

1. MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied presented, unless otherwise stated.

1.1 Basis of Preparation

1.1.1 Compliance with Ind AS

These financial statements comply in all material aspects with Ind. AS (Indian Accounting Standards) effective till date.

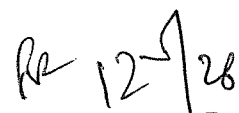
1.1.2 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Ind AS. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.3 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- ii) Certain biological assets (including unplucked green leaves) – measured at fair value less cost to sell.
- iii) Gratuity liability is measured at fair value on basis of actuarial valuation.


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1.1.4 BASIS FOR CONSOLIDATION

The Consolidated financial statements have been prepared in accordance with principles laid down in Ind AS 110 on "Consolidated Financial Statements" and Ind AS 28 on "Accounting for Investments in Associates and Joint Ventures". Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group members' financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation have been drawn up to same reporting date as that of the Parent, i.e., year ended on 31st March except for the Financial Statements of the Step-down subsidiaries which have been prepared upto the reporting date of 31st December 2025. The financial statements of step down subsidiaries have been consolidated with the subsidiary company having the reporting period ending on 31st March and have been audited by another firm of chartered accountant and the said consolidated financial statements has been considered for these consolidated financial statements.

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through it's:

- a) Power over the investee or holding more than 51% of investee's paid up share capital
- b) Exposure, or rights to variable returns from its involvement with the investee
- c) The ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control:

- i. Subsidiaries are consolidated from the date control over the subsidiary is acquired and they are discontinued from the date of cessation of such control. The acquisition method of accounting is used to account for business combinations by the Group.

- ii. The Group combines the financial statements of the Parent and its subsidiaries based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction have been eliminated.
- iii. The consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances unless otherwise stated elsewhere.
- iv. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve as the case may be. The said goodwill is not amortised, however it is tested for impairment at each balance sheet date and impairment loss, if any is recognised in the consolidated financial statements.
- v. Share of Non-controlling interest's in net profit/(loss) of subsidiaries for the year is identified and adjusted against the revenue of the Group in order to arrive at the net revenue attributable to the owners of the Parent. The excess of loss for the year over the non-controlling interest is adjusted in owner's interest.
- vi. Non-controlling interest's share of net assets of subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Parent's shareholders.

Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Parent's owners.

Non-controlling interests are initially measured at proportionate share on the date of acquisition of the recognised amounts of the acquiree's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the proportionate share of subsequent changes in equity.


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Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

1.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting.

1.3 Foreign Currency Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

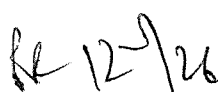
Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of balance sheet.
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in "Foreign Currency Translation Reserve" under "Reserve and Surplus".

1.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of tea claim and are net of sales return, value added tax, trade allowances and amount collected on behalf of third parties.


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The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognized as follows:

Revenue from the export of made tea for auction is recognized when confirmation of sale is received from the tea broker, or in the case of direct sales, when the tea is loaded on the vessel and bill of lading issued.

1.5 Government Grants

1.6 Accounting for Taxes on Income

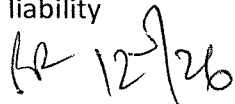
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.


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Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.7 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.8 Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

1.9 Inventories

Raw materials including harvested tea leaves, produced from own gardens are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest of tea leaves.

Raw materials of purchased tea leaves, Stores and Spare parts and Finished Goods are stated at lower of cost and net realisable value. Cost of Finished Goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.10 Biological Assets

Tea leaves growing on tea bushes (i.e. unharvested leaf) are measured at fair value less cost to sell with changes in fair value recognised in Statement of profit and loss.


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1.11 Financial Instruments (Erstwhile 'Investments and Other Financial Assets):

Financial assets and financial liabilities (financial instruments) are recognised when the group becomes a party to the contractual provisions of the instruments. The group determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

The group categorizes financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the group or otherwise these are classified as non-current.

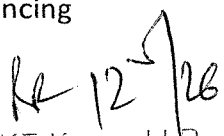
The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

A. Financial Assets

Initial Recognition and measurement

The financial assets include investments, trade receivable, loans and advances, cash and cash equivalents, bank balances other than cash and cash equivalents, derivative financial instruments and other financial assets.

Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate in initial recognition. However, trade receivable that do not contain a significant financing component are measured at transaction price.


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Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- (i) at amortised cost,
- (ii) at fair value through other comprehensive income (FVTOCI), and
- (iii) at fair value through profit or loss (FVTPL).

Financial Assets at amortised cost

A 'financial Asset' is measured at the amortised cost if the following two conditions are met:

- (i) The asset is held within a business whose objective is to hold these assets in order to collect contractual cash flows and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial asset give rise to cash flows representing solely payments of principal and interest.

Financial Assets at Fair value through profit or loss (FVTPL)

Financial Assets which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Consolidated Statement of profit and loss.

Equity Instruments

Equity instruments in the Scope of Ind AS 109 are measured at FVTPL.

The group makes an election to present changes in fair value through other comprehensive income or through profit or loss on instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

In case the group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. In addition, profit or loss arising on sale is taken to other comprehensive income. The amount accumulated in this respect is transferred within the Equity on derecognition.

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Derecognition

The group derecognizes a financial asset or a group of financial assets 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.

B. Financial Liabilities

Initial Recognition and measurement

The financial liabilities include trade and other payables, loan and borrowings including book overdraft, derivative financial instruments and other financial liabilities.

Financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or are deducted from the fair value of the financial liabilities as appropriate in initial recognition.

Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified in the following categories:

- (i) at amortised cost, and
- (ii) at fair value through profit or loss (FVTPL).

Financial Liabilities at amortised cost

After initial recognition, financial liabilities are measured at amortized cost using Effective Interest Rate (EIR) method. When the financial liabilities are derecognised, gain or losses are recognised in the consolidated statement of profit and loss. Discount or premium on acquisition and other fees or costs forms an integral part of the EIR.

Financial Liabilities at Fair value through profit or loss (FVTPL)

Financial Liabilities which does not meet the criteria of amortised cost are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Consolidated Statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.


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C. Derivative and Hedge Accounting

Initial Recognition and Subsequent measurement

The group on entering into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies, uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the group. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/ financial liability, at fair value through profit or loss.

