**	**399,255**

The transactions between the Group companies were performed under normal market conditions.

Balances outstanding with the Group Companies in the financial periods 2023-24 and 2022-23, both short-term and long-term, at the close of the Financial Periods are:

Euros

	As at March 31, 2024		As at March 31, 2023	
Particulars	**Debit Balances**	**Creditor Balances**	Debit Balances	Creditor Balances
Holiday Club Canarias Resort Management, SLU	**–**	**9,122,189**	–	12,548,069
Holiday Club Canarias Invesment, SL	**2,607,976**	**–**	2,573,578	–
Holiday Club Resort OY	**129,570**	**83,591**	30,800	11,293
Holiday Club Sweden AB	**–**	**6,594,165**	–	7,111,591
Holiday Club Canarias Vacation Club, SLU	**572,698**	**–**	5,212,866	–
Totals.	**3,310,243**	**15,799,945**	7,817,244	19,670,953

The Group Company Holiday Club Canarias Resort Management, SLU provided a guarantee to a Finance Company for the amount of 204,450 Euros to face pending trials of the company (See Note 14.3)

18.4 Companies subject to the same unit of decision.

The Company shows the largest assets in the group of companies' subject to the same decision-making units, headquartered in Spain. The companies are the following ones:

- Holiday Club Canarias Investment, S.L.U.: Parent Company of the Group
- Holiday Club Canarias Sales & Marketing, S.L.U.: Subsidiary and with the highest assets.
- Holiday Club Canarias Resort Management, S.L.U.: Subsidiary.
- Holiday Club Canarias Vacation Club: Subsidiary

Aggregated amounts of these companies are as follows:

Euros

Particulars	**As at March 31, 2024**	As at March 31, 2023
ASSETS		
Non-current Assets	**8,248,774**	8,636,439
Current Assets	**29,559,688**	40,730,664
Total	**37,808,463**	49,367,103
EQUITY AND LIABILITIES		
Equity	**8,450,753**	7,480,492
Non-current Liabilities.	**7,332,962**	8,032,391
Current Liabilities.	**22,024,746**	33,854,219
Total	**37,808,463**	49,367,103
PROFIT & LOSS		
Turnover.	**14,835,819**	13,581,579
Results (Loss).	**985,560**	696,752

19 Other information

19.1 Number of Employees.

The average number of people employed by the Company during the financial periods 2023-24 and 2022-23, distributed by their professional categories, has been as follows:

	Persons	
	As at March 31, 2024	As at March 31, 2023
Executives and Administrative Staff	**9.07**	8.49
Sales and Collections Staff	**3.09**	3.68
Others	**14.72**	15.31
Totals	**26.88**	27.48

The distribution by gender at the end of the financial periods 2023-24 and 2022-23 is the following:

	As at March 31, 2024		As at March 31, 2023	
	Men	**Women**	Men	Women
Executives and Administrative Staff	**4**	**6**	4	5
Sales and Collections Staff	**1**	**3**	1	3
Others	**10**	**9**	9	8
Totals	**15**	**18**	14	16

The average number of disabled persons (more than 33% of disability) employed by the Company during the financial periods 2023-24 and 2022-23 is as follows:

	2023/2024	2022/2023
Others	**1**	1
Totals	**1**	1

20 Information about deferral payments made to suppliers. third additional regulation to the "duty of information» of law 15/2010 of 5 july.

The average period for payment to suppliers and creditors is 58 days for the financial year 2023-24 (47 days for the financial year 2022-23).

In Mogan, April 12, 2024

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS

To the Sole Shareholder of HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, SLU:

Report on the Financial Statements

We have audited the financial statements of HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, SLU, (the Company) which comprise the balance sheet as at 31 March 2024, and the income statement, statement of changes in equity, the cash flow statement, and the related explanatory notes thereto for the year then ended.

In our opinion, the accompanying financial statements present, in all material aspects, a true and fair view of the net equity and financial situation of the Company as at 31 March 2024 and of its results and cash flows for the year then ended, in accordance with the regulatory financial reporting framework that is applicable (identified in note 2 to the financial statements) and, in particular, with the accounting principles and criteria contained therein.

Basis for the opinion

We have carried out our audit in accordance with the prevailing standards governing the activity of auditing accounts in Spain. Our responsibilities in accordance with these standards are described later in the section of our report on “Responsibilities of the auditor in connection with the audit of the financial statements”.

We are independent from the Company in accordance with the requirements on ethics, including those of independence, which are applicable to our audit of financial statements in Spain, as required by the regulations governing the activity of auditing accounts. In this regard, we have not provided services other than the audit of the financial statements, nor have situations or circumstances arisen that, in accordance with the aforementioned regulations, may have compromised our necessary independence.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, according to our professional judgment, have been considered to give rise to the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks have been addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon we do not express a separate opinion on said risks.

Maintenance Fees incomes

As shown in the profit and loss account, the sales figure amounts to 6,3 million euros (see note 19), while in the current liabilities there is a balance of 4,47 million euros of short-term accruals. As explained in note 1, the main activity of the Company consists in offering maintenance services to five apartment complexes that the related company HOLIDAY CLUB CANARIAS SALES MARKETING, SLU sells by the timeshare regime, and the other related company, HOLIDAY CLUB CANARIAS VACATION CLUB, SLU exploits the apartments for touristic purposes. For each calendar year, the owners’ meeting of each complex approves the maintenance fees for each type of room and complex, which are invoiced in the following January, with the non-accrued portion registered in the section of short-term accruals in the liabilities. Some of the maintenance cost is billed to unrelated parties for the sold weeks. The other part (the most significant, 36%) is charged to HOLIDAY CLUB CANARIAS SALES MARKETING, SLU for the unsold weeks that are in their inventory and to HOLIDAY CLUB CANARIAS VACATION CLUB, SLU for the weeks used for the hotel business. Due to the monetary relevance of the sales item and the diversity of quotes because of the number of complexes and types of rooms to which the Company provides services, a valuation of the sales and the short-term accruals of the Company as well as the correct allocation to the owners, related and unrelated parties, have been considered a relevant aspect of our audit.

Our procedures consisted, among other things, in a verification of the annual quotas approved in the minutes by the number and type of rooms of each complex, verifying the accrued portion based on the time elapsed between the billing and the closing of the financial year of the Company. Additionally, we evaluate that the sales volume for January is in line with the property of each week at that time.

Other Information: Management Report

The other information includes the management report for the year ended 31 March 2024, the formulation of which is the responsibility of the Company’s Director, although it is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the other information, in accordance with the requirements of the regulations governing the activity of auditing accounts, consists of evaluating and reporting on the consistency of the other information with the financial statements, based on the knowledge of the entity obtained in the performance of the audit, without including information other than that obtained as audit evidence. Likewise, our responsibility with respect to the management report consists of evaluating and reporting on whether its content and presentation are in accordance with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are obliged to report them.

Based on the work carried out, as described in the previous paragraph, the information contained in the management report is consistent with the financial statements for 2023-2024 and its content and presentation are in accordance with the applicable regulations.

Directors' responsibilities

The Director is responsible for the preparation of the accompanying financial statements in order to present a true and fair view of the net equity, the financial position and the results of the Company in accordance with the Financial Reporting Standards applicable in Spain, and for such internal control as they consider necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as appropriate, the issues related to going concern and using the accounting principle of going concern, except if the Director intend to liquidate the Company or cease operations, or if there is no other realistic alternative.

Responsibilities of the auditor in connection with the audit of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free of material misstatement, due to fraud or error, and to issue an audit report that contains our opinion.

Reasonable assurance is a high degree of assurance but it does not guarantee that an audit conducted in accordance with the prevailing regulations governing the activity of auditing in Spain will always detect material misstatement when it exists. Misstatements may be due to fraud or error and are considered material if, individually or in aggregate, they can reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an audit in accordance with the regulations governing the activity of auditing accounts in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, falsification, deliberate omissions, intentionally erroneous statements, or circumvention of internal control.
- We obtain knowledge of the Internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate whether the accounting policies applied are adequate as well as the reasonableness of the accounting estimates and the corresponding Information disclosed by the Director.
- We conclude on whether the use, by the Director, of the accounting principle of going concern is adequate and, based on the audit evidence obtained, we conclude on whether or not there Is material uncertainty related to facts or conditions that could generate significant doubt as to the ability of the company to continue as a going concern. If we conclude that there Is material uncertainty, in our audit report we are required to draw attention to the corresponding Information disclosed in the financial statements or, if such disclosures are not adequate, we are required to express an amended opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.
- We evaluate the overall presentation, the structure and content of the financial statements, Including the disclosed Information, and whether the financial statements represent the underlying transactions and events in a way that expresses a true and fair view.

We communicate with the entity's Director regarding, among other matters, the scope and timing of the planned audit and the significant findings of the audit, as well as any significant Internal control deficiencies that we identified during the course of the audit.

Among the issues that have been communicated to the entity's Director, we determine those that have been most significant to the audit of the financial statements of the current period and that are, consequently, the risks considered most significant.

We describe those issues in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter.

RSM SPAIN AUDITORES, SLP
(nº ROAC S2158)

JAVIER ALVAREZ CABRERA
(nº ROAC 16092)

Las Palmas de Gran Canaria,
on April 18th, 2024.

BALANCE SHEET AT MARCH 31, 2024

	Notes	(Euros) As at March 31, 2024	(Euros) As at March 31, 2023
ASSETS			
A) NON-CURRENT ASSETS			
I. Intangible Assets	**5**	**348,597**	510,000
4. Goodwill		**340,000**	510,000
5. Computer software		**8,597**	–
II. Fixed Assets	**6**	**2,898,079**	3,044,025
1. Property and Buildings		**2,615,868**	2,683,127
2. Technical Facilities and other Fixed Assets		**282,211**	357,056
3. Advances and fixed assets in progress		**–**	3,842
III. Real Estate Investments	**7**	**730,972**	748,353
2. Construction/ Buildings		**730,972**	748,353
V. Long-term financial investments	**8**	**136,300**	136,300
3. Debt securities		**136,300**	136,300
VI. Deferred Tax Assets	**11**	**122,056**	77,458
TOTAL A		**4,236,004**	4,516,135
B) LIQUID ASSETS			
III. Commercial debtors and other accounts receivables.		**1,794,280**	1,455,254
1. Trade receivables	**8**	**1,757,551**	1,444,631
2. Trade receivable from group and associated		**15,066**	–
3. Other debtors	**8**	**7,855**	7,389
4. Personnel	**8**	**1,532**	3,217
6. Other receivables from Public Administrations		**12,276**	17
IV. Short-term Investments in affiliated group and associated companies	**8-17**	**9,122,482**	12,548,363
2. Loans to companies		**9,122,482**	12,548,363
V. Short-term financial investments	**8**	**1,729**	1,557
5. Other financial assets		**1,729**	1,557
VI. Short term accruals		**71,880**	37,418
VII. Cash and other equivalent liquid assets	**8**	**1,014,074**	1,081,815
1. Liquid assets		**1,014,074**	1,081,815
TOTAL B		**12,004,444**	15,124,407
TOTAL ASSETS (A + B)		**16,240,448**	19,640,542

BALANCE SHEET AT MARCH 31, 2024

NET WORTH AND LIABILITIES	Notes	(Euros) As at March 31, 2024	(Euros) As at March 31, 2023
A) TOTAL EQUITY			
A-1) EQUITY		**7,999,748**	7,429,817
I. Capital	**10**	**3,100**	3,100
1. Shared Capital		**3,100**	3,100
III. Reserves.		**7,421,717**	6,888,354
1. Legal and statutory		**620**	620
2. Other reserves	**10**	**7,421,097**	6,887,734
VII. Profits for the Period	**3**	**574,931**	538,363
TOTAL A		**7,999,748**	7,429,817
B) NON CURRENT LIABILITIES			
II. Long-term debts	**9**	**395,393**	151,083
2. Debts to Loan Institutions		**392,153**	148,943
5. Other financial liabilities		**3,240**	2,140
V. Long-term accruals		**–**	–
TOTAL B		**395,393**	151,083
C) CURRENT LIABILITIES			
II. Provisiones a corto plazo	**14**	**480,934**	293,888
III. Short-term debts	**9**	**219,682**	295,763
2. Debts to Loan Institutions		**219,681**	294,763
5. Other financial liabilities		**1**	1,000
IV. Short-term debts with Group and Associated Companies	**9-17**	**2,224,427**	6,157,956
V. Trade Creditors and other Accounts payable		**454,159**	841,843
3. Sundry Creditors	**9-20**	**348,886**	305,786
4. Staff (salaries pending payment).	**9**	**915**	1,039
6. Other debts with Public Administrations.		**75,216**	513,814
7. Customer advances		**29,142**	21,204
VI. Short-term accruals	**9**	**4,466,105**	4,470,191
TOTAL C		**7,845,307**	12,059,642
TOTAL NET WORTH AND LIABILITIES (A + B + C)		**16,240,448**	19,640,542

PROFIT AND LOSS ACCOUNTS AT MARCH 31, 2024

ITEMS	Notes	(Euros) Year ended March 31, 2024	(Euros) Year ended March 31, 2023
A) CONTINUING OPERATIONS			
1. Turnover	19	**6,262,226**	5,600,635
b) Services rendered		**6,262,226**	5,600,635
4. Supplies	13	**(39,885)**	(32,714)
a) Consumption of merchandise.		**(39,885)**	(32,714)
5. Other operations income		**97,968**	98,829
a) Accessory income and other current operations		**97,968**	98,829
6. Personnel expenses		**(2,641,521)**	(2,503,174)
a) Wages, salaries and similar		**(1,975,823)**	(1,894,779)
b) Social Security contributions.	13	**(665,698)**	(608,395)
7. Other operating expenses.		**(2,562,949)**	(2,168,818)
a) Outsourced services	13	**(1,831,373)**	(1,671,323)
b) Taxes		**(175,083)**	(164,700)
c) Losses, impairment and variation of supplies from trade op.	13-14	**(555,883)**	(332,678)
d) Other current operating expenses		**(611)**	(117)
8. Depreciation of fixed assets	5-6-7	**(339,772)**	(345,221)
13. Other incomes and expenses	13	**(4,938)**	(5,156)
A.1.) Operating Income (Profit)		**771,129**	644,381
14. Financial Income.	8	**18,411**	24,062
b) Trade securities and other equity instruments		**18,411**	24,062
b 2) Third Parties.		**18,411**	24,062
15. Financial expenses	9	**(15,211)**	(13,117)
a) Group companies and associates	17	**–**	(3,720)
b) Debts with Third Parties.		**(15,211)**	(9,398)
17. Exchange differences.	12	**63**	(69)
A.2) FINANCIAL PROFIT & LOSS (PROFIT)		**3,262**	10,876
A.3) PROFIT BEFORE TAXES (PROFIT)		**774,391**	655,257
19. Corporate Income Tax	11	**(199,460)**	(116,894)
A.5) PROFIT & LOSS IN THE PERIOD (PROFIT)		**574,931**	538,363

STATEMENT OF CHANGES IN EQUITY AT MARCH 31, 2024

A) STATEMENT OF RECOGNISED PROFIT AND LOSS

ITEMS	Notes	(Euros) Year ended March 31, 2024	(Euros) Year ended March 31, 2023
A) PROFIT AND LOSS ACCOUNT	**3**	**574,931**	538,363
TOTAL OF RECOGNISED PROFIT AND LOSS (A)		**574,931**	538,363

B) COMPLETE STATEMENT OF CHANGES TO EQUITY

(Euros)

ITEM	Shared Capital	Reserves	Current Year's Profit & Loss	TOTAL
A. FINAL BALANCE YEAR 2021/22	**3,100**	**5,788,261**	**1,100,093**	**6,891,454**
B. ADJUSTED BALANCE BEGINNING 2022/23	**3,100**	**5,788,261**	**1,100,093**	**6,891,454**
I. Total recognised Profit & Loss	–	–	538,363	**538,363**
II. Other variations to Equity	–	1,100,093	(1,100,093)	–
C. FINAL BALANCE 2022/23	**3,100**	**6,888,354**	**538,363**	**7,429,817**
D. ADJUSTED BALANCE, BEGINNING 2023/24	**3,100**	**6,888,354**	**538,363**	**7,429,817**
I. Total recognised incomes and expenses	–	–	574,931	**574,931**
II. Transactions with shareholders & owners	–	(5,000)	–	(5,000)
4. Dividends paid	–	(5,000)	–	(5,000)
III. Other changes to Equity	–	538,363	(538,363)	–
E. FINAL BALANCE 2023/24	**3,100**	**7,421,717**	**574,931**	**7,999,748**