Transaction costs attributable are also recognized in the Consolidated Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Consolidated Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity remains therein till that time and thereafter to the extent hedge accounting being discontinued is recognised in the Consolidated Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Consolidated Statement of profit and loss.



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D. Offsetting financial instruments

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

E. Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

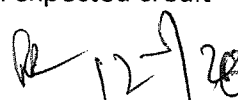
F. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

G. Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. The group recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.

The group recognises lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognised if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.


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1.12 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost includes deemed cost which represents the carrying value of PPE (including Revaluation thereon) as at 1st April 2015 as per previous generally accepted accounting principles (Previous GAAP) and comprises purchase price of assets or its construction cost including inward freight, duties and taxes (net of input tax credit availed) and other expenses related to acquisition or installation and any cost directly attributable to bringing the assets into the location and condition necessary for it to be capable of operating in the manner intended for its use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components.

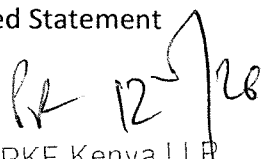
The cost of replacing part of an item of PPE is recognised and added to the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of PPE are recognised in the statement of profit and loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Bearer plants comprising of matured tea bushes are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries are carried at cost less impairment losses recognised thereagainst under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

The Group's leased assets comprises of land, building and plant and machinery and these have been separately shown/disclosed under PPE as Right of Use (ROU) Assets.

Costs incurred for infilling are generally recognized in the Consolidated Statement of Profit and Loss.


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Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expenses.

Capital work in progress includes nurseries, young tea under plantation, equipments to be installed, construction and erection costs and other costs incurred in relation thereto or attributable to the same. Such costs are added to the related items of PPE and are classified to the appropriate categories when completed and ready for its intended use.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives.

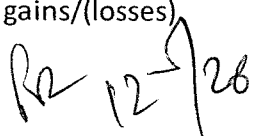
Nature of assets	Useful life
Buildings	N/A
Bearer plant – tea bushes	N/A
Bearer plant – forests	N/A
Plant and machinery	N/A
Furnitures & Fittings	4 years
Vehicles	N/A
Computers	3 years
Motor vehicles	N/A
Office equipment	8 years

Bearer Plants are depreciated from the date when they are ready for commercial harvest. Immature bearer plants (i.e. young tea) are treated as Capital Work in Progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses)


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1.13 Intangible Assets

1.13.1 Trademark

1.13.2 Computer software

Computer software are stated at acquisition cost net of accumulated amortization and accumulated impairment losses, if any. An impairment loss is recognized whenever the carrying amount of the computer software of a cash generating unit exceeds its net selling price or value in use, whichever is higher.

1.13.3 Amortisation methods and periods

The Company amortizes intangible assets with a finite useful life using the straight- line method over the following periods

Nature of assets	Range of Life (Years)
Trademark	N/A
Computer Software	N/A

1.14 Leases

The Group's lease asset classes primarily consist of leases for Land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii)the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations are presented separately under the head "Borrowings".

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

1.15 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.


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

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.16 Employee Benefits

1.16.1 Short-term Employee Benefits

1.16.2 Long-term Employee Benefits (Unfunded)

(i) Retirement benefit obligations:

The Company and all its employees contribute to the National Social Security Fund, which is a defined contribution retirement benefits scheme. A defined contribution scheme is a retirement benefits scheme under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Company's contributions to the defined contribution retirement benefits scheme are charged to the profit and loss account in the year to which they relate.

(ii) Other entitlements:

The estimated monetary liability for employees' accrued annual leave entitlement at the balance sheet date is recognized as an expense accrual.


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(iii) Staff gratuity:

The Company's terms and conditions of employment provide for a gratuity to its employees. The gratuity is payable after completion of five years' service upon resignation, retirement or termination and on condition that the employee leaves honourably. The gratuity is calculated at twenty working days per year of service for employees with five to ten years' service and thirty working days per year of service for those with more than ten years' service. The provision takes account of service rendered by employees up to the balance sheet date and is based on the actuarial valuation.

1.16.3 Post-employment Benefit Plans

1.16.4 Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.17 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.18 Research and Development

Revenue expenditure on Research and Development is recognised as a charge in the Statement Profit and Loss. Capital expenditure on assets acquired for Research and Development is added to Property, Plant and Equipment, if any.


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1.19 Use of Estimates

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

The preparation of the consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the group's accounting policies.

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

The areas involving critical estimates and judgements are:

i) Taxation:

The Company is engaged in agricultural activities and also subject to tax liability under MAT provisions in case of parent entity. Significant judgement is involved in determining the tax liability for the Company. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the balance sheet date.

ii) Depreciation and amortisation:

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.



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iii) Provisions and Contingencies:

Provisions and contingencies are based on management's best estimate of the liabilities based on the facts known at the balance sheet date.

iv) Fair Value of Biological Assets:

The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price.

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

v) Defined employee benefit obligation:

In case of MRUL, gratuity is applicable. Gratuity is accounted on basis of actuarial valuation. Actuarial valuation involves a number of assumptions.

vi) Impairment loss on trade- receivables:

Accounting of impairment loss in trade- receivables is based on credit worthiness, historical – experiences and aging.

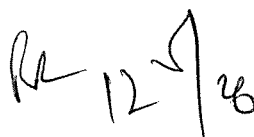
1.20 Borrowing costs

Interest and other borrowing costs are charged to Statement of Profit and Loss. However in case of qualifying projects, such costs would be capitalized.

1.21 Goodwill

1.22 Significant changes in Accounting-Policies (if any):

<u>Subject</u>	<u>Policy in last year</u>	<u>Policy in current year</u> (Highlight the change)	<u>Financial Impact</u> (If quantifiable)
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38. Scope of Consolidation:

The consolidated financial statements for the year comprise the financial statements of the Parent Company, and its subsidiary companies as detailed below:-

Name of Company	Country of Incorporation	Proportion of ownership by Holding Company	Reporting Date of Subsidiary
McLeod Russel Africa Limited	Kenya	100%	31 December 2025

39. Detail of Employee Benefits:

39.1 Post Employment Defined Contribution Plans:

Refer to 1.16.2 above for the description.

39.2 Post Employment Defined Benefit Plans:

40. Contingent Liabilities:

- i) Claims not acknowledged as debts: Nil
- ii) Guarantees given on behalf of other companies to banks etc. and year-end utilisation: Nil
- iii) Bank Guarantees Outstanding: Nil
- iv) Any other (please specify): Nil

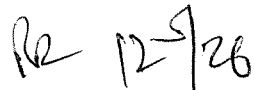
41. Advances include:

- (a) Loan to directors at year-end: Nil
- (b) Maximum amount of loan to directors: Nil (i) Date (ii) Amount:

42. Assets of the Company charged against Loan/Guarantee availed by Group companies (including subsidiaries/ Holding company):

43. Capital Commitment & Advances:

- (a) Estimated Capital commitments on account of purchase orders / contracts:
31.12.2025 Nil (31.12.2024 Nil)


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(b) Advance against such capital commitments (Amount): 31.12.2025 Nil
(31.12.2024 Nil)

44. Revenue Expenditure on Research and Development:

45. Related parties:

(A) List of Related Parties

- i) Borelli Tea Holdings Limited
- ii) McLeod Russel Middle East
- iii) McLeod Russel Uganda Limited

Relatives of Key Management Personnel with whom transactions took place during the year –

(B) Transactions / Balances with Key Management Personnel

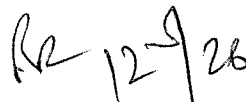
Particulars	Remuneration for the period		Loans Outstanding at year end	
	2025	2024	2025	2024
William Oyosi	8,160,696	6,643,600		
Faith Amitta	5,993,068	5,678,100		

(C) i) Transactions with relatives of Key Management Personnel: 2025 Nil (2024 Nil)

ii) Balances with relatives of Key Management Personnel: 2025 Nil (2024 Nil)

(D) i) Transactions with Holding Co./Subsidiary

Name of Holding co./ Subsidiary	Nature of Transactions/ Balances	Schedule	2025	2024
------------------------------------	-------------------------------------	----------	------	------


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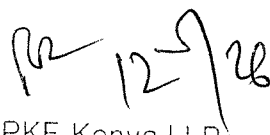
Borelli Tea Holdings Limited	2025 Shs	2024 Shs
At start of year	177,025,083	218,300,090
Interest	11,077,421	13,329,377
Withholding tax on interest	(1,700,632)	(2,156,121)
Repayments	(9,645,041)	(14,993,326)
Foreign exchange difference	(209,384)	(37,454,937)
At end of year (Note 10)	<u>176,547,446</u>	<u>177,025,083</u>

ii) Balances with Holding Co. / Subsidiary:

Name of Holding co., / Subsidiary	Nature of Transactions/ Balances	Schedule	31.12.2025	31.12.2024
--	---	-----------------	-------------------	-------------------

McLeod Russel Middle East	2025 Shs	2024 Shs
At start of year	22,212,880	35,510,880
Credit note		(6,092,645)
Credit sales in the year	92,890,701	103,736,439
Freight and Shipping costs recovered		(98,441)
Payments for tea sold	(86,432,541)	(110,101,22)
Exchange Difference	901,961	(1,515,911)
Interest charged on balance	933,567	773,783
At end of year (Note 11)	<u>30,506,568</u>	<u>22,212,880</u>

Name of Holding co., / Subsidiary	Nature of Transactions/ Balances	Schedule	31.12.2025	31.12.2024
--	---	-----------------	-------------------	-------------------


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McLeod Russel Uganda Limited	2025 Shs	2024 Shs
At start of year	58,181	(16,060,187)
Credit note		
Credit sales in the year		(4,185,570)
Expenses on behalf on MRUL		1,408,175
Payments for tea sold		17,936,079
Exchange Difference	(52,691)	(959,684)
At end of year (Note 11)	<u>5,490</u>	<u>58,181</u>

46. Quantitative details of Tea

		2025 (Kgs)	2024 (Kgs)
Opening Stock	(A)	240,588	229,114
Add: Production			
Gross production			
Less: Unsaleable including Tea Waste			
Saleable Production	(B)		
Add: Purchases (Net of return)	(C)	2,592,548	3,618,341
Less: Sales (Net of return)	(D)	2,645,830	3,606,867
Closing Stock (A+B+C+D)	(E)	187,306	240,588
Value of Opening Stock	(F)	39,516,375	36,187,429
Average value of Opening stock (Amount/Kg) (F/A)	(G)	164.25	157.94
Value of Sales	(H)	572,707,015	743,415,236
Average Selling price (Amount/Kg) (H/D)	(I)	216.46	206.11
Value of Closing Stock	(J)	41,498,882	39,516,375
Average value of Closing stock (Amount /Kg) (J/E)	(K)	221.56	164.25

47. Quantitative detail of Green Leaf Consumed

	2025	2024
Plucked from own Plantation (Quantity in Kg)		
Purchased – Quantity (Kgs)		
– Cost		
Average Cost per Kg		

48. Derivative Instruments and Unhedged Foreign Currency Exposure:

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a) Derivatives outstanding as at the reporting date:-

Particulars	Purpose	Name of Foreign Currency	31 st December 2025	31 st December 2024
			Amount (Currency)	Amount (Currency)
Forward Contracts	Hedging of foreign currency receivables			
Currency swap for loan-principal	Shifting repayment-obligation to another currency			
Interest-rate swap	Hedging of floating interest-rate			
Any other (Specify)				

b) Particulars of Unhedged Foreign Currency Exposures as at the reporting date:-

Particulars	Purpose	Name of Foreign Currency	31 st Dec 2025	31 st Dec 2024
			Amount (Currency)	Amount (Currency)
Financial Assets:- Investments				
Loans Given		USD	37,558	37,558
Trade Receivables		USD	965,960	912,492
Cash & Bank Balances Others (Please Specify)		USD	85,077	132,102
Financial Liabilities:-				
Borrowings	Loan	USD	1,367,169	1,369,182
Trade Payable Others (Please Specify)	Purchase	USD	101,495	181,079

c) Mark to market Losses Provided for

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Particulars	Purpose and Detail	31 st December 2025	31 st December 2024
		Amount (Currency)	Amount (Currency)