CASH FLOW STATEMENT AT MARCH 31, 2023

ITEMS	Notes	(Euros) Year ended March 31, 2024	(Euros) Year ended March 31, 2023
A) CASH FLOW FROM OPERATING ACTIVITIES			
1. PROFIT & LOSS BEFORE TAXES		**774,391**	655,257
2. ADJUSTMENTS TO PROFIT & LOSS		**534,107**	333,272
a) Depreciation of Fixed Assets	**5-6-7**	**339,772**	345,221
b) Impairment		**10,489**	–
c) Change to provisions.	**14**	**187,046**	(1,003)
g) Financial Incomes	**8**	**(18,411)**	(24,062)
h) Financial Expenses	**9**	**15,211**	13,117
3. CHANGES IN WORKING CAPITAL.		**(775,747)**	426,400
b) Trade and other accounts receivable.		**(349,515)**	(332,453)
c) Other current assets		**(34,462)**	445
d) Creditors and other accounts payable.		**(387,684)**	126,287
e) Other current liabilities.		**(4,086)**	632,122
4. OTHER CASH FLOW FROM OPERATING ACTIVITIES		**(3,732)**	6,923
a) Interest payments	**9**	**(15,211)**	(13,117)
c) Interest receivable	**8**	**18,411**	24,062
d) Corporation tax payments		**(6,931)**	(4,022)
5. CASH FLOW ON OPERATING ACTIVITIES		**529,020**	1,421,852
B) CASH FLOW FROM INVESTMENT ACTIVITIES			
6. PAYMENTS FOR INVESTMENTS		**(763,832)**	(2,303,785)
a) Group and Associated Companies		**(744,775)**	(2,292,996)
b) Intangible assets	**5**	**(9,050)**	–
c) Fixed Assets	**6**	**(9,835)**	(15,898)
e) Other financial instruments		**(172)**	–
7. RECEIVABLES FOR INVESTMENTS		**3,842**	5,109
c) Fixed Assets		**3,842**	–
e) Other financial instruments		**–**	5,109
8. CASH FLOWS FROM INVESTMENT ACTIVITIES		**(759,991)**	(2,303,785)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
10. RECEIVABLES AND PAYABLES FOR FINANCIAL LIABILITIES		**168,229**	1,244,018
a) Issue		**500,101**	1,557,456
2. Amounts owed to credit institutions		**500,000**	1,556,416
3. Debts with Group and Associated Companies		**–**	1,040
4. Other liabilities		**101**	–
b) Repayment and amortization.		**(331,872)**	(313,438)
2. Debts with credit institutions		**(331,872)**	(313,438)
11. Dividends paid and remunerations on other equity instruments		**(5,000)**	–
a) Dividends paid		**(5,000)**	–
12. CASH FLOW FROM FINANCING ACTIVITIES		**163,229**	1,244,018
E) NET INCREASE / DECREASE IN CASH OR CASH EQUIVALENTS		**(67,742)**	362,085
Cash or cash equivalents at the beginning of the year	**8**	**1,081,815**	719,730
Cash or equivalents at the end of the year	**8**	**1,014,074**	1,081,815

NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDING ON MARCH 31, 2023

1. THE COMPANY'S BUSINESS ACTIVITY

1.1. HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, S.L.U. was founded as a limited corporation on December 09, 2010, before the Notary Public of the Guild of the Canary Islands, whose office is located in Maspalomas, Mr. Valentín Concejo Arranz, under his Protocol number 1525.

On March, 3, 2011, the Company acquired its current condition as a Sole Proprietor Limited Liability Company. On July the 22nd, 2011 a social agreement changes the financial year that in the corporate statutes was from October the 1st till September the 30th. However, on February the 1st, 2016 in the annual general meeting was agreed to modify the dates of starting and ending of the financial year to April the 1st till March the 31st.

1.2. Its main corporate mission comprises the acquisition, promotion, construction, urbanisation, management, operation, holding, use, enjoyment of, yielding of, business management of any type, of property, buildings, tourist complexes, hotels, farms and /or agricultural land in the country or urban areas and personal rights or rights in rem of real-estate property including its conveyance, whether in its entirety or partially, per apartment or by means of the sale of or assignment of rotational enjoyment rights, timeshare or any other kind of rights to use. The main activity is the management of five hotel complexes (Playa Amadores, Sol Amadores, Vista Amadores, Jardín Amadores and Puerto Calma), as well as the lease of commercial premises.

1.3. The Corporate offices are located at Avenida Anna Lindh, number 1, Urbanización Amadores, in the municipality of Mogán in Gran Canaria.

1.4. On April 06, 2011 the Public Deed was signed, by means of which the Company, together with its related company **Holiday Club Canarias Sales & Marketing, S.L.U.**, acquired the business of the five tourist complexes which they are currently operating. In said acquisition, the Company was assigned property for the amount of 3,170,602 Euros and the administration and maintenance operations' Goodwill valued at 1,700,000 Euros. The remaining assets (unsold weeks, customers' loan rights and goodwill corresponding to the main business of Timeshare) was assigned to the abovementioned related Company. On June 01, 2012 a public Deed was also signed comprising a series of agreements related to the purchase of the business described above.

1.5. The Company is a part of a Group whose parent Company is **Holiday Club Canarias Investment, S.L.U.**, headquartered in the same address. Said company does not present yearly consolidated accounts, because it is not mandatory due to its size. This Spanish Group is integrated in a higher one, which the parent company is Holiday Club Resorts Oy, located in a EU country, Finland, which presents yearly consolidated accounts. Furthermore, the mentioned company belongs to a group which parent company is Mahindra & Mahindra limited, located in India.

The Spanish group is composed of the next companies:

– Holiday Club Canarias Investment, SLU
– Holiday Club Canarias Sales & Marketing, SLU
– Holiday Club Canarias Resort Management, SLU
– Holiday Club Canarias Vacation Club, SLU

2. BASIS USED FOR THE PRESENTATION OF THE ANNUAL ACCOUNTS

The figures contained in the annual accounts are expressed in Euros, which, upon being rounded out, cause small differences in their presentation.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90,2355 = FC: EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31st March 2024.

These annual accounts are presented for approval to the Annual General Meeting of Members.

2.1. True and Fair View

The annual accounts are obtained from the Company's accounting records and have been presented according to the regulations set out in Law 16/2007 of July 4, on the revised and adapted mercantile accounting legislation to harmonise it internationally on the basis of the European Union and by Royal Decree 1515/2007 of November 16th, in which the General Accounting Plan was approved and the added modifications by Royal Decree 1159/2010 of September 17th and Royal Decree 602/2016 of September 2nd , in order to reflect a true and fair view of the Equity, the financial situation and the Company's Profit & Loss as well as the veracity of the streams incorporated into the Cash-flow, according to generally accepted accounting practices and regulations.

2.2. Critical Aspects in the Valuation and Judgement of Uncertainty

At the end of the financial year some estimations are used to formulate these annual accounts: calculation of the asset's impairment, estimation of the assets useful life, and more. Due to future development, it is possible that additional information to the existing at the date of formulation of these annual accounts make that some estimates have to be changed in future periods.

2.3. Comparing Information

The figures corresponding to the Financial Year ending on March 31, 2024 according to the current law, show comparatively the balances of the previous financial period, which match with the information of the annual account for the financial period 2022/23.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 89,6390 = FC: EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31st March 2023.

3. APPLICATION OF RESULTS

The proposal for the application of the results of the financial period ending March 31, 2024 which the Administrators shall draw up for approval by the Members, together with the distribution approved for the period ending on March 31, 2023, is as follows:

	Euros	
	Year ended March 31, 2023	Year ended March 31, 2022
Distribution Balance		
Financial Period Profits	**574.931**	538.363
Distribution		
Voluntary Reserves	**574.931**	538.363
Totals	**574.931**	538.363

During the period a dividend has been paid against the volunteer reserves for 5.000 Euros (451.178 Rupees)

4. RECOGNITION AND MEASUREMENT REGULATIONS

The main accounting principles and practices applied in the drafting of the Annual Accounts, follow current legislation, highlighting the principles of company operation, accrual, consistency, prudence, non-compensation and relative importance as most significant.

The most significant accounting criteria applied in the drafting of the Annual Accounts are the following ones:

4.1. Intangible Fixed Assets

The intangible fixed assets are comprised of Goodwill.

At the closing of the financial period, goodwill has been measured and no impairment has been identified, as it has been estimated that the recoverable value is higher than the accounting value. The Goodwill is amortised at 10 per cent since the entry into force of the Royal Decree 602/2016 of December 2, which determine that this intangible must be amortised in 10 years. Software is amortised in 5 years.

4.2. Tangible Fixed Assets

These have been measured at their acquisition cost, including those additional costs necessary to put the assets into operation.

Maintenance and repair costs which do not improve the use of or extend the useful life of the assets are charged to the Profit and Loss account when they occur.

It is depreciated linearly depending on the useful life of assets and their residual value, according to the normal depreciation experienced during operation, use and enjoyment, using as a reference point, the regulations contained in the Royal Decree 1777/2004 of July the 30th, in which the Regulation of Corporate Taxes was approved, without prejudice to taking into consideration the technical or commercial obsolescence which could affect it. The percentages applied are the following:

Buildings	3%
Machinery	12%
Other installations	5-12%
Furniture	10%
IT Equipment	25%
Transport elements	16%
Other intangible assets	2-18%

The Company's administrators consider that the accounting value of these assets does not exceed their recoverable value.

4.3. Real-estate Investments

The Company classifies as Real-estate Investments, those buildings which are not being used for the production process and the profits from which are obtained through revenue from leases. The recording and measurement criteria are the same as applied to intangible fixed assets. They are amortised linearly, and the percentage applied is 3 per cent.

The Company's administrators consider that the accounting value of these assets do not exceed their recoverable value.

4.4. Financial Instruments

The Company has registered in the chapter of financial instruments, those contracts that give rise to an asset in one company and, simultaneously, a financial liability or an equity instrument in another company. Therefore, this standard results from the application of the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets.
- Credits for commercial operations: customers and different debtors
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets.
- Debt securities of other companies acquired: such as obligations, bonds and promissory notes
- Equity instruments of other companies acquired: shares, shares in collective investment institutions and other equity instruments.
- Other financial assets: such as deposits in credit institutions, advances and loans to personnel, guarantees and deposits, dividends receivable and disbursements required on own equity instruments

Long and short term financial investments

Financial Assets at Amortized cost: A financial asset is included in this category, even when is admitted to trading on an organized market, if the company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give place, on specified dates, to cash flows that are solely collections of principal and interest on the outstanding principal amount. Contractual cash flows that are solely collections of principal and interest on the amount of the outstanding principal are inherent to an agreement that has the nature of an ordinary loan or common, without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate. In general, credits for commercial operations are included in this category (those financial assets that originate in the sale of goods and the provision of services for traffic operations of the company with collection deferred), and credits for non-commercial operations those financial assets that, not being instruments of equity or derivatives, do not have commercial origin and whose collections are of a determined or determinable amount, which come from loan or credit operations granted by the company). That means, within this category there would be the loans and accounts receivable, as well as those securities representing debt, with a date of fixed maturity, collections of a determined or determinable amount, that are negotiated in an active market and that the Company intends and has the capacity to keep until maturity.

- Initial valuation: Initially they are valued at their fair value, plus the transaction costs that are directly attributable to them. However, credits for commercial operations with a maturity of no more than one year and that do not have an explicit contractual interest rate, as well as credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to receive in the short term, may be valued at their nominal value when the effect of not updating the cash flows is not significant.

- Subsequent valuation: it is done at amortized cost and accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

  However, credits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

  When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the company will analyze whether it is appropriate to record a loss due to impairment of value.

- Impairment: The Company records the corresponding impairments for the difference between the amount to be recovered from accounts receivable and the book value for which they are recorded.

  At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset included in this category, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in future estimated cash flows, which may be motivated by the insolvency of the debtor.

  The loss due to impairment of the value of these financial assets is the difference between their book value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated will generate, discounted at the effective interest rate calculated at the time of initial recognition.

  Value adjustments for impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

b) Financial liabilities:

- Debts for commercial operations: suppliers and different creditors
- Other financial liabilities: debts with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.
- Debts with credit institutions

Financial liabilities, for measurement purposes, are included in one of the following categories:

Financial Liabilities at Amortized cost: All financial liabilities are classified in this category except when they must be valued at fair value with changes in the profit and loss account. In general, debits for commercial operations and debits for non-commercial operations are included in this category.

Participating loans that have the characteristics of an ordinary or common loan will also be included in this category without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate.

- Initial valuation: Initially they are valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by the transaction costs that are directly attributable to it. However, debits for commercial transactions maturing in no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, can be valued at their nominal value, when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method. However, debits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount.

4.5. Transactions in Foreign Currency

Accounts mentioned in foreign currency are measured at the exchange rate in effect at the time of the transaction. Positive or negative differences occurring at the time of payment or collection as a consequence of monetary fluctuations are carried over to the Profit and Loss Account. At the end of the period, both positive and negative differences that did not occur are carried over to the Profit and Loss Account.

4.6. Profit Tax

The Company pays tax under the Tax Consolidation System, according to what is set out in Chapter 7 of Royal Legislative Decree 27/2014 of November the 27th the Corporate Tax Law. Holiday Club Canarias Investment is the parent Company, which presents the correspondent settlement.

Following the Accrual Principle, profit tax has been charged as an expense during the period. Current tax has been calculated per the financial results before taxes, adjusted by permanent differences and consolidation and decreased by applying deductions, as set out in the tax regulations in effect.

Income and expense have also been accrued from deferred tax by activating tax credits at different times, originated in part by a fiscally non-deductible amortisation and short-term provisions allocated in previous financial periods and which are respectively, tax deductible.

4.7. Provisions and Contingencies

Provisions are present obligations on the date of the balance sheet that have arisen as a result of past events; the amount and timing of cancellation are undetermined. Provisions are recorded at the current value of the estimated amount that the company will have to pay to settle the obligation in the future.

Contingent liabilities are potential liabilities arising because of past events, whose realization is contingent upon that happening or not, one or more future events independent of the will of the Company. Contingent liabilities, as well as the Provisions whose amount cannot be estimated reliably or it is not very likely that the Company must dispose of resources embodying profits, for their cancellation are not recognized for accounting purposes but are broken down in the Report.

4.8. Income and Expenses

Regarding the incomes from delivery of goods and services, the criteria followed to conclude that the obligations assumed by the company are met over time or at a given time.

- Common aspects.

The company recognizes incomes for the ordinary development of its activity when the transfer of control of the goods or services committed to customers occurs. At that time, the company will value the income at the amount that reflects the consideration to which it expects to be entitled in exchange for said goods or services.

- Recognition

The company recognizes the income derived from a contract when (or as) the transfer to the client of the control over the promised goods or services (that is, the obligation or obligations to be fulfilled) takes place.

The control of a good or service (an asset) refers to the ability to fully decide on the use of that asset and obtain substantially all of its remaining benefits. The control includes the ability to prevent other entities from deciding on the use of the asset and obtaining its benefits.

For each obligation to be fulfilled (delivery of goods or provision of services) that is identified, the company determines at the beginning of the contract whether the commitment assumed will be fulfilled over time or at a certain moment.

The income derived from the commitments (in general, the provision of services or the sale of goods) that are fulfilled over time are recognized based on the degree of progress or progress towards the complete fulfillment of the contractual obligations, provided that the company has reliable information to measure the degree of progress.

The company reviews and, if necessary, modifies the estimates of income to be recognized, as it complies with the commitment assumed. The need for such reviews does not necessarily indicate that the outcome or result of the operation cannot be reliably estimated.

When, at a certain date, the company is not able to reasonably measure the degree of compliance with the obligation (for example, in the early stages of a contract), although it expects to recover the costs incurred to satisfy said commitment, only revenue is recognized and the corresponding consideration in an amount equivalent to the costs incurred up to that date.

In case of contractual obligations that are fulfilled at a certain time, the income derived from their execution is recognized on that date. Until this circumstance occurs, the costs incurred in the production or manufacturing of the product (goods or services) are recorded as inventories.

When there are doubts regarding the collection of the credit right previously recognized as income from sales or provision of services, the impairment loss will be recorded as an expense for the correction of the value due to impairment and not as less income.

- Assessment

Ordinary incomes from the sale of goods and the provision of services is valued at the monetary amount or, as the case may be, at the fair value of the consideration, received or expected to be received, derived from it, which, except evidence to the contrary, it is the agreed price for the assets to be transferred to the client, deducting: the amount of any discount, reduction in price or other similar items that the company may grant, as well as the interest included in the nominal value of the loans. However, interests included in commercial credits with a maturity of no more than one year that do not have a contractual interest rate may be included, when the effect of not updating the cash flows is not significant.

The taxes levied on the operations of delivery of goods and provision of services that the company must pass on to third parties, such as value added tax and special taxes, as well as the amounts received on behalf of third parties, are not part of the income.

In the income from medical-surgical assistance services, the General Indirect Canary Tax is not passed on as it is an activity exempt from this tax.

In purchases and services, the taxes levied on the operation are included, including the General Indirect Canary Tax, as it does not have the deductible condition.

The company considers in the valuation of income the best estimate of the variable consideration if it is highly probable that there will not be a significant reversal of the amount of recognized income when the uncertainty associated with said consideration is subsequently resolved.

4.9. Personnel Expenses

Personnel expenses are recognised based on their accrual, considering that bonus payments are accrued on a yearly basis. There are no commitments for pensions nor retirement bonuses in the Company.

4.10. Grants, Donations and Legacies

The operating grants are attributed to the financial period for the granted amount.

4.11. Criteria used in transactions between related parties

Transactions between related parties are accounted for, in general, by their reasonable value.

5. INTANGIBLE FIXED ASSETS

5.1. As indicated in Note 1.4, during the 2011 financial period the Company acquired the goodwill corresponding to the business of administration and maintenance for the amount of 1,700,000 Euros. Transactions occurred during the financial periods 2022-23 and 2023-24 are the following:

				Euros
	As At March 31, 2022	Acquisitions	Disposals	As At March 31, 2023
Goodwill	1,700,000	–	–	1,700,000
Accumulated amortization	(1,020,000)	(170,000)	–	(1,190,000)
Net Totals	680,000			510,000

				Euros
Gross cost	As At March 31, 2023	Acquisitions	Disposals	As At March 31, 2024
Goodwill	**1,700,000**	**–**	**–**	**1,700,000**
Computer software	**–**	**9,050**	**–**	**9,050**
Sums	**1,700,000**	**9,050**	**–**	**1,709,050**
Accumulated amortization				
Goodwill	(1,190,000)	(170,000)	–	(1,360,000)
Computer software	–	(453)	–	(453)
Sums	**(1,190,000)**	**(170,453)**	**–**	**(1,360,453)**
Net Totals	**510,000**			**348,597**

5.2. There is no evidence of impairment through March 31, 2024 on any of the elements in the Intangible Fixed Assets.

6. TANGIBLE FIXED ASSETS

6.1. The transactions occurring during the 2022/23 and 2023/24 periods were the following:

				Euros
	As At March 31, 2022	Acquisitions	Disposals	As At March 31, 2023
Gross Costs.				
Buildings	3,303,119	–	–	3,303,119
Machinery	121,435	–	–	121,435
Other facilities	247,750	–	–	247,750
Furniture	395,925	–	–	395,925
IT Equipment	53,839	1,999	–	55,838
Transportation elements	50,393	–	–	50,393
Other tangible fixed assets	403,000	10,057	–	413,057
Advances and fixed assets in progress	–	3,842	–	3,842
Totals	4,575,462	15,898	–	4,591,359

				Euros
	As At March 31, 2022	Acquisitions	Disposals	As At March 31, 2023
Accumulated amortization				
Buildings	552,734	67,259	–	619,993
Machinery	74,087	12,173	–	86,260
Other installations	149,058	28,550	–	177,607
Furniture	141,535	37,625	–	179,160
IT Equipment	29,065	6,731	–	35,796
Transportation elements	47,712	2,681	–	50,393
Other tangible fixed assets	395,306	2,821	–	398,127
Totals	1,389,496	157,840	–	1,547,335
Net Totals	3,185,967			3,044,025

				Euros
	As At March 31, 2023	Acquisitions	Disposals	As At March 31, 2024
Gross Costs				
Buildings	**3,303,119**	**–**	**–**	**3,303,119**
Machinery	**121,435**	**2,637**	**–**	**124,072**
Other facilities	**247,750**	**–**	**–**	**247,750**
Furniture	**395,925**	**–**	**–**	**395,925**
IT Equipment	**55,838**	**1,791**	**–**	**57,628**
Transportation elements	**50,393**	**–**	**–**	**50,393**
Other tangible fixed assets	**413,057**	**5,407**	**–**	**418,464**
Advances and fixed assets in progress	**3,842**	**–**	**(3,842)**	**–**
Totals	**4,591,359**	**9,835**	**(3,842)**	**4,597,352**
Accumulated amortization				
Buildings	**619,993**	**67,259**	**–**	**687,252**
Machinery	**86,260**	**11,249**	**–**	**97,509**
Other installations	**177,607**	**26,137**	**–**	**203,744**
Furniture	**179,160**	**36,563**	**–**	**215,723**
IT Equipment	**35,796**	**6,894**	**–**	**42,691**
Transportation elements	**50,393**	**–**	**–**	**50,393**
Other tangible fixed assets	**398,127**	**3,835**	**–**	**401,963**
Totals	**1,547,335**	**151,938**	**–**	**1,699,274**
Net Totals	**3,044,025**			**2,898,079**

6.2. The buildings heading corresponds to property for which the value of the plots and buildings come to 1,061,167 euros and 2,241,952 euros, respectively.

6.3. There are fully depreciated elements in use on March 31, 2024 for the amount of 619,353 Euros. (469,983 Euros on March 31st, 2023).

6.4. There are no signs of impairment through March 31, 2024 for the elements in the Tangible Fixed Assets.

6.5. There are tangible assets hnked to tax incentives. (See Note 11.7)

6.7. The fixed assets are covered against risk of fire, theft, etc., by means of several insurance policies with the corresponding premiums paid up to date.

7. REAL-ESTATE INVESTMENTS

7.1. The transactions occurring during the 2022-23 and 2023-24 periods were the following:

Euros

	As At March 31, 2022	Acquisitions	Disposals	As At March 31, 2023
Buildings	935,518	–	–	935,518
Accumulated amortisation	(169,785)	(17,381)	–	(187,165)
Net Totals	765,733			748,352

Euros

	As At March 31, 2023	**Acquisitions**	**Disposals**	**As At March 31, 2024**
Buildings	**935,518**	**–**	**–**	**935,518**
Accumulated amortisation	**(187,165)**	**(17,381)**	**–**	**(204,546)**
Net Totals	**748,352**			**730,972**

7.2. The heading for Plots and Buildings correspond to property in which the value of the plot and the buildings come to 356,161 Euros and 579,357 Euros, respectvely.

7.3. The Company's Real-estate investments for rental have generated revenue of 79,346 Euros and 79,437 Euros during the financial periods 2023-24 and 2022-23 respectively and correspond to three restaurants, a pool bar, a hairdressers' salon and a diving centre.

7.4. The main expenditures for these properties correspond to allocation for amortisation.

7.5. There are no signs of impairment through March 31, 2024 for the elements in the Real-estate investments.

7.6. The Real-estate investments are covered against risk of fire, theft, etc., by means of several insurance policies with the corresponding premiums paid up to date.

8. FINANCIAL ASSETS

Information related to the Balance Sheet

8.1 Categories of financial assets (except for investments in the equity of Group, Multigroup and associated companies):

The breakdown of financial assets (except for investments in the equity of Group, jointly controlled group and associated companies) by categories is as follows:

Euros

	Equity Instruments		**Debt Securities**		**Credits / Derivatives / Others**	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Long-term Financial Assets						
Financial assets at amortized cost	**–**	–	**136,300**	136,300	**–**	–
Totals	**–**	–	**136,300**	136,300	**–**	–
Short- term Financial Assets						
Financial assets at amortized cost	**–**	–	**–**	–	**10,906,215**	14,005,156
Liquid assets	**–**	–	**–**	–	**1,014,074**	1,081,815
Totals	**–**	–	**–**	–	**11,920,289**	15,086,971

8.2. Classification by Maturity:

The ratings depending on the maturity of the different financial assets are as follows:

Euros

Financial Assets	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**Next**	**Total l/t**
Investments in Group and Associated Companies	**9,122,482**	–	–	–	–	–	–
Loans to companies	9,122,482	–	–	–	–	–	–
Short-term financial investments	**1,729**	–	–	–	–	**136,300**	**136,300**
Debt securities	–	–	–	–	–	136,300	136,300
Other financial assets	1,729	–	–	–	–	–	–
Commercial Debts and other Receivables	**1,782,004**	–	–	–	–	–	–
Trade receivable	1,768,040	–	–	–	–	–	–
Clients' Impairment	(10,489)	–	–	–	–	–	–
Trade receivable from group and associated	15,066	–	–	–	–	–	–
Sundry Receivables	7,855	–	–	–	–	–	–
Personnel	1,532	–	–	–	–	–	–
Cash and other Liquid Assets	**1,014,074**	–	–	–	–	–	–
Liquid Assets	1,014,074	–	–	–	–	–	–
Totals	**11,920,289**	**–**	**–**	**–**	**–**	**136,300**	**136,300**

8.3. Corrections due to Impairment caused by Credit Risk

Transactions in the corrective accounts representative of impairment losses due to credit risk to customers are as follows.

	Euros
	Amount
Balance 31.03.23	–
Impairment provision (note 13)	10,489
Balance 31.03.24 (note 8.2)	**10,489**

Information relating to the Profit & Loss Account

8.4 Financial Income

Under the heading Financial Income from Marketable Securities and Other Financial Instruments in the Profit and Loss Account, the amounts of 18,411 Euros and 24,062 Euros for the financial periods 2023/24 and 2022/23 respectively, correspond mainly to the accrual of bank account interest, term deposits and interest on commercial clients.

Other Information

8.5. Reasonable Value

The book value of the financial assets is an acceptable approximation to the reasonable value.

Equity Instruments not being traded on an active market according to what is provided for in the 9th Rule of Recognition and Measurement of the Spanish New General Accounting Plan are valued at their cost.

8.6. Information Regarding the Nature and Level of Risk from Financial Assets:

Due to its normal activity, the Company is exposed to different financial risks, essentially, credit risk, liquidity risk and market risk, the latter referring to the rate of exchange, of interest rates and other price risks.

Credit Risks:

This basically refers to sales on credit to clients and debtors. To prevent possible effects, credit to clients and debtors are granted based on a preliminary solvency study and strict follow-up of credits and receivables. The client base is quite diversified.

Liquidity Risk:

The Company tries to keep an adequate liquidity ratio at all times to be able to honour its commitments, ensuring that current assets not including inventories, shall reasonably cover the current payables.

Market Rate Risk:

Due to the Company's activity and scope, it is subject to exchange rate risks of the sales made in foreign currency, depending on the volatility of the exchange rates.

Interest rate risks are minimum because the Company grants loans at a fixed interest rate.

9. FINANCIAL LIABILITIES

Information related to the Balance Sheet

9.1 Categories of Financial Liabilities:

The breakdown of the financial liabilities by categories is as follows:

						Euros
	Debits with Credit Institutions		**Bonds & Other Market Securities**		**Derivatives / Others**	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Long-term financial Liabilities						
Financial liabilities at amortized cost	**392,153**	148,943	**–**	–	**3,240**	2,140
Totals	**392,153**	148,943	**–**	–	**3,240**	2,140
Short-term Financial Liabilities						
Financial liabilities at amortized cost	**219,681**	294,763	**–**	–	**2,574,229**	6,465,781
Totals	**219,681**	294,763	**–**	–	**2,574,229**	6,465,781

9.2. Classification by Maturity:

Classification according to the maturity of the different financial liabilities is as follows:

							Euros
Financial Liabilities	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/19**	**Next**	**Total l/t**
Debts	**219,682**	118,252	101,819	107,081	65,002	3,240	395,393
Debts with Credit Institutions	**219,681**	118,252	101,819	107,081	65,002	–	392,153
Other financial liabilities.	**1**	–	–	–	–	3,240	3,240
Debts with Group and Associated Companies	**2,224,427**	–	–	–	–	–	–
Trade Creditors and other accounts payable.	**349,801**	–	–	–	–	–	–
Suppliers	**348,886**	–	–	–	–	–	–
Staff (salaries pending payment).	**915**	–	–	–	–	–	–
Totals	**2,793,910**	**118,252**	**101,819**	**107,081**	**65,002**	**3,240**	**395,393**

Information related to the Profit & Loss Account

9.3. Financial Expenses

The heading of debts to third parties is mainly the interest accrued with credit institutions, the amounts of which come to 15,211 Euros and 9,398 Euros for the financial periods 2023/24 and 2022/23, respectively. There is also a payable interest that amounts 3,720 Euros that corresponds to a credit received from a group company and cancelled in the same period (See Note 17.3)

Other Information

9.4. Reasonable Value

The book value of the financial liabilities is an acceptable approximation to the reasonable value.

9.5. Information on the Nature and Level of Risk from Financial Liabilities

Due to its regular activity, the Company is exposed to diverse financial risks, basically credit risks, liquidity risks and market risks, the latter of which refers to exchange rate risks, interest rate risks and other price risks.

9.6. Other Information about Financial Instruments

a) Debts with credit institutions show the following breakdown:

	Euros 2023/24	2022/23
Personal secured loans	**611.834**	274,552
ICO loans (note 9.6.b))	**–**	169,155
Totals	**611,834**	443,706

b) The average interest rate of non-commercial debts it's around 2,5 per cent per annum.

9.7 Accrual adjustments

In January, every year, the company issues the maintenance fees invoices for every week. At the end of the financial period there are, In the heading of accrual adjustments, the proportional part of the not accrued months on March 31st 2024 for the amount of 4,466,105 Euros. It was 4,470,191 Euros on March 31st 2023.

10. SHAREHOLDERS´ EQUITY

10.1 The share capital, for an amount of 3,100 Euros, comprises 31 shares of 100 Euros face value each.

10.2 The Canary Islands Investments Reserve Fund for the amount of 1,638,036 Euros, is subject to the availability limitations established in the tax regulations (See Note 11.7).

10.3 The corporation Holiday Club Canarias Investment, S.L.U., owns 100 per cent of the share capital of the Company.

10.4 The breakdown of the heading "other reserves" from the Balance Sheet, is as follows:

	Euros 2023/24	2022/23
Voluntary Reserves	**5,265,909**	4,732,547
Canary Islands Investment Reserves	**1,638,036**	1,638,036
Goodwill Reserves	**517,151**	517,151
Totals	**7,421,097**	6,887,734

11. TAX POSITION

Profit Tax

11.1 Tax Consolidation Regime

The Company is taxed in the consolidated tax system in accordance with Chapter VI, title VII of the 27/2017 law, of 27th November of the profit tax, which approved the revised text from the Law of Corporate Tax. The Tax Group comprises the following corporations:

Parent: Holiday Club Canarias Investment, SL.U.
Subsidiaries: HOLIDAY CLUB CANARIAS SALES & MARKETING, S.L.U, HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, S.L.U. and HOLIDAY CLUB CANARIAS VACATION CLUB S.L.U.

11.2 Individual Tax Base

The reconciliation of the net amounts of income and expenditures for the financial period against the tax base of Corporate Tax, is the following:

Particulars	**Profit & Loss Account**	**Euros Income & expenditure directly attributable to Equity**
Balance of income and expenditure for the financial year	**574,931**	**–**
Tax over benefits	**199,460**	**–**
Profit Tax	**244,059**	**–**
Current Tax	**(44,598)**	**–**
Deferred Tax		
Donations	**7,787**	**–**
Goodwill Deduction	**85,000**	**–**
Temporary Differences		
70% Limit Amortization	**(7,210)**	**–**
Provisions (Art. 14 LIS)	**187,046**	**–**
Tax Base (Tax Profit & Loss)	**1,047,014**	

11.3 Corporate Tax Settlement.

By applying the tax rate on the tax base, the total tax liability is obtained, which is reduced by the following concepts and amounts:

	Euros
Full fee (25% of taxable income)	**261,753**
DAFN 19/20	(16,613)
Amortization limit reversal deduction	(1,081)
Liquid fee	**244,059**

Under the rules applicable to the Tax Consolidation Regime, the taxable income of the tax group is determined by adding individual taxable bases corresponding to the companies comprising the Fiscal group, deletions; additions of deletions carried out in previous years and, in the event that the above sum proves to be positive, compensating the carry-forwards of the Fiscal group, as well as the outstanding tax bases to be applied by the companies taxable at the time of joining the Tax Group.