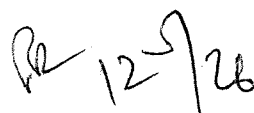
49. Assets pledged /hypothecated/mortgaged as security

Particulars	31 st December 2025	31 st December 2024
	Amount (Currency)	Amount (Currency)
Current Assets:		
Financial Assets		
Trade Receivables		
Cash and Cash Equivalents		
Loans		
Current Tax Assets (Net)		
Other Financial Assets (Interest accrued on advance)		
Sub Total		
Non-financial Assets		
Inventories		
Biological Assets		
Other Current Assets (Refer Note 14)		
Sub Total		
Total Current assets pledged as security (a)		
Non-current Assets		
Property, Plant and Equipment		
Capital Work-in-Progress		
Other Non-Current Assets (Please Specify)		
(b)		
Total Assets pledged as security (a+b)		

50. Contractual obligation of payment of Principal and Interest on Long-term borrowings:-**Amount In (Currency)**

	Upto 1 year	Between 1 & 2 years	Between 2 & 5 years	Beyond 5 years	Total Amount
Instalments of Loans					
Interest					

51. Borrowings at Floating Interest-rate:


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	Description of the Floating Interest Rate	Amount of Borrowings at Floating Interest Rate	
		31 st December 2025	31 st December 2024
		Amount (USD)	Amount (USD)
Long-term borrowings	SOFR +2%	1,350,000	1,350,000
Short-term borrowings (Overdraft)			

52. Maturity Analysis of Financial Liabilities:-

On Current Balance Sheet Date

	On Demand	Less than 6 mths	6 to 12 mths	> 1 Year	Total Amount
Trade Payable		15,237,525			15,237,525
Finance Lease Obligations					
Other Financial Liabilities				176,547,446	176,547,446

On Last Balance Sheet Date

	On Demand	Less than 6 mths	6 to 12 mths	> 1 Year	Total Amount
Trade Payable		19,880,845			19,880,845
Finance Lease Obligations					
Other Financial Liabilities				177,025,083	177,025,083

53. Accounting classification of each category of financial instrument, their carrying amount and fair value

Particulars	Amount (Currency)				
	Fair Value through Profit and Loss Account	Fair Value through Other Comprehensive Income	Financial Assets-At amortised cost	Fair Valuation Hierarchy	
Investments					
Loans			5,057,602		
Other Financial Assets			16,752,901		
Trade Receivables			119,226,236		

Cash and Cash Equivalents			11,402,544	
Borrowings			176,547,446	
Trade Payables			15,237,525	
Other Financial Liabilities			3,914,115	

54. Significant events/transactions taken place between the date of financial year end of subsidiaries (31st December 2025) and the date of financial year end of holding company Borelli (31st March, 2026)

55. Lease Disclosure:

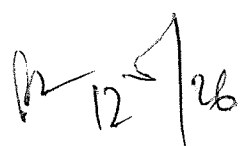
Lease commitments for leases:. Leases are paid in advance.

At the Balance Sheet date, the following are outstanding commitments:-

	31st Dec 2025 Amount (Kshs)	31st Dec 2024 Amount (Kshs)
The future minimum lease commitment of the Group is as under :		
Up to one year		
More than one year and up to five years		
More than five years		
TOTAL		

- a) Depreciation charge on "Right-to-Use Assets" (i.e. leases) : Nil IFRS for SME
- b) Interest expense on lease (included in Finance costs – Note ...) : Nil IFRS for SME
- c) Expense relating to short-term leases not accounted for as lease. This expense need not include the expense relating to those leases whose term is up to one month.: Nil
- d) Expense relating to leases of low-value assets not accounted for as lease. :Nil
- e) Expense relating to variable lease payments not included in the measurement of lease liabilities:
- f) income from sub-leasing right-of-use assets Nil IFRS for SME
- g) Total cash outflow for leases: - Nil IFRS for SME
- h) Additions to "Right-to-Use Assets" : Nil IFRS for SME
- i) Carrying amount of "Right-to-Use Assets" at the end of the reporting period, by class of underlying asset : Nil IFRS for SME

56. Movement of Impairment Allowances


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Particulars	Allowance against Interest Receivable	Allowance against doubtful advances	Allowance against doubtful Advance to Suppliers, Service Providers etc.
Balance at the beginning of the year		970,637	
Recognised during the year		2,063,924	9,857,204
Reversal during the Year			
Balance at the end of the year		3,034,561	9,857,204

57. Changes in Fair Value of Biological Assets Other Than Bearer Plants:

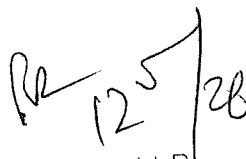
Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening		
Increase due to harvest/ physical changes		
Decrease due to harvest/ physical changes		
Closing		

58. Currency:

All amounts mentioned in above notes are in home-currency Kenya Shillings, unless stated in specific foreign-currency.

59. Previous Year's figures:

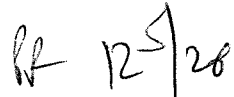
Previous year's figures have been rearranged/regrouped wherever necessary.


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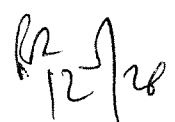
BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2025 Current Balance As on 31st Shs	2024 Last Balance As on 31st Shs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	461,551	331,613
Capital Work-in-Progress	2A	-	-
Goodwill on consolidation	3	-	-
Other Intangible Assets	4	-	-
Financial Assets			
Investments	5	-	-
Loans	6	-	-
Other Financial Assets	7	-	-
Other Non-current Assets	8	-	-
Current Assets			
Inventories	9	45,334,129	43,575,570
Biological Assets other than bearer plants	10	-	-
Financial Assets			
Loans	6	2,023,041	3,882,549
Other Financial Assets	7	-	-
Trade Receivables	11	119,226,236	118,231,657
Cash and Cash Equivalents	12	11,402,544	17,873,824
Current Tax Assets (Net)	13	2,272,370	6,642,922
Other Current Assets	14	16,752,901	13,096,920
TOTAL ASSETS		197,472,772	203,635,055
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	100,000	100,000
Other Equity	16	15,685,809	15,553,866
Minority Interest	17	-	-
Non-current Liabilities			
Financial Liabilities			
Borrowings	18	176,547,446	177,025,083
Lease Liabilities		-	-
Other Financial Liabilities	19	-	-
Provisions:			
Provision for Post-retirement Employee Benefits	20	-	-
Other Provisions	21	-	-
Deferred Tax Liabilities (Net)	22	(14,012,123)	(11,440,280)
Other Non-current Liabilities	23	-	-
Current Liabilities			
Financial Liabilities			
Borrowings	24	-	-
Lease Liabilities		-	-
Trade Payables	25	15,237,525	19,880,845
Other Financial Liabilities	19	-	-
Provisions:			
Provision for Post-retirement Employee Benefits	20	3,151,666	1,454,345
Other Provisions	21	-	-
Current Tax Liabilities (Net)	26	-	-
Other Current Liabilities	27	762,449	1,061,196
TOTAL EQUITY & LIABILITIES		197,472,772	203,635,055