In consequence, the Individual Tax Base of HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, S.L.U. for 244,059 Euros, is subject to addition together with the rest of the tax bases of the remaining companies comprising the Tax Group.

The tax base of the group, before the compensation of the negative tax bases (BINs) amounts 1,684,558 Euros. This base is increased by the application of the 50% of the individual negative BINs generated in the previous year 2023 by the mother company for the amount of 1,873 Euros, therefore the final tax base of the group amounts 1,686,432 Euros on 31st March, 2024.

11.4 Breakdown of expenditure on Income Tax

The expenditure on Income Tax accrued in the financial periods is broken down as follows:

	Euros	
Particulars	**2023/24**	2022/23
1. Current Tax	**244,059**	115,830
2. Deferred Tax	**(44,598)**	1,064
- deductible temporary differences that are activated in the period	**(118,812)**	(72,050)
- deductible temporary differences that are deducted in the period	**74,213**	73,114
3. Total expenditure on Income Tax	**199,460**	116,894

11.5 Deductions for Investments in Canaries

At the end of the financial period, the outstanding deductions are as follows:

Exercise	Initial outstanding amount	Acquisitions	Applications	Balance March 31, 2023	Limit	Time limit
2019-2020	47,615	(31,002)	(16,613)	–	50%	2034/35
Totals	47,615	(31,002)	(16,613)	–		

Euros

11.6 Deferred Tax Assets.

Transactions during the financial periods 2022/23 and 2023/24 found in this heading have been the following:

Euros

Particulars	As At March 31, 2022	Acquisitions	Applications	As At March 31, 2023
- Temporary differences for non-deductible provisions	70,951	72,050	(70,951)	72,050
- Temporary differences, 70% limit fiscal amortisation	7,570	–	(2,163)	5,407
Totals	78,522	87,019	(88,083)	77,458

Particulars	As At March 31, 2023	Acquisitions	Applications	As At March 31, 2024
- Temporary differences for non-deductible provisions	72,050	118,812	(72,050)	118,812
- Temporary differences, 70% limit fiscal amortisation	5,407	–	(2,163)	3,244
Totals	**77,458**	**118,812**	**(74,213)**	**122,056**

11.7 The Canary Islands Investment Reserve

The Canary Islands Investment Reserve was provided for from January 1, 2007 and what has been set out in Royal Decree Act 12/2016 of December 29, in which Law 19/1994 of July 6, Modification of the Canary Islands Financial and Tax Regime (REF) was modified, is applicable.

At the end of the financial period 2023-24, the situation of the Canary Islands Investment Reserve is as follows:

Euros

Item	2012/13	2013/14	2017/18	2018/19	2019/20	2020/21
Provisions.	245,000	425,000	190,000	128,036	290,000	360,000
Investments made						
Financial Period 2013/14	(17,221)	–	–	–	–	–
Financial Period 2014/15	(191,443)	–	–	–	–	–
Financial Period 2015/16	(36,336)	(42,173)	–	–	–	–
Financial Period 2016/17	–	(117,833)	–	–	–	–
Financial Period 2017/18	–	(264,993)	(190,000)	–	–	–
Financial Period 2018/19	–	–	–	(69,409)	–	–
Financial Period 2019/20	–	–	–	(58,626)	(290,000)	–
Financial Period 2021/22	–	–	–	–	–	(109,397)
Financial Period 2023/24	–	–	–	–	–	(9,835)
Unrealized amount	**–**	**–**	**–**	**–**	**–**	**(119.231)**

Specifically, investments made in the financial period 2013-2014 for which the Canary Island Investment Reserve was materialised, were the following:

Euros

Account	Item	Acquisition Date	Amount Materialised	Provision 2012/2013
21301001	Machinery	01.03.2014	1,103	1,103
21301001	Machinery	13.03.2014	690	690
21301001	Machinery	13.08.2014	1,152	1,152
21301001	Machinery	15.09.2014	12,015	12,015
	TOTAL MACHINERY		**14,961**	**14,961**
201608002	Furniture	29.11.2013	2,097	2,097
201608002	Furniture	22.11.2013	163	163
	TOTAL FURNITURE		**2,260**	**2,260**

Throughout the financial period 2014-2015 the Company has carried out the following investments, materialising the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialised by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2012/2013
21108022	Construction / Buildings	10.02.2015	4,020	4,020
21108022	Construction / Buildings	28.02.2015	6,759	6,759
21108022	Construction / Buildings	28.02.2015	392	392
21108022	Construction / Buildings	28.02.2015	329	329
21108022	Construction / Buildings	28.02.2015	15,212	15,212
21108022	Construction / Buildings	31.03.2015	2,183	2,183
21108022	Construction / Buildings	30.09.2015	76,825	76,825
	TOTAL CONSTRUCTION		**105,720**	**105,720**
21301001	Machinery	28.02.2015	1,103	1,103
21301001	Machinery	28.02.2015	1,103	1,103
21301001	Machinery	28.02.2015	1,103	1,103
21301001	Machinery	31.05.2015	562	562
21301001	Machinery	30.06.2015	601	601
21301001	Machinery	30.07.2015	601	601
	TOTAL MACHINERY		**5,074**	**5,074**
21508001	Other Facilities	31.05.2015	5,646	5,646
21508001	Other Facilities	17.06.2015	1,096	1,096
21508001	Other Facilities	17.06.2015	586	586
21508001	Other Facilities	29.09.2015	4,056	4,056
21508001	Other Facilities	30.09.2015	68,175	68,175
	TOTAL OTHER FACILITIES		**79,558**	**79,558**
201608001	Furniture	28.10.2014	437	437
201608001	Furniture	01.12.2014	654	654
	TOTAL FURNITURE		**1,091**	**1,091**

Throughout the financial period 2015-2016 the Company has carried out the following investments, materialising the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialised by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2012-2013	Provision 2013/2014
21108005	Constructions	20.11.2015	8,027	8,027	–
21108005	Constructions	20.11.2015	1,950	1,950	–
21108005	Constructions	24.12.2015	1,565	1,565	–
21108005	Constructions	24.12.2015	1,450	1,450	–
21108005	Constructions	24.12.2015	1,499	1,499	–
21108005	Constructions	24.12.2015	8,027	8,027	–
21108005	Constructions	31.01.2016	1,950	1,950	–
21108008	Constructions	31.01.2016	2,370	2,370	–
	TOTAL CONSTRUCTIONS		**26,837**	**26,837**	**–**
21301001	Machinery	31.01.2016	1,036	–	1,036
21301001	Machinery	31.01.2016	4,514	–	4,514
	TOTAL MACHINERY		**5,550**	**–**	**5,550**
21508001	Other facilities	30.11.2015	5,271	5,271	–
21508001	Other facilities	01.12.2015	30,707	320	30,387
21508001	Other facilities	31.12.2015	2,409	2,409	–
21508001	Other facilities	31.01.2016	1,499	1,499	–
	TOTAL OTHER FACILITIES		**39,886**	**9,499**	**30,387**
21608001	Furniture	02.01.2016	1,036	–	1,036
	TOTAL FURNITURE		**1,036**	**–**	**1,036**
21708001	IT equipment	18.12.2015	5,024	–	5,024
21708001	IT equipment	18.12.2015	176	–	176
	TOTAL IT EQUIPMENT		**5,200**	**–**	**5,200**

Throughout the financial period 2016-2017 the Company has carried out the following investments, materialising the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialised by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2013/2014
21901009	Other Tangible Fixed Assets	01.09.2016	11,606	11,606
21908009	Other Tangible Fixed Assets	13.04.2016	201	201
21908009	Other Tangible Fixed Assets	13.04.2016	140	140
	TOTAL OTHER TANGIBLE FIXED ASSETS		**11,947**	**11,947**
21301001	Machinery	10.10.2016	3,300	3,300
21301001	Machinery	31.10.2016	1,654	1,654
21301001	Machinery	31.10.2016	293	293
21301001	Machinery	31.12.2016	875	875
21301001	Machinery	01.01.2017	(1,036)	(1,036)
21301001	Machinery	07.02.2017	800	800
21301001	Machinery	07.02.2017	155	155
		TOTAL MACHINERY	**6,043**	**6,043**

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2013/2014
21408001	Other facilities	28.02.2017	7,975	7,975
		TOTAL OTHER FACILITIES	**7,975**	**7,975**
21608001	Furniture	30.06.2016	22,155	22,155
21608001	Furniture	05.10.2016	18,080	18,080
21608001	Furniture	01.03.2017	1,241	1,241
		TOTAL FURNITURE	**41,476**	**41,476**
21801001	Vehicles	24.05.2016	50,393	50,393
		TOTAL VEHICLE	**50,393**	**50,393**

Throughout the financial period 2017-2018 the Company has carried out the following investments, materialising the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialised by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2013-2014	Provision 2017/2018
21108026	Construction/ Buildings	31.03.2018	124,597	124,597	–
21108028	Construction/ Buildings	31.03.2018	140,397	140,397	–
	TOTAL CONSTRUCTION / BUILDING		**264,993**	**264,993**	**–**
21301001	Machinery	01.07.2017	6,745	–	6,745
21301001	Machinery	01.07.2017	5,416	–	5,416
21301001	Machinery	10.08.2017	1,845	–	1,845
21301001	Machinery	30.09.2017	2,500	–	2,500
21301001	Machinery	30.09.2017	4,866	–	4,866
21301001	Machinery	30.09.2017	9,200	–	9,200
21301001	Machinery	31.03.2018	294	–	294
	TOTAL MACHINERY		**30,865**	**–**	**30,865**
21508001	Other Facilities	30.04.2017	109	–	109
21508001	Other Facilities	30.04.2017	225	–	225
21508001	Other Facilities	30.04.2017	466	–	466
21508001	Other Facilities	30.04.2017	1,209	–	1,209
21508001	Other Facilities	01.07.2017	3,560	–	3,560
21508001	Other Facilities	01.07.2017	1,500	–	1,500
21508001	Other Facilities	01.07.2017	1,183	–	1,183
21508001	Other Facilities	12.09.2017	1,627	–	1,627
21508001	Other Facilities	30.09.2017	13,434	–	13,434
21508001	Other Facilities	22.11.2017	3,863	–	3,863
	TOTAL OTHER FACILITIES		**27,176**	**–**	**27,176**
21601002	Furniture	01.09.2017	230	–	230
21601002	Furniture	11.09.2017	1,960	–	1,960
21608001	Furniture	01.08.2017	513	–	513
21608001	Furniture	10.08.2017	2,864	–	2,864
21608001	Furniture	28.08.2017	505	–	505
21608003	Furniture	31.03.2018	25,238	–	25,238

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2013-2014	Provision 2017/2018
21608004	Furniture	31.03.2018	38,551	–	38,551
21608005	Furniture	31.03.2018	51,024	–	51,024
	TOTAL FURNITURE		**120,885**	**–**	**120,885**
21708001	IT equipment	28.01.2018	2,741	–	2,741
21708001	IT equipment	28.01.2018	2,741	–	2,741
21708001	IT equipment	28.01.2018	2,741	–	2,741
21708001	IT equipment	28.01.2018	1,371	–	1,371
21708001	IT equipment	28.01.2018	1,371	–	1,371
	TOTAL IT EQUIPMENT		**10,966**	**–**	**10,966**
21908001	Other tangible fixed assets	20.07.2017	108	–	108
TOTAL OTHER TANGIBLE FIXED ASSETS			**108**	**–**	**108**

Throughout the financial period 2018-2019 the Company has carried out the following investments, materialising the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialised by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2018/2019
21108026	Construction/Buildings	03.05.2018	2,550	2,550
21108026	Construction/Buildings	01.06.2018	5,120	5,120
21108028	Construction/Buildings	15.05.2018	2,600	2,600
21108028	Construction/Buildings	01.06.2018	5,910	5,910
	TOTAL CONSTRUCTION / BUILDING		**16,180**	**16,180**

Euros

Account	Item	Acquisition Date	Amount materialised	Provision 2018/2019
21301001	Machinery	20.05.2018	15,500	15,500
21301001	Machinery	20.06.2018	2,500	2,500
21301001	Machinery	13.09.2018	182	182
21301001	Machinery	13.09.2018	2,409	2,409
21301001	Machinery	28.09.2018	1,700	1,700
	TOTAL MACHINERY		**22,292**	**22,292**
21508001	Other Facilities	10.05.2018	2,300	2,300
21508001	Other Facilities	10.05.2018	1,700	1,700
	TOTAL OTHER FACILITIES		**4,000**	**4,000**
21608001	Furniture	20.05.2018	2,500	2,500
21608001	Furniture	31.01.2019	1,712	1,712
21608002	Furniture	28.03.2019	302	302
21608002	Furniture	28.03.2019	3,346	3,346
21608005	Furniture	30.04.2018	11,195	11,195
	TOTAL FURNITURE		**19,056**	**19,056**
21708001	IT equipment	20.06.2018	353	353
	TOTAL IT EQUIPMENT		**353**	**353**
21908001	Other tangible fixed assets	01.04.2018	565	565
21908001	Other tangible fixed assets	09.04.2018	3,510	3,510
21908001	Other tangible fixed assets	12.10.2018	57	57
21908001	Other tangible fixed assets	12.10.2018	57	57
21908001	Other tangible fixed assets	12.10.2018	1,134	1,134
21908001	Other tangible fixed assets	12.10.2018	1,134	1,134
21908001	Other tangible fixed assets	06.03.2019	1,073	1,073
	TOTAL OTHER TANGIBLE FIXED ASSETS		**7,529**	**7,529**

During the period 2018/19 the Company has carried out investments prior to the provision of the same period for the amount of 69,409 Euros (6,263,156 Rupees) all of them detailed and it has not been benefited from grants or any other tax benefit accrued at the time of the investment made as a result of the realization of the RIC.

Throughout the financial period 2019/2020 the Company has carried out the following investments, materializing the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialized by type of asset is indicated:

Euros

Account	Item	Acquisition Date	Acquisitions	Amount materialised	Provision 2018/2019	Provision 2019/20
21108004	Construction / Buildings	31.05.2019	57,886	57,886	57,886	–
21108004	Construction / Buildings	31.05.2019	29,628	29,628	740	28,888
21108026	Construction / Buildings	06.05.2019	800	800	–	800
21108029	Construction / Buildings	01.09.2019	211,087	148,587	–	148,587
21108029	Construction / Buildings	01.10.2019	10,000	10,000	–	10,000
TOTAL CONSTRUCTION / BUILDING			**309,401**	**246,902**	**58,626**	**188,275**
21301001	Machinery	31.05.2019	36,612	36,612	–	36,612
TOTAL MACHINERY			**36,612**	**36,612**	**–**	**36,612**
21508001	Other Facilities	31.05.2019	24,792	24,792	–	24,792
TOTAL OTHER FACILITIES			**24,792**	**24,792**	**–**	**24,792**
21608001	Furniture	31.05.2019	40,321	40,321	–	40,321
TOTAL FURNITURE			**40,321**	**40,321**	**–**	**40,321**

During the period 2019/20 the Company has carried out investments prior to the provision of the same period for the amount of 290,000 Euros all of them detailed and it has not been benefited from grants or any other tax benefit accrued at the time of the investment made as a result of the realization of the RIC.

During the period 2021/2022 the Company has carried out the following investments, materializing the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialized by type of asset is indicated:

Account	Item	Acquisition Date	Acquisitions	Amount materialised	Provision 2020/21
					Euros
21608001	Furniture	01.05.2021	50,573	50,573	50,573
21608001	Furniture	31.05.2021	32,949	32,949	32,949
21608001	Furniture	30.06.2021	1,872	1,872	1,872
TOTAL FURNITURE			**85,393**	**85,393**	**85,393**
21701001	IT equipment	18.02.2022	295	295	295
21701001	IT equipment	18.02.2022	249	249	249
21701001	IT equipment	30.03.2022	23,459	23,459	23,459
TOTAL IT equipment			**24,003**	**24,003**	**24,003**

During the period 2023/2024 the Company has canied out the following investments, materializing the Reserve in the following assets and on the dates indicated in the table below. This table shows, the Financial Period, for which the provision was materialized by type of asset is indicated:

Account	Item	Acquisition Date	Acquisitions	Amount materialised	Provision 2020/21
					Euros
21300023	Machinery	31.10.2023	2,637	2,637	2,637
TOTAL Machinery			**2,637**	**2,637**	**2,637**
21701001	IT equipment	27.11.2023	1,791	1,791	1,791
TOTAL IT equipment			**1,791**	**1,791**	**1,791**
21908001	Other tangible fixed assets	03.05.2023	990	990	990
21908001	Other tangible fixed assets	03.05.2023	1,718	1,718	1,718
21908001	Other tangible fixed assets	18.05.2023	764	764	764
21908001	Other tangible fixed assets	09.11.2023	550	550	550
21908001	Other tangible fixed assets	07.12.2023	1,385	1,385	1,385
TOTAL OTHER TANGIBLE FIXED ASSETS			**5,407**	**5,407**	**5,407**

11.8 Financial periods open to the possibility of a tax inspection:

As set forth in current legislation, taxes cannot be considered definitively settled until the tax returns presented have been inspected by the tax authorities or the four-year statute of limitations has run out.