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Mcleod Russel Africa Limited**PROFIT & LOSS STATEMENT FOR YEAR ENDED**

	Note	Current Year Year ended 31st December 2025 Shs	Previous Year Year ended 31st December 2024 Shs
Revenue from Operations	28	572,707,015	743,415,236
Other Income	29	589,490	7,239,312
Total Revenue		573,296,505	750,654,548
Expenses:			
Cost of Green Leaf Purchased			
Decrease/(Increase) in Stock of Green Leaf	30		
Purchase of Tea		(464,145,351)	(575,482,489)
Changes in Inventories of Finished Goods	31	1,982,507	3,328,946
Employee Benefits Expense	32	(18,155,512)	(14,442,772)
Finance Costs	33	(10,248,151)	4,696,394
Depreciation and Amortisation Expense	34	(104,112)	(104,112)
Other Expenses	35 & 35A	(79,195,231)	(115,415,799)
Total Expenses		(569,865,850)	(697,419,832)
Profit before Exceptional Items and Tax		3,430,655	53,234,716
Exceptional Items	35B	-	-
Profit before Tax		3,430,655	53,234,716
Tax expense:			
Current Tax		5,870,555	9,786,346
Deferred Tax-Charge/(Credit)		(2,571,843)	5,927,755
Total Tax Expense	36 (a & b)	3,298,712	15,714,101
Profit after Tax		131,943	37,520,615
Other Comprehensive Income (net of tax)	37	-	-
Total Comprehensive Income for the period		131,943	37,520,615


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Note-2 : Property Plant and Equipment

Note-2 : Property Plant and Equipment														
ASSETS	GROSS BLOCK AT COST OR VALUATION						ACCUMULATED DEPRECIATION					NET BLOCK		
	As at Last Balance Sheet date	Added on Consolidation	Additions during the year	Disposal during the year	Adjustment During the year (Note - I)	As at Current Balance Sheet date	Up to last Balance Sheet date	Added on Consolidation	For the year	On Disposal During the year	Adjustment During the year (Note - I)	Up to Current Balance Sheet	WDV at Current Balance-Sheet Date	WDV at Last Balance-Sheet Date
Land -Freehold														
ROU - Leasehold Land														
Tea Plantations (Bearer Plants)														
Buildings														
ROU - Leasehold Buildings														
Plant and Equipment														
Computers	526,925.00		40,000			566,925	504,328		47,796			552,124	14,801	22,597
Motor and Other Vehicles						-	-					-		
Furniture and Fixtures	2,404,672		-			2,404,672	2,404,672					2,404,672	-	-
						-						-		
Office Equipment	841,562		194,050			1,035,612	532,546		56,316			588,862	446,750	309,016
Total Current Balance Sheet Date	3,773,159	-	234,050	-	-	4,007,209	3,441,546	-	104,112	-	-	3,545,658	461,551	331,613
Total Last Balance Sheet Date														

Internal Note:

Please disclose the following by way of notes under the schedule

1) Regarding adjustments in 'Gross Block' as well as in 'Accumulated Depreciation', please specify for each row-item the amounts

as well as nature of adjustments (for example: impairment-loss, foreign-exchange fluctuation, etc)

2) Conveyance deed pending, (if any) for any immovable assets.

3) Assets acquired from any group-company.

4) Please give detail of those immoveable properties where title-deeds are not in name of the company :

Description of item of property	Title-deed held in the name of	Property held since which date	Reason of not being held in name of the company (*)	Gross Block at Last Balance Sheet date	Gross Block at Current Balance Sheet date
---------------------------------	--------------------------------	--------------------------------	---	--	---

Land -Freehold
ROU - Leasehold Land
Tea Plantations (Bearer Plants)
Buildings
ROU - Leasehold Buildings

* Please indicate if in dispute.

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As on 31st December 2025
Shs

As on 31st December 2024
Shs

Note 2A : Particulars of Capital Work in Progress:

Aging of 'Capital Work in Progress' :

(i) Projects in progress :

Less than 1 year

1 year to 2 years

2 years to 3 years

More than 3 years

Sub-Total (i)

(ii) Projects temporarily suspended :

Less than 1 year

1 year to 2 years

2 years to 3 years

More than 3 years

Sub-Total (ii)

Note: Please write particulars (with amount) of each such project.

Total [(i) + (ii)] : Should agree with CWIP in Balance Sheet

Detail of those projects whose completion is overdue or exceeded its cost as compared to original plan :

Particulars of each such project should be given separately, as under :

To be completed in :

Next Less than 1 year

Next 1 year to 2 years

Next 2 years to 3 years

Next More than 3 years

As on 31st December 2025

As on 31st December 2024

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Note 3 : Goodwill

Particular	GROSS BLOCK AT COST OR VALUATION						AMORTISATION/IMPAIRMENT						NET BLOCK	
	As at Last Balance Sheet date	Added on Consolidation	Additions during the year	Disposal during the year	Adjustment During the year (Note - I)	As at Current Balance Sheet date	Up to last Balance Sheet date	Added on Consolidation	For the year	On Disposal During the year	Adjustment During the year (Note - I)	Up to Current Balance Sheet	Written Down Value As at Current Balance Sheet Date	Written Down Value As at Last Balance Sheet Date
Goodwill														
Goodwill on Consolidation														
Total Current Balance Sheet Date														
Total Last Balance Sheet Date														

Internal Note:

Please disclose the following by way of notes under the schedule

1)Regarding adjustments in 'Gross Block' as well as in 'Accumulated Depreciation',please specify for each row-item the amounts as well as nature of adjustments (for example: impairment-loss, foreign-exchange fluctuation, etc)

2) Basis of amortisation/impairment of Goodwill (if any)

Note 4 Other Intangible Assets

Particular	GROSS BLOCK AT COST OR VALUATION						AMORTISATION						NET BLOCK	
	As at Last Balance Sheet date	Added on Consolidation	Additions during the year	Disposal during the year	Adjustment During the year (Note - I)	As at Current Balance Sheet date	Up to last Balance Sheet date	Added on Consolidation	For the year	On Disposal During the year	Adjustment During the year (Note - I)	Up to Current Balance Sheet	Written Down Value As at Current Balance Sheet Date	Written Down Value As at Last Balance Sheet Date
Patent and Trade Mark														
Computer Software														
Total Current Balance Sheet Date														
Total Last Balance Sheet Date														

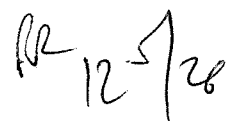
Internal Note:

Please disclose the following by way of notes under the schedule

1)Regarding adjustments in 'Gross Block' as well as in 'Accumulated Depreciation',please specify for each row-item the amounts as well as nature of adjustments (for example: impairment-loss, foreign-exchange fluctuation, etc)

2) Basis of amortisation of Intangible Assets

3)Assets acquired from any group-company.


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Note-5 : Non-Current Investments

(specify face value as well as quantity of each investment)

Long Term

Investments in Equity Instruments - Subsidiaries			
<u>Unquoted</u>			
Investments in Equity Instruments - Trade			
<u>Quoted</u>			
<u>Unquoted</u>			
Investments in Equity Instruments - Other than trade			
<u>Quoted</u>			
<u>Unquoted</u>			
Investments in Government or trust securities			
<u>Quoted</u>			
<u>Unquoted</u>			

Notes:

(a) Following investments are pledged against loans availed by the Company

Name of the Investment

Quantity

Amount

(a) Following investments are pledged against loans availed by group-company (name ---) :

Name of the Investment

Quantity

Amount

Internal Note :

1) Please give itemwise detail, showing type of shares/securities, face-value and quantity of the same.

2) In case there is "Provision for diminution" in respect of any item of investments, please specify original value, provision and net value.



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		As on 31st December 2025		As on 31st December 2024	
		Shs		Shs	
6	Loans	Current	Non-Current	Current	Non-Current
	(Unsecured - considered good, unless otherwise stated)				
	Loans to Related Parties				
	-Holding Company				
	- Subsidiary				
	- Key Managerial Personnel				
	Loans to Employees				
	Considered Good				
	Credit impaired				
	Less: Provision for bad and Doubtful Loans				
	Loans to Others (<i>please write names</i>)				
	Loan receivable Knovic PTE	5,057,602		4,853,186	
	Credit Impaired				
	Less: Provision for bad and Doubtful Loans	(3,034,561)		(970,637)	
		2,023,041		3,882,549	

Internal Notes:

- 1) Please specify against each line-item the receivables from any group-company.
2) In case there is "provision for doubtful Loan" against any of the items, please disclose.

		As on 31st December 2025		As on 31st December 2024	
		(Specify Currency)		(Specify Currency)	
7	Other Financial Assets	Current	Non-Current	Current	Non-Current
	Security Deposits:				
	Considered Good				
	Considered Doubtful				
	Less: Provision for doubtful security-deposits				
	Margin Money Deposit with bank				
	Other Long Term Receivable				
	From Tea Growers				
	Others (Specify)				
	Interest Accrued on Loans and Deposits				
	Considered good				
	Credit impaired				
	Less: Provision for Doubtful Interest Receivable				
	Receivable on account of Claims/Disposal of Assets				
	Foreign Exchange Derivatives Assets				
	Other financial assets				

Internal Note:

- 1) Please specify against each line-item the receivables from any group-company
2) Please specify against each line-item, the amount of Provision, if any.

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8 Other Non-Current Assets

	As on 31st December 2025	As on 31st December 2024
	Shs	Shs
Advances For Capital Expenditure		
Unsecured considered Good;		
Unsecured which have a significant increase in Credit Risk		
Credit Impaired:		
Less: Provision for Doubtful		
Prepaid Expenses		
Advances to Suppliers, Service Providers etc.		
Considered good		
Considered doubtful		
Less: Provision		
Others (Please Specify)		

9 INVENTORIES

	As on 31st December 2025	As on 31st December 2024
	Shs	Shs
At lower of cost and net realisable value		
Raw Materials (Green Leaf)		
Finished Goods (Stock of Tea) Mcleoud Russel Uganda (Shs, 1,137,030) (9,104 Kgs)	41,498,882	39,516,375
[Including in transit (Last Balance Sheet Date.....)]		
Less: Provision for old/inferior/damaged tea		
Packaging Material	3,835,247	4,059,195
Stores and Spares		
[Including in transit (Last Balance Sheet Date.....)]		
Less: Provision for slow-moving/obsolete stores		
	45,334,129	43,575,570

Internal Note:

1) In case the stock of finished goods includes tea bought from any group-company, please specify quantity (kg) and value of such stock as on the date of Balance-Sheet

10 Biological Assets Other than Bearer Plants (Current Assets)

	As on 31st December 2025	As on 31st December 2024
	Shs	Shs
Green Leaf lying on Tea Bushes (i.e. unharvested Tea leaf)		
Value		
Quantity (Kg.)		

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McLeod Russel Africa Limited**11 TRADE RECEIVABLES**

	As on 31st December 2025	As on 31st December 2024
	Shs	Shs
Secured		
- Considered Good		
- Credit Impaired		
Less: Allowance for Doubtful Debts		
Unsecured		
- Considered Good	88,714,178	95,960,596
McLeod Russel Middle East DMCC	30,506,568	22,212,879
McLeod Russel Uganda Limited	5,489	58,182
- Credit Impaired		
Less: Allowance for Doubtful Debts		
	119,226,236	118,231,657

Internal Note:

- 1 Specify against each line-item the receivable from any group company (Please also mention the nature of receivable)
- 2 In case any receivable is backed by a security, please specify with brief description of security.
- 3 Please give aging-schedule of Trade-Receiveables, as per table below. The total of the table should agree with above total.