At the closing date, the company is also open to inspection of all the taxes that are applicable to it, corresponding to the last four years.

The Board of Directors of the Company considered that liquidations of the mentioned taxes has been properly settled, so, even though discrepancies could arise in the interpretation or the existing tax regulations by the handling of tax granted to the operations, the eventual resulting liabilities in case of materialisation would not significantly affect the annual accounts.

12. FOREIGN CURRENCY

The Exchange differences recognised for the financial periods 2023/24 and 2022/23 in the Profit and Loss Account, for creditor and debtor's amounts of 63 Euros (5,685 Rupees) and 69 Euros (6,226 Rupees) respectively. All the transactions have been made in Spanish territory.

13. INCOME AND EXPENSES

Breakdown of the following items in the Profit and Loss Account:

4.a) Consumption of goods: corresponding entirely to the purchases of merchandise for the amounts of 39,885 Euros and 32,714 Euros during the financial periods 2023-24 and 2022-23, respectively. All purchases have been made in Spanish territory.

6.b) Social security: corresponds entirely to the Business contribution to Social Security for a total amount of 665,698 Euros and 608,395 Euros for the financial periods 2023/24 and 2022/23, respectively.

7.a) External Services:

	2023/24	2022/23
		Euros
Leases and royalties	**1,672**	456
Repair and Maintenance	**649,335**	633,969
Independent Professional Services	**349,241**	238,370
Transport	**47,947**	44,370
Insurance	**35,195**	27,668
Bank Services and Similar	**20,889**	19,447
Publicity, Advertising and Public Relations	**1,357**	919
Supplies	**618,802**	612,745
Other Services	**106,935**	93,379
Totals	**1,831,373**	1,671,323

7.c) Losses on impairment of and change in trade transactions:

	2023/24	2022/23
		Euros
Provisions Other Trade Transactions (Note 14).	**545,393**	332,678
Impairment Maturity (Note 8.3)	**10,489**	–
Totals	**555,883**	332,678

12. Other results: these correspond to the Profits & Losses that stem from events that are not a part of the Company's typical activities and which are not expected to occur frequently.

14. PROVISIONS AND CONTINGENCIES

Provisions

14.1 Transactions during the financial periods 2022/23 and 2023/24 found in this heading have been the following:

	As At March 31, 2022	Acquisitions	Disposals	As At March 31, 2023	Acquisitions	Disposals	As At March 31, 2024
							Euros
Sinking Fund	289,492	332,678	(328,281)	293,888	545,393	(358,348)	480,934
Collective labor agreement	5,400	–	(5,400)	–	–	–	–
	294,892	332,678	(333,681)	293,888	545,393	(358,348)	480,934

The sinking fund provision is a monthly provision to cover general expenses approved in the owners' meeting. The company uses this provision when it is necessary. The provision Collective labour agreement corresponds to the salaries increase.

Contingencies

14.2 The company provided a guarantee to a finance company for the amount of 204,450 Euros to respond to all the trials of the related company Holiday Club Canarias Sales & Marketing (See Note 17.3).

15. ENVIRONMENTAL INFORMATION

Given the activity that the Company carries out, there are no responsibilities, expenses, assets or deadlines of any environmental nature that could be of any significance with regard to equity, the financial position and its results. Therefore, no specific breakdowns are included in this report.

16. EVENTS AFTER THE CLOSING OF THE FINANCIAL YEAR

No events have occurred after closing that could be considered significant and affect the financial period's accounts.

17. TRANSACTIONS BETWEEN RELATED PARTIES

17.1. Regarding the Managing Board and Key Company Staff

Managers and the key personnel of the company with whom related-party transactions have been carried out are the following:

- Mr. calvin Stuart Lucock, Administrator and Managing Director, left the company in October 2023
- Mr. Miguel Angel Munoz Martin, Administrator and Managing Director, started in December 2023
- Mrs. Claudia Espla Marin, Finance Manage
- Mr. Roberto Picon Pampin, Operations Manager

Remuneration paid to managers and key personnel of the company, during the financial periods 2023/24, in their status as employees of the company, amounts to 214,420 Euros and 212,867 Euros in the financial period 2022/23.

17.2. Information required by Article 229 Of the Corporate Enterprises Act

According to the Article 229 of the Corporate Enterprises Act, we hereby inform that the members of the Board of Directors do not have shares or hold positions or perform functions in companies whose corporate purpose is the same, similar or complementary to the Company's.

However, the members of the Board of Directors hold various shares in companies related to the Company and hold management positions and carry out functions related to the management, which have not been subject to inclusion in this Note of the Report, as this does not pose any conflict with regard to their duties of diligence and loyalty or the existence of potential conflicts of interest in the context of Law 26/2004 of July 17, which amended Law 24/1988, of July 28, in which the Market Values and the revised text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010 of 2 July.

Also, during the Financial Period, the members of the Board of Directors have not carried out transactions outside the normal course of business beyond the ordinary traffic or in conditions other than those of the market with the company or group companies. The only transactions with administrators are those outlined in Note 17.1.

17.3. Transactions and Balances with Group companies:

Transactions between related companies during the periods 2023-24 and 2022-23 are as follows:

						Euros
	2023/24			2022/23		
Company	**Services received**	**Services rendered**	**Financial expenses**	Services received	Services rendered	Extraordinary Income
Holiday Club Canarias Sales & Marketing, SLU	**126,628**	**2,144,312**	**–**	156,927	1,899,863	–
Holiday Club Canaries Invesment, S.L.U.	**–**	**–**	**–**	–	–	–
Holiday Club Resort OY	**56,100**	**15,355**	**–**	–	653	–
Holiday Club Sweden AB	**–**	**–**	**–**	–	–	3,720
Holiday Club Canaries Vacation Club, SL	**–**	**969,694**	**–**	–	721,333	–
Totals	**182,728**	**3,129,361**	**–**	156,927	2,621,849	3,720

Balances from clients have been transferred to the related company Holiday Club Canarias Vacation Club S.L.U. to be incorporated as intangible asset related to the rights of use of the repossessed weeks. The transfer amounts for the periods 2023/24 and 2022/23 respectively are 80,000 Euros and 190,390.

All the transactions between related companies have been made under normal market conditions.

Pending amount with related companies for the financial year 2023-24 and 2022-23, both long a short term is at the end of periods, are as follows:

				Euros
	2023/24		2022/23	
Company	**Debit Balances**	**Credit Balances**	Debit Balances	Credit Balances
Holiday Club Canarias Sales & Marketing, SLU	**9,122,482**	**–**	12,548,363	–
Holiday Club Canarias Invesment, SLU	**–**	**2,224,427**	–	2,030,465
Holiday Club Resorts OY	**15,066**	**–**	1	–
Holiday Club Canarias Vacation Club, SLU	**–**	**–**	–	4,127,491
Totals	**9,137,549**	**2,224,427**	12,548,363	6,157,956

The company provided a guarantee to a Finance company to respond to all the trials of the related company Holiday Club Canarias Sales & Marketing for the amount of 204,450 Euros (See Note 14.3).

18. OTHER INFORMATION

18.1. Number of Employees

The average number of people employed by the Company during the 2023/24 and 2022/23 Financial Periods, distributed by professional categories, has been the following:

	People	
	2023-24	2022-23
Senior Managers	**2**	2
Administration and Middle Managers	**7**	7
Receptionists and Technical Staff.	**26**	22
Housekeeping and others	**56**	55
Totals	**92**	87

Distribution by gender at the end of the financial periods 2023/24 and 2022/23 is the following:

	2023/24		2022/23	
	Men	**Women**	Men	Women
Senior Managers	**2**	**1**	2	1
Administration and Middle Managers	**4**	**3**	4	4
Receptionists and Technical Staff.	**24**	**4**	19	5
Housekeeping and others	**15**	**49**	5	53
Totals	**45**	**57**	30	63

Distribution by disabled employees at the end of the financial periods 2023/24 and 2022/23 is one person for both periods in the category of housekeeping and other.

18.2 Auditor's Fees

The fees for the audit of Annual Accounts and other services for the Financial Periods 2023/24 are 11,460 Euros and 4,180 Euros respectively. The amount for the financial period 2022/23 was 11,010 Euros and 3,800 Euros respectively.

19. SEGMENT INFORMATION

The distribution of the net amount of turnover corresponding to ordinary activity, by categories, is as follows:

		Euros
	2023/24	2022/23
Maintenance Fee	**5,963,012**	5,327,177
Other incomes	**299,215**	273,459
Totals	**6,262,226**	5,600,635

20. INFORMATION ABOUT PAYMENT DEFERRALS MADE TO SUPPLIERS. THIRD ADDITIONAL PROVISION TO THE "DUTY OF INFORMATION OF LAW 15/2010 OF 5 JULY

According to the Third Additional Regulation of Law 15/2010 of 5 July, the Company informs the following information:

		Euros
	2023/24	2022/23
	Days	**Days**
Payment Ratio	48	57
Outstanding payment Ratio	46	56
Average period for payment to suppliers	48	57
	Importe	**Importe**
Total payments in the period	2,003,241	1,823,090
Total outstanding payments	348,886	305,786

Volume invoices pad in less than 60 days	1,055,378	1,823,090
Total invoice volume	2,003,241	1,823,090
% Volume invoices paid in less than 60 days	53%	100%

Number of invoices paid in less than 60 days	736	3,063
Total number of invoices	3,097	3,063
% Number of invoices paid in less than 60 days	**24%**	**100%**

In Mogán, on April 12th, 2024.

Holiday club Resorts OY
Sole Administrator represented by
Miguel Angel Munoz Martin

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS

To the Sole Shareholder of HOLIDAY CLUB CANARIAS VACATION CLUB, S.L.U.

Report on the Financial Statements

We have audited the financial statements of HOLIDAY CLUB CANARIAS VACATION CLUB, SLU, (the Company) which comprise the balance sheet as at 31 March 2024, the income statement, and the related explanatory notes thereto for the year then ended.

In our opinion, the accompanying financial statements present, in all material aspects, a true and fair view of the net equity and financial situation of the Company as at 31 March 2024 and of its results and cash flows for the year then ended, in accordance with the regulatory financial reporting framework that is applicable (identified in note 2 to the financial statements) and, in particular, with the accounting principles and criteria contained therein.

Basis for the opinion

We have carried out our audit in accordance with the prevailing standards governing the activity of auditing accounts in Spain. Our responsibilities in accordance with these standards are described later in the section of our report on "*Responsibilities of the auditor in connection with the audit of the financial statements*".

We are independent from the Company in accordance with the requirements on ethics, including those of independence, which are applicable to our audit of financial statements in Spain, as required by the regulations governing the activity of auditing accounts. In this regard, we have not provided services other than the audit of the financial statements, nor have situations or circumstances arisen that, in accordance with the aforementioned regulations, may have compromised our necessary independence.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, according to our professional judgment, have been considered to give rise to the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks have been addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon we do not express a separate opinion on said risks.

Sales

As shown in the profit and loss account, the turnover amounts to 4,434,689 euros. The totality of sales comes from the operation of five hotels owned by the related company HOLIDAY CLUB SALES & MARKETING, SLU. The clients are mainly attracted from web pages and travel agencies. For the control of the services, the Company uses the web support of the intermediaries where the date of arrival, departure, clients, apartment complex, etc. is detailed. During the year there are numerous transactions that could affect the integrity and valuation of sales and, periodically, the information is transferred to the accounting program and reviewed by different people responsible for both administration and the Marketing department. Due to the monetary relevance of this item, the high number of transactions and the different complexes operated by the Entity, the analysis of the integrity and accuracy of the turnover has considered a relevant aspect for our audit work.

Our audit work has been focused on the analysis of the tendencies, analytically, both individually and comparatively, of the sales volumes, as well as margins obtained, giving reasonableness to those anomalous or specific behaviours. In addition, tests have been carried out in detail on a sample of services provided by the Company to verify the accounting and valuation and the cut-off sales have been examined contrasting the advance payments recorded by the organization.

Right of use over weeks

The Company has registered intangible assets amounting to 2,553,751 euros, which corresponds to the right to use the weeks of the hotels owned by the related company HOLIDAY CLUB CANARIAS SALES & MARKETING, SLU. When the Group repossesses a week, the aforementioned related party resigns its right of repossession in favour of HOLIDAY CLUB CANARIAS VACATION CLUB, SL, who makes a financial compensation (see note 4.1). The valuation of each week and the aforementioned resignation, implies a related transaction that requires both fair value analysis. Due to the importance of this item in the assets of the balance sheet, as well as the complexity of the calculations and the increasing number of weeks repossessed, it has been considered a relevant aspect in our audit.

Our work has been focused on verifying the reconciliation of the auxiliary of intangible assets with the accounting, and on the analysis of the calculations made by the Company reflecting the auxiliary mentioned. The adequacy of the fair value of related-party transactions has also been analysed.

Directors' responsibilities

The Directors are responsible for the preparation of the accompanying financial statements in order to present a true and fair view of the net equity, the financial position and the results of the Company in accordance with the Financial Reporting Standards applicable in Spain, and for such internal control as they consider necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as appropriate, the issues related to going concern and using the accounting principle of going concern, except if the Directors intend to liquidate the Company or cease operations, or if there is no other realistic alternative.

Responsibilities of the auditor in connection with the audit of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free of material misstatement, due to fraud or error, and to issue an audit report that contains our opinion.

Reasonable assurance is a high degree of assurance but it does not guarantee that an audit conducted in accordance with the prevailing regulations governing the activity of auditing in Spain will always detect material misstatement when it exists. Misstatements may be due to fraud or error and are considered material if, individually or in aggregate, they can reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an audit in accordance with the regulations governing the activity of auditing accounts in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, falsification, deliberate omissions, intentionally erroneous statements, or circumvention of internal control.
- We obtain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate whether the accounting policies applied are adequate as well as the reasonableness of the accounting estimates and the corresponding information disclosed by the Directors.
- We conclude on whether the use, by the Directors, of the accounting principle of going concern is adequate and, based on the audit evidence obtained, we conclude on whether or not there is material uncertainty related to facts or conditions that could generate significant doubt as to the ability of the company to continue as a going concern. If we conclude that there is material uncertainty, in our audit report we are required to draw attention to the corresponding information disclosed in the financial statements or, if such disclosures are not adequate, we are required to express an amended opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.
- We evaluate the overall presentation, the structure and content of the financial statements, including the disclosed information, and whether the financial statements represent the underlying transactions and events in a way that expresses a true and fair view.

We communicate with the entity's Directors regarding, among other matters, the scope and timing of the planned audit and the significant findings of the audit, as well as any significant internal control deficiencies that we identified during the course of the audit.

Among the issues that have been communicated to the entity's Directors, we determine those that have been most significant to the audit of the financial statements of the current period and that are, consequently, the risks considered most significant.

We describe those issues in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter.