Aging of 'Trade-Receiveables' :**Outstanding from due-dates:**

	As on 31st December 2025	As on 31st December 2024
Less than 6 months	119,226,236	118,231,657
6 months to 1 year		
1 year to 2 years		
2 year to 3 years		
More than 3 years		
Total (should agree with above totals)	119,226,236	118,231,657

Note-1 : Where no due-date is specified, period should be calculated from date of transaction.

Note-2 : For credit-impaired or disputed trade-receivable, please inform original due-dates for each of such receivable.

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Mcleod Russel Africa Limited

As on 31st December 2025	As on 31st December 2024
Shs	Shs

12 Cash and Cash Equivalents

Cash on hand	128,356	117,518
Cheques on hand		
Remittance in Transit		
Balance with banks in Current Accounts	11,274,188	17,756,306
Fixed deposits with banks (please specify tenure)(Note below)		
Escrow Accounts		
Other Bank Balances (Specify nature)		
	11,402,544	17,873,824

Note: Regarding fixed-deposit with bank, please disclose whether it is under lien.

13 Current Tax Assets (Net)

	As on 31st December 2025	As on 31st December 2024
	Shs	Shs
Advance Tax	8,142,925	16,429,266
Withholding Tax Recoverable		
Less : Provision for Tax	(5,870,555)	(9,786,344)
	2,272,370	6,642,922

Internal Note

Withholding tax represents tax deducted by third parties, the benefit of which would be received by company.

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Mcleod Russel Africa Limited**Notes to Financial Statements (Contd.)**

14 Other Current Assets	As on 31st	As on 31st
	December 2025	December 2024
	Kshs	Kshs
Balance with Government Authorities	16,203,278	12,597,435
Advance for Employee Benefits		
Advance to Employees		
Advances to Suppliers, Service Providers etc. :		
Considered Good		
Credit Impaired		
Less: Provision for bad and Doubtful Advances		
Prepaid Expenses	197,307	147,169
Subsidies receivable from Government		
Balances with Government authorities		
Accrued Income		
Compensation receivable from Government		
Deposit Receivable	352,316	352,316
Others (Please specify)		
Loan receivable Knovic PTE		
	16,752,901	13,096,920

15 EQUITY SHARE CAPITAL	As on 31st	As on 31st
	December 2025	December 2024
	Shs	a
Authorised		
10,000 authorised ordinary shares @10	100,000	100,000
Issued, subscribed and paid-up		
10,000 fully paid up ordinary shares @10	100,000	100,000
	100,000	100,000


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16 Other Equity

	General Reserve	Securities Premium Account	Capital Reserve	Revaluation Reserve	Other Reserve (Note - I)	Foreign Currency Translation Reserve	Surplus in Profit and Loss Statement	Total
Opening Balance							15,553,866	15,553,866
Profit for the year							131,943	131,943
Transferred to General Reserve								
Transferred to Capital Reserve								
Final Dividend paid in respect of last year								
Interim Dividend already paid for current year								
Any other adjustment (specify)								
Balance at the end of the year							15,685,809	15,685,809

Note - I : For each kind of reserve, please specify the nature of reserve.

17 Non - controlling Interest - (i.e. Minority Interest)

(for consolidated Borelli only) : Not applicable at present

	Company name
Opeing balance	
Profit for the year	
Dividend	
Foreign exchange movement	
Closing Balance	

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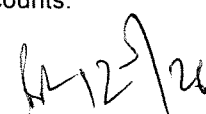
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Mcleod Russel Africa Limited	As on 31st December 2025	As on 31st December 2024
18 Non Current Borrowings	Shs	Shs
SECURED		
Term-Loans from Banks (Bank-wise detail)		
.....name of Bank/Institution		
Gross		
Less: Repayable within one year		
Note:- Also specify for each term-loan, the following detail:-		
a) Detail of security created/to be created		
b) Rate of interest		
c) Terms of repayment (dates and amounts)		
d) Currency in which the loan was originally availed		
UNSECURED		
Loans from Banks (Bank-wise detail)		
.....name of Bank/Institution		
Gross		
Less: Repayable within one year		
Note:- Also specify for each term-loan, the following detail:-		
a) Rate of interest		
b) Terms of repayment (dates and amounts)		
c) Currency in which the loan was originally availed		
Loans from group companies - Borelli Tea Holdings Limited		
Gross	176,547,446	177,025,083
Less: Repayable within one year		
Note: Also please specify the following detail:-		
a) Rate of Interest	SOFR	SOFR
b) Terms of repayment (dates and amounts)	LIBOR+2%	LIBOR+2%
c) Currency in which the loan was availed		
	176,547,446	177,025,083

Declaration :

We hereby confirm that:

- 1 Borrowings from banks were used for the specific purpose for which these were taken,
- 2 On the Balance-Sheet date, there were no defaults in repayment of borrowings and interest.
- 3 Security (whenever applicable) has been created in favour of banks.
- 4 Statements / returns submitted to banks are in agreement with books of accounts.


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Mcleod Russel Africa Limited

19	Other Financial Liabilities	As on 31st December 2025		As on 31st December 2024	
		Shs		Shs	
		Current	Non-Current	Current	Non-Current
	Interest accrued but not due on borrowings - Banks				
	Interest accrued but not due on borrowings - Group Company (Specify name)				
	Liability for capital expenditure				
	Foreign Exchange Derivative Liabilities (Mark to Market)				
	Liabilities payable to Employees				
	Others (Specify)				

Internal Note:

Please specify against each of the above whether there is any liability payable to any group-company.