RSM SPAIN AUDITORES, SLP
(nº ROAC S2158)

Javier ALVAREZ CABRERA
(nº ROAC 16092)

Las Palmas de Gran Canaria, on April 18th, 2024

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Notes	(Euros) March 31, 2024	(Euros) March 31, 2023
ASSET			
NON-CURRENT ASSET			
Intangible Assets	5	**2,553,751**	2,511,168
TOTAL		**2,553,751**	2,511,168
CURRENT ASSETS			
Commercial debtors and other accounts receivables.	6	**377,306**	59,204
Trade receivables		**370,390**	37,040
Other debtors		**6,916**	22,163
Short-term investments in affiliated group and associated companies	6-12	**–**	4,127,491
Current financial investments	6	**65**	–
Prepayments for currents assets	6	**557,688**	492,921
Cash and equivalent liquid assets	6	**249,559**	517,360
TOTAL		**1,184,617**	5,196,975
TOTAL ASSET		**3,738,368**	7,708,143

Particulars	Notes	(Euros) March 31, 2024	(Euros) March 31, 2023
TOTAL EQUITY AND LIABILITIES			
EQUITY		**2,056,601**	1,633,122
Capital	8	**3,000**	3,000
Share Capital		**3,000**	3,000
Reserves		**1,630,122**	1,292,257
Result for the period (benefit)	3	**423,480**	337,865
TOTAL		**2,056,601**	1,633,122
CURRENT LIABILITIES			
Short term debts with group and associated companies	7-12	**1,226,230**	5,764,406
Trade creditors and other accounts payable	7	**455,536**	310,616
Suppliers		**6,075**	–
Sundry Creditors		**449,461**	310,616
TOTAL		**1,681,766**	6,075,021
TOTAL EQUITY AND LIABILITIES		**3,738,368**	7,708,143

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	Notes	(Euros) March 31, 2024	(Euros) March 31, 2023
Turnover		**4,434,689**	3,716,870
Other operating income		**79,863**	66,177
Personnel expenses		**(303,774)**	(313,102)
Other operating expenses	10	**(3,580,665)**	(2,922,917)
Depreciation of fixed assets	5	**(85,997)**	(72,536)
Impairment and result from fixed assets	5	**8,510**	9,197
Other losses	10	**244**	(25,001)
OPERATING INCOME (BENEFIT)		**552,870**	458,689
Financial Incomes		**103**	249
Financial Expenses		**–**	(119)
FINANCIAL PROFIT & LOSS (BENEFIT)		**103**	131
PROFIT BEFORE TAXES (BENEFIT)		**552,973**	458,820
Corporate income Tax	9	**(129,493)**	(120,955)
PROFIT & LOSS IN THE PERIOD (BENEFIT)		**423,480**	337,865

2023 / 2024 ABRIDGED FINANCIAL REPORT

1. **THE COMPANY'S BUSINESS**

1.1. The company of this financial report was set up as an owned limited liability partnership on March 21, 2017, before the Notary Public Enrique Rojas Martínez, Member of the Guild of Notaries of the Canary Islands, whose offices are located in Las Palmas de Gran Canaria, under its Protocol Number 447. In May 9th, 2019 the name of the company was changed to Holiday Club Canarias Vacation Club, S.L in a public deed.

1.2. On December 18th, 2018, it was totally acquired for the company Holiday Club Canarias Investment, S.L.U. The same day the public deed makes public the adaptation of the corporate statutes being the more remarkable the following:

- it is agreed to transform the company from an owned limited liability partnership to a limited partnership.
- the main mission of the company is changed being now the touristic accommodations and other short-term accommodations.
- the financial period is changed, and it will finish the 31st of March every year. The financial period is from April the 1st till March the 31st.
- Corporate offices are located at Avenida Ministra Anna Lindh 1, Urb. Amadores, in the municipality of Mogán (Gran Canaria).

1.3. Its main corporate mission comprises the hotel business of own repossessed weeks (See Note 5) and weeks from the related parties Holiday Club Canarias Sales & Marketing S.L.U. and Holiday Club Canarias Resort Management S.L.U.

1.4. The Company is a part of a Group whose parent Company is HOLIDAY CLUB CANARIAS INVESTMENT, S.L.U., headquartered in the same address. Said company does not present yearly consolidated accounts, because it is not mandatory due to its size. This Spanish Group is integrated in a higher one, which parent company is Holiday Club Resorts Oy, located in a European Union Member, Finland, which presents yearly consolidated accounts. In addition, Holiday Club Resort OY is a member of a group which parent company is Mahindra & Mahindra limited, located in India.

The Spanish group is composed of the next companies:

-HOLIDAY CLUB CANARIAS INVESTMENT, S.L.U

-HOLIDAY CLUB CANARIAS SALES & MARKETING, S.L.U

-HOLIDAY CLUB CANARIAS RESORT MANAGEMENT, S.L.U

-HOLIDAY CLUB CANARIAS VACATION CLUB, S.L U

2. **BASIS USED FOR THE PRESENTATION OF THE ANNUAL ACCOUNTS**

The figures contained in the abridged annual accounts are expressed in Euros, which, upon being rounded out, cause small differences in their presentation.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90.2355 = FC: EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31st March 2024.

In the presentation of the accompanying abridged annual accounts, expressed in euros, the current commercial guidelines have been followed, which are:

2.1. True and Fair View

The annual accounts are obtained from the Company's accounting records and have been presented according to the regulations set out in Law 16/2007 of July 4th, on the revised and adapted mercantile accounting legislation to harmonise it internationally on the basis of the European Union and by Royal Decree 1515/2007 of November 16th, in which the General Accounting Plan was approved and the added modifications by Royal Decree 1159/2010 of September 17th and Royal Decree 602/2016 of September 2nd, in order to reflect a true and fair view of the Equity, the financial situation and the Company's Profit & Loss as well as the veracity of the streams incorporated into the Cash-flow, according to generally accepted accounting practices and regulations.

2.2. Non-Mandatory Accounting Principles Applied

During this Financial Year, only those Accounting Principles mandatory according to the Spanish Business Code and the Small & Medium Companies General Accounting Plan have been applied.

The Administrative Body has formulated these Annual Accounts, taking into account all mandatory accounting regulations and principals which carry a significant effect.

There is no principle which, if mandatory, has not been applied.

2.3. Critical Aspects in the Valuation and Judgement of Uncertainty

At the end of the financial year some estimations are used to formulate these annual accounts: calculation of the assets impairment, estimation of the assets useful life, and more. Due to future development, it is possible that additional information to the existing at the date of formulation of these annual accounts make that some estimates have to be changed in future periods.

2.4. Comparison of the Information

The figures corresponding to the Financial Year ending on March 31th, 2024 according to the current law, show comparatively the balances of the previous financial period, which match with the information of the annual account for the financial year ending on March 31st 2023.

Foreign Currency amounts are translated for convenience into Indian Rupees at the exchange rate of Rs. 90,2355 = FC: EUR1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India on 31 st March 2024.

3. **APPLICATION OF RESULTS**

The proposal for the application of the results of the financial period ending March 31st, 2024, which the Administrators shall draw up for approval by the Members, together with the distribution approved for the period ending on March 31st, 2023, is as follows:

		Euros
Particulars	**March 31, 2024**	March 31, 2023
Distribution Balance		
Financial Period Benefit	**423,480**	337,865
Distribution		
Voluntary reserve	**423,480**	337,865
Total	**423,480**	337,865

4. **RECOGNITION AND MEASUREMENT**

The main accounting principles and practices applied in the preparation of the annual accounts are adapted to the current legal requirements, highlighting as most important the principles of going concern, accrual, uniformity, prudence, not compensation and relative importance.

The main rules used by the company for the drafting of their financial period Annual Accounts, according to those established in the Spanish General Accounting Plan were the following:

4.1. Intangible assets

The intangible assets consist of rights of use of weeks owned by Holiday Club Can arias Sales & Marketing SLU. When a week is repossessed by the group, the mentioned related company resigns to its repossession right in favor of the company. The value of the commented weeks is the amount of the monetary compensation paid to the related company because of its resignation to the repossession right, plus the maintenance fees that are assumed from Holiday Club Canarias Resort Management. The rights of use of these weeks are depreciated at 3%.

Furthermore, there are software applications which value is the acquisition cost, including all the additional costs necessary put into operation the assets. Software applications are depreciated at 20%.

4.2. Financial Instruments

The Company has registered in the chapter of financial instruments, those contracts that give rise to an asset in one company and, simultaneously, a financial liability or an equity instrument in another company. Therefore, this standard results from the application of the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets.
- Credits for commercial operations: customers and different debtors
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets
- Other financial assets: such as deposits in credit institutions, advances and loans to personnel, guarantees and deposits, dividends receivable and disbursements required on own equity instruments.

Long and short term financial investments

Financial Assets at Amortized cost: A financial asset is included in this category, even when is admitted to trading on an organized market, if the company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give place, on specified dates, to cash flows that are solely collections of principal and interest on the outstanding principal amount. Contractual cash flows that are solely collections of principal and interest on the amount of the outstanding principal are inherent to an agreement that has the nature of an ordinary loan or common, without prejudice to the fact that the operation is agreed at a zero interest rate or below the market rate. In general, credits for commercial operations are included in this category (those financial assets that originate in the sale of goods and the provision of services for traffic operations of the company with collection deferred), and credits for non-commercial operations (those financial assets that, not being instruments of equity or derivatives, do not have commercial origin and whose collections are of a determined or determinable amount, which come from loan or credit operations granted by the company). That means, within this category there would be the loans and accounts receivable, as well as those securities representing debt, with a date of fixed maturity, collections of a determined or determinable amount, that are negotiated in an active market and that the Company intends and has the capacity to keep until maturity.

- Initial valuation: Initially they are valued at their fair value, plus the transaction costs that are directly attributable to them. However, credits for commercial operations with a maturity of no more than one year and that do not have an explicit contractual interest rate, as well as credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to received in the short term, may be valued at their nominal value when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost and accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

  However, credits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

  When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the company will analyze whether it is appropriate to record a loss due to impairment of value.
- Impairment: The Company records the corresponding impairments for the difference between the amount to be recovered from accounts receivable and the book value for which they are recorded.

  At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset included in this category, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in future estimated cash flows, which may be motivated by the insolvency of the debtor.

  The loss due to impairment of the value of these financial assets is the difference between their book value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated will generate, discounted at the effective interest rate calculated at the time of initial recognition.

  Value adjustments for impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

Financial assets at cost: This category includes, among others, investments in the equity of group companies, jointly controlled entities and associates, as well as other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or a reliable estimate cannot be obtained.

Participating loans whose interests are contingent and any other financial asset that should initially be classified in the fair value portfolio with changes in the profit and loss account when it is not possible to obtain a reliable estimate of its fair value will also be included in this category.

- Initial valuation: They are valued at cost, which is equal to the fair value of the consideration given plus the transaction costs that are directly attributable to them.
- Subsequent valuation: The equity instruments included in this category are valued at their cost, less, where appropriate, the accumulated amount of the valuation corrections for impairment.
- Impairment: At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the book value of an investment is not recoverable.

The Company records the corresponding impairments for the difference between the book value and the recoverable amount, understood as the higher amount between its fair value less costs of sale and the present value of the future cash flows derived from the investment, which, in the case of equity instruments, are calculated either by estimating what is expected to be received as a result of the distribution of dividends made by the investee company and the disposal or derecognition of the investment in the same, or by estimate of its participation in the cash flows that are expected to be generated by the investee company, both from its ordinary activities and from its disposal or derecognition.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the loss due to impairment of this class of assets is calculated based on the equity of the investee and the tacit capital gains existing at the valuation date, net of the tax effect.

Determining this value, and provided that the investee company has in turn invested in another, the equity included in the consolidated annual accounts prepared by applying the criteria of the Code of Commerce and its implementing regulations is taken into account.

The recognition of valuation corrections for value impairment and, where appropriate, their reversal, are recorded as an expense or income, respectively, in the profit and loss account. The reversal of impairment will be limited to the book value of the investment that would be recognized on the reversal date if the impairment had not been recorded.

b) Financial liabilities:

- Debts for commercial operations: suppliers and other creditors
- Debts with credit institutions
- Other financial liabilities: debts with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.

Financial liabilities, for measurement purposes, are included in one of the following categories:

Financial Liabilities at Amortized cost: All financial liabilities are classified in this category except when they must be valued at fair value with changes in the profit and loss account. In general, debits for commercial operations and debits for non-commercial operations are included in this category.

Participating loans that have the characteristics of an ordinary or common loan will also be included in this category without prejudice to the fact that the operation is agreed at a zero interest rate or below the market rate.

- Initial valuation: Initially they are valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by the transaction costs that are directly attributable to it. However, debits for commercial transactions maturing in no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, can be valued at their nominal value, when the effect of not updating the cash flows is not significant.
- Subsequent valuation: it is done at amortized cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method. However, debits maturing in no more than one year which, in accordance with the provisions of the preceding section, are initially valued at their nominal value, will continue to be valued at that amount.

4.3. Tax on Profits

The Company pays tax under the Tax Consolidation System, according to what is set out in Chapter 7 of title 7 of the Law 274/2014 of November 27th of Corporate Tax. Holiday Club Canarias Investment is the parent Company, which presents the correspondent settlement

Following the accrual principle, the current tax has been accounted as a expense of the period and it has been calculated according to the profit and loss before taxes following the current tax laws.

4.4. Provisions and contingencies

Provisions are present obligations on the date of the balance sheet that have arisen as a result of past events; the amount and timing of cancellation are undetermined. Provisions are recorded at the current value of the estimated amount that the company will have to pay to settle the obligation in the future.

Contingent liabilities are potential liabilities arising as a result of past events, whose realization is contingent upon that happening or not, one or more future events independent of the will of the Company. Contingent liabilities, as well as the Provisions whose amount cannot be estimated reliably or it is not very likely that the Company must dispose of resources embodying profits, for their cancellation are not recognized for accounting purposes but are broken down in the report.

4.5. Income and Expenses

Regarding the incomes from delivery of goods and services, the criteria followed to conclude that the obligations assumed by the company are met over time or at a given time.

- Common aspects.

The company recognizes incomes for the ordinary development of its activity when the transfer of control of the goods or services committed to customers occurs. At that time, the company will value the income at the amount that reflects the consideration to which it expects to be entitled in exchange for said goods or services.

- Recognition

The company recognizes the income derived from a contract when (or as) the transfer to the client of the control over the promised goods or services (that is, the obligation or obligations to be fulfilled) takes place.

The control of a good or service (an asset) refers to the ability to fully decide on the use of that asset and obtain substantially all of its remaining benefits. The control includes the ability to prevent other entities from deciding on the use of the asset and obtaining its benefits.

For each obligation to be fulfilled (delivery of goods or provision of services) that is identified, the company determines at the beginning of the contract whether the commitment assumed will be fulfilled over time or at a certain moment.

The income derived from the commitments (in general, the provision of services or the sale of goods) that are fulfilled over time are recognized based on the degree of progress or progress towards the complete fulfillment of the contractual obligations, provided that the company has reliable information to measure the degree of progress.

The company reviews and, if necessary, modifies the estimates of income to be recognized, as it complies with the commitment assumed. The need for such reviews does not necessarily indicate that the outcome or result of the operation cannot be reliably estimated.

When, at a certain date, the company is not able to reasonably measure the degree of compliance with the obligation (for example, in the early stages of a contract), although it expects to recover the costs incurred to satisfy said commitment, only revenue is recognized and the corresponding consideration in an amount equivalent to the costs incurred up to that date.

In case of contractual obligations that are fulfilled at a certain time, the income derived from their execution is recognized on that date. Until this circumstance occurs, the costs incurred in the production or manufacturing of the product (goods or services) are recorded as inventories.

When there are doubts regarding the collection of the credit right previously recognized as income from sales or provision of services, the impairment loss will be recorded as an expense for the correction of the value due to impairment and not as less income.

- Assessment.

Ordinary incomes from the sale of goods and the provision of services is valued at the monetary amount or, as the case may be, at the fair value of the consideration, received or expected to be received, derived from it, which, except evidence to the contrary, it is the agreed price for the assets to be transferred to the client, deducting: the amount of any discount, reduction in price or other similar items that the company may grant, as well as the interest included in the nominal value of the loans. However, interests included in commercial credits with a maturity of no more than one year that do not have a contractual interest rate may be included, when the effect of not updating the cash flows is not significant.

The taxes levied on the operations of delivery of goods and provision of services that the company must pass on to third parties, such as value added tax and special taxes, as well as the amounts received on behalf of third parties, are not part of the income.

In the income from medical-surgical assistance services, the General Indirect Canary Tax is not passed on as it is an activity exempt from this tax.

In purchases and services, the taxes levied on the operation are included, including the General Indirect Canary Tax, as it does not have the deductible condition.

The company considers in the valuation of income the best estimate of the variable consideration if it is highly probable that there will not be a significant reversal of the amount of recognized income when the uncertainty associated with said consideration is subsequently resolved.

4.6. Personnel Expenses

Personnel expenses are recognised based on their accrual, considering that bonus payments are accrued on a yearly basis. There are no commitments for pensions nor retirement bonuses in the Company.

4.7. Grant, donation and legacies

The operating grants are attributed to the financial period for the granted amount.

4.8. Transactions between related parties

Transactions between related parties are accounted by their reasonable value which is the same value for transactions with not related third parties.

5. INTANGIBLE ASSETS

5.1. The transactions occurring during the periods 2022/23 and 2023/24 were the following:

Euros

Particulars	Balance March 31, 2022	Acquisitions	Disposals	Balance March 31, 2023
Rights Of Use	2,115,164	749,028	(206,114)	2,658,078
Accumulated amortization	(83,572)	(72,536)	9,197	(146,910)
Net Totals	**2,031,593**			**2,511,168**

Euros

Particulars	Balance March 31, 2023	Acquisitions	Disposals	Balance March 31, 2024
Gross cost				
Rights Of Use	2,658,078	201,515	(134,865)	2,724,729
Computer software	–	53,419	–	53,419
Sums	**2,658,078**	**254,934**	**(134,865)**	**2,778,148**
Accumulated amortization				
Rights Of Use	(146,910)	(84,318)	8,510	(222,718)
Computer software	–	(1,679)	–	(1,679)
Sums	**(146,910)**	**(85,997)**	**8,510**	**(224,397)**
Net Totals	**2,511,168**			**2,553,751**

5.2. Right of use correspond to Time Share weeks owned by a company of the Group which runs the Company as touristic accommodation.

5.3. Disposals in the financial years March 31,2023 and March 31,2024 correspond to repurchase of the rights of use by the related company, which has generated a profit for the amount of 8,150 Euros and 9,197 Euros respectively, corresponding to the accumulated amortization of the sold weeks.

5.4. There is no evidence of impairment through March 31.

6. FINANCIAL ASSETS

6.1. Categories of financial assets (except investments in equity of group companies, multigroup and associates)

The breakdown of financial assets (excluding investments in group, multi-group and associated companies) by categories and classes is as follows:

Euros

Particulars	Equity Instruments		Debt Securities		Credits / Derivatives / Others	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Short-term Financial Assets						
Financial assets at amortized cost	**–**	–	**–**	–	**377,371**	4.171,322
Liquid Assets	**–**	–	**–**	–	**249,559**	517,360
Totals	**–**	–	**–**	–	**626,930**	4.688,682

6.2. Breakdown by maturity:

The classification by maturity of the different financial assets is all related to the short term, being all clients· loans and receivables related from sales and services, several debtors and other financial assets for the amount of 370,390 Euros, 6,916 Euros and 65 Euros respectively

6.3. Corrections due to Impairment caused by Credit Risk

Transactions in the corrective accounts representative of impairment losses due to credit risk to customers are as follows:

Balance March 31, 2023	Amount
Impairment provision (note 10.b)	1,085
Balance March 31, 2024	**1,085**

6.4 Debt related to clients.

There are customer advances for the amount of 340,874 Euros (228,961 Euros for the financial period 2022-23) that correspond to accommodation services charges not accrued at the end of the financial year.

6.5. Accrual adjustments

In January, the company assume the debt with the related HOLIDAY CLUB CANARIAS RESORT MANAGEMENT corresponding to the yearly maintenance fees of the weeks in its intangible assets as rights of use (See note 5). At the end of the financial year there are accrual adjustments related to the not accrued months at March the 31 2024 for the amount of 557,688 Euros (492,920 Euros for 2022/23).

7. FINANCIAL LIABILITIES

7.1. Types of liabilities

The breakdown of financial liabilities by category is as follows:

Euros

Particulars	Debts with Credit Institutions		Bonds and Other Market Securities		Derivatives/Others	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
Short-term Financial Liabilities						
Debts and Payables	**–**	–	**–**	–	**1,323,349**	5,823,941
Totals	**–**	–	**–**	–	**1,323,349**	5,823,941

7.2. Classification by maturity

The short-term financial liabilities indicated in the previous section correspond to “Short Term Debts with companies of the Group” for the amount of 1,226,230 Euros, “Creditors for services rendered” for the amount of 90,912 Euros. “Suppliers, group and associated companies” for the amount of 6,075 Euros and ·Accrued wages and salaries” for the amount of 132 Euros.

8. EQUITY

8.1. The Share Capital comes to 3,000 Euros, divided into 3000 shares at face value of 1 Euros each.

8.2. The unique partner of the company is the entity Holiday Club Canarias Investment SLU.

9. FISCAL POSITION

9.1. Tax consolidation regime

The Company is taxed in the consolidated tax system in accordance with Chapter VI, title VII of the 27/2017 law, of November 27 of the profit tax, which approved the revised text from the Law of Corporate Tax.

The Tax Group comprises the following corporations:

Parent: Holiday Club Canarias Investment, S.L.U.

Subsidiaries: Holiday Club Canarias Sales & Marketing, S.L.U., Holiday Club Canarias Resort Management, S.L.U. and Holiday Club Canarias Vacation Club, S.L.U

9.2 Individual tax base

The reconciliation of the net amounts of incomes and expenses for the financial period against the tax base of Corporate Tax, is the following:

	Euros	
Particulars	**Profit & Loss Account**	**Income & expenditure directly attributable to Equity**
Balance of income and expenditure for the financial year	**423,480**	**–**
Profit Tax	**129,493**	**–**
Tax Base (Tax Profit & Loss)	**552,973**	
Full fee (25% of tax result)	**138,243**	**–**
Deduction for donations	**(8,750)**	**–**
Liquid quota	**129,493**	**–**

9.3 Corporate tax assessment:

Under the rules applicable to the Tax Consolidation Regime, the taxable income of the tax group is determined by adding individual taxable bases corresponding to the companies comprising the Fiscal group, deletions, additions of deletions carried out in previous years and, in the event that the above sum proves to be positive, compensating the carry-forwards of the Fiscal group, as well as the outstanding tax bases to be applied by the companies taxable at the time of joining the Tax Group.

In consequence, the Individual Tax Base of Holiday Club Canarias Vacation Club, S.L.U, for the amount of 552,973 Euros, are subject to addition together with the rest of the tax bases of the remaining companies comprising the Tax Group.

The tax base of the group, before the compensation of the negative tax bases (BINs) amounts 1,684,558 Euros This base Is increased by the application of the 50% of the BINs individual negative from 2023 of the mother company for the amount of 1,873 Euros, therefore the final tax base of the group amounts 1,686,432 Euros.

9.4 Breakdown of the corporate tax expense

Due to the fact that there are not temporary differences when calculating the tax base, the current tax for the period March 31, 2023 is the same as the expense for the corporate tax for the amount of 129,493 Euros.

9.5 Deduction for donations

Since the company made a donation during the period 2022/2023 for the amount of 25 000 Euros to the Canarian Foundation Mama Africa, the company generated a deduction because of the law 49/2002 for the amount of 8,750 Euros which has been applicated in the period 2023/2024.

9.6 Financial Periods Open to the Possibility of a Tax Inspection.

The corporate tax is open to be inspected for the following periods: 2019/20, 2020/21 , 2021/22, 2022/23 and 2023/24.

9 7 Other taxes

At the closing date, the company is also open to inspection of all the taxes that are applicable to it:

– Withholdings related to paid incomes
– IGIC (General Indirect Canarian Tax)
– Property Transfer and Certified Legal Documents Tax
– Local taxes

It is not expected that contingent liabilities appear due to possible differences when the taxes are implemented.

10. INCOME AND EXPENSES

Breakdown of the next items in the Profit and Loss Account:

a) Social expenses: the amount of 57,696 Euros is all related to the social security payable by the company for the period 2023/24, being 56,232 Euros for the period 2022/23.

b) External services:

	Euros	
Particulars	**March 31, 2024**	March 31, 2023
Leases and royalties	**2,254,532**	1,878,426
Repairs and conservations	**700,726**	508,409
Professional services	**49,494**	44,398
Transport	**43,722**	44,112
Insurance premiums	**–**	1,071
Bank Services and Similar	**28,920**	29,900
Advertising	**502**	875
Other Services	**500,933**	414,470
Other taxes	**752**	1,255
Other losses in current management	**1,085**	**–**
Totals	**3,580,665**	2,922,917

c) Other outcomes: they correspond with the net amount of the expenses and incomes generated bymatters not related with the typical activity of the company and it is not expected to occur often. During the period 2023/24 they are mainly a donation.

11. PROVISIONS AND CONTINGENCIES

Contingencies

There is an ongoing legal proceeding with a former employee who is claiming the amount of 83,830 Euros. The company considers is probable the claim will result in favour of the company.

12. TRANSACTIONS WITH RELATED PARTIES

The balances at March 31, 2024 and March 31, 2023 with related companies are as follows:

Particulars	March 31, 2024 Debit Balances	March 31, 2024 Credit Balances	March 31, 2023 Debit Balances	March 31, 2023 Credit Balances
				Euros
Company:				
Holiday Club Canarias Sales & Marketing, S.L.U.	**–**	**572,698**	–	5,212,866
Holiday Club Canarias Resort Management, S.L.U.	**–**	**–**	4,127,491	–
Holiday Club Canarias Investment, S.L.U.	**–**	**653,533**	–	551,540
Holiday Club Resort OY	**–**	**6,075**	–	–
Totals	**–**	**1,232,305**	4,127,491	5,764,406

Transactions during period March 31, 2024 and March 31, 2023 between related companies are as follows:

Euros

Particulars	March 31, 2024			
	Services received	**Services provided**	**Purchase intangible fixed assets**	**Sale of intangible assets**
Company:				
Holiday Club Canarias Sales & Marketing, S.L.U.	**1,985,563**	**–**	**118,874**	**134,865**
Holiday Club Canarias Resort Management, S.L.U.	**979,601**	**–**	**80,000**	**–**
Holiday Club Resort OY	**28,056**	**–**	**53,419**	**–**
Totals	**2,993,220**	**–**	**252,293**	**134,865**

Euros

Particulars	March 31, 2023			
	Services received	Services provided	Purchase intangible fixed assets	Sale of intangible assets
Company:				
Holiday Club Canarias Sales & Marketing, S.L.U.	1,665,503	–	467,635	206,114
Holiday Club Canarias Resort Management, S.L.U.	721,333	–	190,390	–
Holiday Club Resort OY	36,750	4,646	–	–
Totals	2,423,586	4,646	658,025	206,114

13. OTHER INFORMATION

13.1. Average number of Employees

The average number of people employed by the Company during the financial periods March 31, 2024 and March 31, 2023, distributed by their professional categories, has been as follows:

	Persons	
	March 31, 2024	March 31, 2023
Senior Managers	**0.35**	0.35
Administration	**4.95**	5.28
Totals	**5.29**	5.63

The distribution by gender at the end of the financial periods 2023/24 and 2022/23 is the following:

	March 31, 2024		March 31, 2023	
	Men	**Women**	Men	Women
Senior Managers	**1**	1	1	–
Administration	**2**	**3**	2	4
Totals	**3**	**4**	3	4

The company has not employed disabled people (more than 33% of disability) for the periods March 31, 2024 and March 31, 2023.

13.2. Information about the Environment and Greenhouse Gas Emission Rights

Given the activity that the Company carries out, there are no responsibilities, expenses, assets or contingencies of any environmental nature that could be of any significance with regard to equity, the financial position and its results. Therefore, no specific breakdowns are included in this report.

14. INFORMATION ABOUT DEFERRAL PAYMENTS MADE TO SUPPLIERS. THIRD ADDITIONAL REGULATION TO THE “DUTY OF INFORMATION” OF LAW 15/2010 OF 5 JULY.

The average period for payment to suppliers and creditors for the period March 31, 2024 is 56 days (41 days for the financial year March 31, 2023).

Mogán, April 12, 2024

Miguel Angel Munoz Martin
Sole Administrator
Holiday Club Resorts Oy Representative

INDEPENDENT AUDITOR'S REPORT

To: Members of Holiday Club Resorts Rus, OOO

Opinion

We have audited the accompanying annual financial statements of Holiday Club Resorts Rus, OOO (Primary State Registration Number (OGRN) 5067847052301), which comprise the balance sheet as of December 31, 2023, the statement of financial results for 2023, the appendices to the balance sheet and the statement of financial results, including the statement of changes in equity for 2023 and the statement of cash flows for 2023, and notes to the balance sheet and the statement of financial results for 2023, including a summary of significant accounting policies.

In our opinion, the accompanying annual financial statements present fairly, in all material respects, the financial position of Holiday Club Resorts Rus, OOO as of December 31, 2023, and its financial performance and its cash flows for 2023 in accordance with the Russian financial reporting rules.

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 Annual Financial Statements* section of our report. We are independent of the auditee in accordance with the Rules of Independence for Auditors and Auditing Firms and the Code of Professional Ethics for Auditors that is in compliance with the International Code of Ethics for Professional Accountants (including the international standards of independence) established by the International Ethics Standards Board for Accountants and have fulfilled our other responsibilities in accordance with these professional ethics requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter—A Resolution on Liquidation and Adjusted Financial Statements

We draw attention to para. 2 'A Resolution on Liquidation' of the Notes to the financial statements for 2023, which describes that the sole member of Holiday Club Resorts Rus, OOO adopted a resolution to liquidate Holiday Club Resorts Rus, OOO. These events indicate that it is inappropriate to use the going concern basis of accounting in relation to Holiday Club Resorts Rus, OOO, and the financial statements were prepared without using this basis of accounting. Assets, liabilities, equity, income, and expenses are reported in the financial statements with account taken of these events.

We draw attention to para. 3 'Adjusted Financial Statements' of the Notes to the financial statements of Holiday Club Resorts Rus, OOO for 2023, which describes that the financial statements are adjusted in relation to the financial statements signed on March 29, 2024. The reason for the adjustment of the financial statements was the disclosure of the resolution on the liquidation of Holiday Club Resorts Rus, OOO and the making of necessary adjustments and disclosures.

Our opinion is not modified in respect of this matter.

Responsibilities of the Auditee's Management and Those Charged with Governance for the Annual Financial Statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with the Russian financial reporting rules and for such internal control as management 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, management is responsible for assessing the auditee'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 auditee 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 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 judgment and maintain professional skepticism throughout the audit. We also:

a) 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.

b) 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 auditee's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the auditee's management.

d) Conclude on the appropriateness of the auditee's 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 auditee'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.

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

We exchange information with those charged with governance of the audited company, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as significant comments on the audit results, including significant deficiencies in the internal control system that we identify in the audit process.

Ekaterina Aleksandrovna Vostokova (Principal Registration Number of Entry (ORNZ) 22006156228)
Head of the Audit Department, OOO P&B GROUP
Ekaterina Aleksandrovna Vostokova (Principal Registration Number of Entry (ORNZ) 22006156228)
Auditor in charge of the audit resulting in this auditor's report

Audit Firm

P & B Group, Limited Liability Company

Primary State Registration Number (OGRN): 1167746808305

6 (Bldg. 2) Presnenskaya Embankment, Floor 16, Suite 1, Room 20, Office 22, Moscow, Russia, 123112

A member of the *Sodruzhestvo* Association (Self-Regulatory Organization of Auditors), Principal Registration Number of Entry (ORNZ) 12006145405

April 12, 2024

BALANCE SHEET AS OF DECEMBER 31, 2023

Company	**Holiday Club Resorts Rus LLC**
Taxpayer's ID number	**7801409574**
Line of business	**Activities of hotels and other places for temporary accommodation**
Form of incorporation/Form of ownership **Limited liability company/ ownership of a foreign entity**	
Unit of measurement: **thousand RUR**	
Location (address) **192007, Saint-Petersburg. Ligovskiy pr., 266. str.1, pom.2.1-N.50 working place 19**	

Item	**Code**	**As of December 31, 2023**	As of December 31, 2022	As of December 31, 2021
ASSETS				
I. NON-CURRENT ASEETS				
Intangible assets	1110	**–**	–	–
Results of research and development	1120	**–**	–	–
Intangible development assets	1130	**–**	–	–
Tangible development assets	1140	**–**	–	–
Fixed assets	1150	**–**	–	–
Income-bearing investments in tangible assets	1160	**–**	–	–
Financial investments	1170	**–**	–	–
Deffered tax assets	1180	**1,721**	–	–
Other non-current assets	1190	**–**	–	–
Total section I	1100	**1,721**	–	–
II. CURRENT ASSETS				
Inventories	1210	**–**	–	–
Value-added tax on acquired assets	1220	**–**	444	–
Receivables	1230	**10**	18	245
Financial investments (except for monetary equivalents)	1240	**–**	–	–
Cash and cash equivalents	1250	**–**	585	231
Other current assets	1260	**–**	–	–
Total section II	1200	**10**	1,047	476
BALANCE	1600	**1,731**	1,047	476

Item	Code	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021
LIABILITIES				
III. EQUITY AND RESERVES				
Authorized capital	1310	**300**	300	300
Treasury stock	1320	**–**	–	–
Non-curent asset revaluation	1340	**–**	–	–
Capital surplus (without revaluation)	1350	**–**	–	–
Reserve capital	1360	**–**	–	–
Retained earnings	1370	**(56,044)**	(42,967)	(45,490)
Total section III	1300	**(55,744)**	(42,667)	(45,190)
IV. LONG-TERM LIABILITIES				
Loans	1410	**–**	5,598	4,203
Deffered tax liabilities	1420	**–**	972	–
Estimated liabilities	1430	**–**	–	–
Other liabilities	1450	**–**	–	–
Total section IV	1400	**–**	6,570	4,203
V. SHORT-TERM LIABILITIES				
Loans	1510	**8,577**	–	167
Payables	1520	**48,898**	37,144	41,296
Prepaid income	1530	**–**	–	–
Estimated liabilities	1540	**–**	–	–
Other liabilities	1550	**–**	–	–
Total section V	1500	**57,475**	37,144	41,463
BALANCE	1700	**1,731**	1,047	476

Kovalev Dmitriy Vladimirovich
Director

April 10, 2024

FINANCIAL RESULTS STATEMENT FOR JANUARY - DECEMBER 2023

Company	**Holiday Club Resorts Rus LLC**
Taxpayer's ID number	**7801409574**
Line of business	**Activities of hotels and other places for temporary accommodation**
Form of incorporation/Form of ownership **Limited liability company/ownership of a foreign entity**	
Unit of measurement: **Thousand RUR**	

Item	**Code**	**January - December 2023**	January - December 2022
Revenue	2110	**–**	2
Cost of sales	2120	**–**	–
Gross profit (loss)	2100	**–**	2
Commercial expenses	2210	**–**	–
Administrative expenses	2220	**–**	–
Sales profit (loss)	2200	**–**	2
Income from participation in other organizations	2310	**–**	–
Interest receivable	2320	**–**	–
Interest payable	2330	**(231)**	(140)
Other income	2340	**5,055**	26,842
Other expenses	2350	**(20,593)**	(23,209)
Profit (loss) before taxation	2300	**(15,769)**	3,495
Profit tax	2410	**2,692**	(972)
Including			–
Current profit tax	2411		–
Deferred profit tax	2412	**2,692**	(972)
Other	2460	**–**	–
Including		**–**	–
Write–off deferred tax assets		**–**	–
Net Profit (Loss)	2400	**(13,077)**	2,523
FOR REFERENCE			
Revaluation of non-current assets not included in net profit (loss) for the period	2510	**–**	**–**
Result of other transactions not included in net profit (loss) for the period	2520	**–**	**–**
Comprehensive financial result for the period	2500	**(13,077)**	2,523
Basic earnings (loss) per common share	2900	**–**	**–**
Diluted earnings (loss) per common share	2910	**–**	**–**

Kovalev Dmitriy Vladimirovich
Director

April 10, 2024

AUDITOR'S REPORT

To the Annual General Meeting of Kiinteistö Oy Rauhan Liikekiinteistöt 1

Opinion

We have audited the financial statements of Kiinteistö Oy Rauhan Liikekiinteistöt 1 (business identity code 2535232-8) for the year ended 31 March, 2024. The financial statements comprise the balance sheet, income statement and notes.

In our opinion, the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice 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 applicable in Finland and are relevant to our audit, 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 the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors is also responsible for 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice 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 the financial statements.

As part of an audit in accordance with good auditing practice, 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 the 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 so that the financial statements give a true and fair view.

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.

Helsinki, 18 April 2024

KPMG OY AB

ESA KAILIALA
Authorised Public Accountant, KHT

BALANCE SHEET AS AT MARCH 31, 2024

	Appendix	Eur As at March 31, 2024	Eur As at March 31, 2023
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	7		
Land areas		**329,375.58**	329,375.58
Buildings		**6,631,991.54**	6,993,999.06
Machines and equipment		**0.00**	243.10
Other tangible assets		**105,875.00**	111,375.00
Total tangible assets		**7,067,242.12**	7,434,992.74
Other receivables	8	**93,603.26**	93,603.26
NON-CURRENT ASSETS TOTAL		**7,160,845.38**	7,528,596.00
CURRENT ASSETS			
Short-term receivables	9		
Receivables from companies in the same Group		**174,720.00**	177,283.60
Accrued income		**6,442.99**	2,338.28
Total short-term receivables		**181,162.99**	179,621.88
Cash and cash equivalents			
Cash at bank		**883.65**	1,464.57
Total cash and cash equivalents		**883.65**	1,464.57
TOTAL CURRENT ASSETS		**182,046.64**	181,086.45
TOTAL ASSETS		**7,342,892.02**	7,709,682.45
LIABILITIES			
EQUITY	10		
Share capital		**100,000.00**	100,000.00
Invested unrestricted equity fund		**2,850,825.84**	2,850,825.84
Profit(loss) from previous years		**(827,337.57)**	(947,283.71)
Profit(loss) for the financial year		**40,579.18**	119,946.14
TOTAL EQUITY		**2,164,067.45**	2,123,488.27
Appropriations	11		
Cumulative accelerated depreciation		**40.29**	20.05

BALANCE SHEET AS AT MARCH 31, 2024

	Appendix	Eur **As at March 31, 2024**	Eur As at March 31, 2023
CREDITORS			
Liabilities to credit institutions			
Long term	**12**	**0.00**	1,000,000.00
Short term		**1,000,000.00**	1,000,000.00
Total liabilities to credit institutions		**1,000,000.00**	2,000,000.00
Short-term borrowed capital	**13**		
Trade creditors		**7,482.83**	248.68
Liabilities for companies in the same Group		**4,088,187.17**	0.00
Other liabilities		**39,222.11**	27,542.69
Accruals and deferred income		**43,892.17**	47,487.43
		5,178,784.28	1,075,278.80
TOTAL BORROWED CAPITAL		**5,178,784.28**	2,075,278.80
TOTAL LIABILITIES		**7,342,892.02**	4,198,787.12

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

	Appendix	Eur Year ended March 31, 2024	Eur Year ended March 31, 2023
TURNOVER	1	**906,500.00**	818,390.00
Total turnover		**906,500.00**	818,390.00
Materials and services	2	**(3,975.12)**	(3,014.34)
		(3,975.12)	(3,014.34)
Depreciation and impairments	3		
Planned depreciation		**(367,750.62)**	(368,479.92)
Other operating expenses	4		
Other operating expenses		**(224,126.76)**	(234,308.21)
		(591,877.38)	(602,788.13)
Profit(loss)		**310,647.50**	212,587.53
Financial income and expenses	5		
Interest income			
Interest income in the same group		**0.00**	527.61
Interest charges			
for companies in the same group		**(187,291.84)**	(111,431.93)
for others		**(82,756.24)**	(73,054.52)
Tax increases and increases, non-deductible		**0.00**	(124.00)
Total financial income and expenses		**(270,048.08)**	(184,082.84)
Profit/loss before extraordinary items		**40,599.42**	28,504.69
Profit before appropriations and taxes		**40,599.42**	28,504.69
Appropriations	6		
Change in cumulative accelerated depreciation			
Store and warehouse buildings		**(0.01)**	(46,933.54)
Building elements		**(350.60)**	(43,535.51)
Machines and equipment		**370.85**	(972.40)
Total change in cumulative accelerated depreciation		**20.24**	(91,441.45)
Profit/loss for the financial year		**40,579.18**	119,946.14

NOTES TO THE FINANCIAL STATEMENTS

The company belongs to the Holiday Club Resorts Oy group. The parent company is Holiday Club Resorts Oy. Copies of the consolidated financial statements are available at the Holiday Club Resorts Group headquarters. Konepajankuja 5 C, 00510 Helsinki. The business operations of the company have ceased in spring 2020. Koy Rauhan Liikekiinteistöt 1 (2384842-6) has merged to Supermarket Capri Oy 8.4.2022 and the new name of the company is Kiinteistö Oy Rauhan Liikekiinteistöt 1.

ACCOUNTING PRINCIPLES

The financial statements have been drawn up in accordance with regulations governing small and medium-sized enterprises (Government Decree on the information presented in the finacial statements of a small undertaking and micro-undertaking, 1753/2015)

Non-current assets

In this balance sheet, capital assets are listed as the difference between purchase price and accumulated planned depreciation.

Planned depreciation is calculated as a straight-line depreciation based on the useful life of the object.

The indicative useful lives on which the planned depreciation is based are as follows:

– buildings	20-30 years
– machines and equipment	5-10 years
– other tangible assets	30 years

Current assets

Receivables and liabilities have been valued at the nominal value.

FC amounts are translated for convenience into Indian Rupees at the exchange rate of Rs 90,2355 = FC 1 which is the average of the telegraphic transfer buying and selling rates quoted by the Mumbai Branch of State Bank of India

Board of Directors proposal to process profit and loss for the previous financial year

The Board of Directors proposes to the Annual General Meeting that the profit of 40 579,18 EUR (Rs 3 661 682,60) be transferred to the profit and loss account and that no dividends be distributed.

Company shares

There are 100 company shares. Each share confers the same right to dividends and company assets.

NOTES TO THE PROFIT AND LOSS STATEMENT

	Eur	Eur
1. TURNOVER BY SECTOR	**Year ended March 31, 2024**	Year ended March 31, 2023
Rent revenues	**906,500.00**	818,390.00

2. MATERIALS AND SERVICES		
Outsourced services	**3,975.12**	3,014.34
Other personnel expenses		
Total	**3,975.12**	3,014.34

3. DEPRECIATION AND OTHER IMPAIRMENTS	**Eur**	Eur
	March 31, 2024	March 31, 2023
Store and warehouse buildings	**314,372.00**	314,372.01
Civil defence shelters	**4,100.00**	4,100.00
Building elements	**43,535.52**	43,535.51
Machines and equipment	**243.10**	972.40
Other tangible assets	**5,500.00**	5,500.00
	367,750.62	368,479.92

4. OTHER OPERATING EXPENSES	**Eur**	Eur
	March 31, 2024	March 31, 2023
Operating expenses	**(5,539.59)**	(1,242.74)
Maintenance expenses	**(209,363.18)**	(216,240.14)
Other expenses	**(9,223.99)**	(16,825.33)
Total	**(224,126.76)**	(234,308.21)

5. FINANCIAL INCOME AND EXPENSES	**Eur**	Eur
	March 31, 2024	March 31, 2023
Interest income in the same group	**0.00**	527.61
Total	**0.00**	527.61
Interest expenses to companies in the same Group	**(187,291.84)**	(111,431.93)
Other interest expenses	**(82,756.24)**	(73,054.52)
Tax Increases and increases, non-deductible	**0.00**	(124.00)
Total interest expenses	**(270,048.08)**	(184,610.45)
Total financial income and expenses	**(270,048.08)**	(184,082.84)

6. APPROPRIATIONS	**Eur**	Eur
	March 31, 2024	March 31, 2023
Change in cumulative accelerated depreciation		
Building elements	**(0.01)**	(43,535.51)
Machines and equipment	**(350.60)**	(972.40)
Store and warehouse buildings	**370.85**	(46,933.54)
Total	**20.24**	(91,441.45)

NOTES TO THE BALANCE SHEET

CAPITAL ASSETS AND OTHER LONG-TERM INVESTMENTS, I.E. NON-CURRENT ASSETS

INTANGIBLE AND TANGIBLE ASSETS

7. TANGIBLE ASSETS

	Land and water areas	Buildings	Machines and equipment	Other tangible assets	Total
					Eur
Acquisition cost April 1, 2023	329,375.58	10,542,489.36	111,741.31	165,000.00	11,148,606.25
Acquisition cost March 31, 2024	**329,375.58**	**10,542,489.36**	**111,741.31**	**165,000.00**	**11,148,606.25**
Depreciation for the financial year	0.00	(3,910,497.82)	(111,741.31)	(59,125.00)	(4,081,364.13)
Impairments	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation March 31, 2024	**0.00**	**(3,910,497.82)**	**(111,741.31)**	**(59,125.00)**	**(4,081,364.13)**
Book value March 31, 2024	**329,375.58**	**6,631,991.54**	**0.00**	**105,875.00**	**7,067,242.12**

8. OTHER RECEIVABLES

	Eur March 31, 2024	Eur March 31, 2023
Acquisition cost April 1	**93,603.26**	0.00
Additions	**0.00**	93,603.26
Acquisition cost March 31	**93,603.26**	93,603.26
Book value March 31	**93,603.26**	93,603.26

9. SHORT-TERM RECEIVABLES

	Eur March 31, 2024	Eur March 31, 2023
Receivables from companies in the same group	**174,720.00**	177,283.60
Accrued income	**6,442.99**	2,338.28
Total	**181,162.99**	179,621.88

LIABILITIES

10. EQUITY	Eur March 31, 2024	Eur March 31, 2023
Share capital April 1	**100,000.00**	100,000.00
Share capital March 31	**100,000.00**	100,000.00
Reserve for invested unrestricted equity April 1	**2,850,825.84**	2,850,825.84
Reserve for invested unrestricted equity March 31	**2,850,825.84**	2,850,825.84
Profit/loss from prev. financial period April 1	**(827,337.57)**	(947,283.71)
Profit/loss for the financial year	**40,579.18**	119,946.14
Total equity	**2,164,067.45**	2,123,488.27

CALCULATION OF DISTRIBUTABLE FUNDS	Eur	Eur
	March 31, 2024	March 31, 2023
Profit/loss from prev. financial period April 1	**(827,337.57)**	(947,283.71)
Profit/loss from prev. financial period March 31	**(827,337.57)**	(947,283.71)
Profit/loss for the financial year	**40,579.18**	119,946.14
Total	**(786,758.39)**	(827,337.57)

11. ACCUMULATED APPROPRIATIONS	Eur	Eur
	March 31, 2024	March 31, 2023
Depreciation difference retail and warehouse buildings	**(20,569.01)**	(20,569.00)
Depreciation difference on building elements	**75,429.37**	75,779.97
Depreciation difference on machines and equipment	**(54,820.07)**	(55,190.92)
Total accumulated depreciation difference	**40.29**	20.05

12. LONG-TERM BORROWED CAPITAL	Eur	Eur
	March 31, 2024	March 31, 2023
Loans from financial institutions	**0.00**	1,000,000.00
Total long-term borrowed capital	**0.00**	1,000,000.00

13. SHORT-TERM BORROWED CAPITAL	Eur	Eur
	March 31, 2024	March 31, 2023
Loans from financial institutions	**1,000,000.00**	1,000,000.00
Trade payables	**7,482.83**	248.68
Liabilities for companies in the same Group	**4,088,187.17**	3,510,895.33
Other liabilities	**39,222.11**	27,542.69
Accruals and deferred income	**43,892.17**	47,487.43
Total short-term borrowed capital	**5,178,784.28**	4,586,174.13

ESSENTIAL ITEMS OF ACCRUALS AND DEFERRED INCOME	Eur	Eur
	March 31, 2024	March 31, 2023
Accrued interest expense	**16,792.53**	16,022.22
Reserve for missing purchase invoices	**27,099.64**	31,465.21
Total	**43,892.17**	47,487.43

GUARANTEES GIVEN

LOANS FOR WHICH MORTGAGE ON PROPERTY HAS BEEN GIVEN AS A GUARANTEE

	Eur	Eur
	March 31, 2024	March 31, 2023
Loans from financial institutions	**1,000,000.00**	2,000,000.00
Total	**1,000,000.00**	2,000,000.00
Mortgages	**10,000,000.00**	10,000,000.00
Total	**10,000,000.00**	10,000,000.00

OTHER NOTES

The company is obligated to audit VAT deductions made on its property investments every year for 10 years after completion of the investment, to the extent that the value added taxable use of the property decreases during the period under review.

The maximum liability is EUR 556,63 (Rs 50.227,79) as of 31 March 2024.

Notes to the financial statements compliant with the Limited Liability Companies Act.

Board of Directors' proposal for profit distribution

Profit for the financial year EUR 40.579,18 (Rs 3.661.682,60). The Board of Directors proposes to the Annual General Meeting that the profit be transferred to equity and that no dividends be distributed.

FINANCIAL STATEMENTS DATE AND SIGNATURES

Helsinki April 18, 2024

Puntala Pauli
Chair of the Board of Directors

AUDITOR'S NOTE

A report of the audit has been submitted today.

Helsinki April 18, 2024

KPMG OY AB

Esa Kailiala
KHT