20	Provision for post-retirement employee-benefits	As on 31st December 2025		As on 31st December 2024	
		Shs	Shs	Shs	Shs
		Current	Non-Current	Current	Non-Current
	-Gratuity				
	-Pension				
	-Medical				
	Other Employee-benefits (Please Specify)				
	Accrued Leave	3,151,666	-	1,454,345	
		3,151,666	-	1,454,345	-

21	Other Provisions	As on 31st December 2025		As on 31st December 2024	
		Shs		Shs	
		Current	Non-Current	Current	Non-Current
	Provision for mark to market losses on derivatives				
	Others (specify nature)				

McLeod Russel Africa Limited

	As on 31st December 2025 Shs	As on 31st December 2024 Shs
24 CURRENT BORROWINGS		
Secured Loans repayable on demand from Banks		
Cash Credit, Export Credit and Demand Loans (Note-1)		
(Give detail of Security Created / to be Created)		
Unsecured Loans		
Unsecured Loans from group companies (specify name) (Note-2)		
Unsecured Loans from banks (specify name)(Note-2)		
Current maturities of long-term debts		
- payable to banks / institutions (Item-wise, specify names)		
- payable to group companies (specify name)		

Note-1: Specify currency of loan, and rate of interest

Note-2: Specify currency of loan, rate of interest, and terms of repayment (dates and amount)

Declaration :**We hereby confirm that:**

- 1 Borrowings from banks were used for the specific purpose for which these were taken,
- 2 On the Balance-Sheet date, there were no defaults in repayment of borrowings and interest.
- 3 Security (whenever applicable) has been created in favour of banks.
- 4 Statements / returns submitted to banks are in agreement with books of accounts.

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25 TRADE PAYABLES	As on 31st December 2025 Shs	As on 31st December 2024 Shs
McLeod Russel Uganda Limited	-	-
Due to Others	15,237,525	19,880,845
	15,237,525	19,880,845

Mcleod Russel Africa Limited**Aging of 'Trade Payable' :****Outstanding from due-dates:**

Less than 6 months

6 months to 1 year

1 year to 2 years

2 year to 3 years

More than 3 years

Total (should agree with above totals)

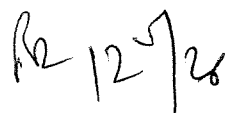
As on 31st December 2025	As on 31st December 2024
15,237,525	19,880,845
-	-
-	-
-	-
-	-
15,237,525	19,880,845

Note-1 : Where no due-date is specified, disclosure should be from date of transaction.

Note-2: For disputed trade-payable, please inform original due-dates for each of such receivable.

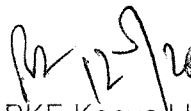
	As on 31st December 2025 Shs	As on 31st December 2024 Shs
26 Current Tax Liabilities (Net)		
Provision for Income Tax		
Less: Advance Tax		
Less: Withholding Tax Recoverable		
	-	-

	As on 31st December 2025 Shs	As on 31st December 2024 Shs
27 Other Current Liabilities		
Advances from Customers / Selling Agents		
Statutory dues (including Provident Fund, Withholding tax, etc.)	762,449	1,061,196
	762,449	1,061,196


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22	DEFERRED TAX LIABILITIES (NET)	As on 31st December 2025 Shs	As on 31st December 2024 Shs
A. Deferred Tax Liability arising due to			
	Difference between net book value of depreciable capital assets (Property,		
i)	Plant & Equipment) as per books vis-à-vis written down value as per tax laws		
ii)	Others (specify nature)		
	Sub-total (A)		
B. Deferred Tax Assets arising due to			
i)	Items allowed for tax purpose after actual payment		
	Accrued leave	(945,500)	(436,304)
ii)	Provision for Doubtful Debts, Advances etc.	(2,292,062)	(291,191)
iii)	Tax-losses available for set-off against future income		
iv)	Others (Specify nature)		
	Tax Losses Carried Forward		
	Unrealised Exchange Loss	(10,600,559)	(10,505,356)
	Plant and equipment	(174,002)	(207,429)
	Sub-total (B)	(14,012,123)	(11,440,280)
	Net Deferred Tax Liabilities (A-B)	14,012,123	11,440,280

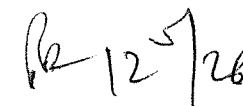

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Please give movement in Deferred Tax Liabilities (Net) in following table :

	Property, Plant & Equipment	Tax-losses available for set-off against future income (Note below)	Items Allowed for Tax-purpose on payment	Provision for Doubtful Debts, Advances etc	Others Items	Total
Opening Balance	(207,429)		(436,304)	(291,191)	(10,505,356)	(11,440,280)
Charged/Credited to :						
Profit & Loss Statement	33,427		(509,196)	(2,000,871)	(95,203)	(2,571,843)
Others Comprehensive Income						
Closing Balance	(174,002)		(945,500)	(2,292,062)	(10,600,559)	(14,012,123)

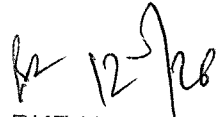
Note: Please give year-wise breakup of tax-losses, along with expiry-dates.



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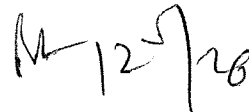
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Notes to Financial Statements (Contd.)

23 Other Non - Current Liabilities	As on 31st December 2025 Shs	As on 31st December 2024 Shs
Deferred revenue arising from Government grants		
Others (Please Specify)		


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		As on 31st December 2025 Shs	As on 31st December 2024 Shs
28	REVENUE FROM OPERATIONS		
	Sale of Products - Tea Sales to Mcleod Russel Middle East 2025: Shs 92,890,701 (2024: Shs 103,736,439)	572,707,015	743,415,236
	Sale of Services - Consultancy Fees		
	- Royalty		
	Other Operating Revenues		
	Rebate of Excise Duty , VAT etc		
	Liability no longer required, written back		
	Others (specify nature)		
		572,707,015	743,415,236
Internal Notes:			
1) In the above schedule, please specify against each line item the quantity and value of sales made to any group-company.			
2)Please specify against each line item the income from any group company.			

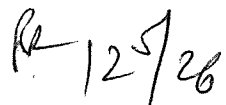

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29 OTHER INCOME

Interest Income (Gross)		
On Deposits		
On Loans		
On Tax Refunds		
Dividend on Long Term Trade Investments		
From Subsidiary Company		
From Others		
Insurance Claims		
Sundry Income		
Profit (net) on Disposal of Property, Plant & Equipment		
Profit on Compulsory acquisition of Land by Government		
Profit on Sale of Investments		
Liabilities no Longer Required, Written Back		
Provision for Doubtful Debt, no Longer Required Written Back		
Net Gain on Foreign Currency Transaction and Translation		
- Actually Received		
- Translation Gain		
Changes in fair value of biological asset (i.e. unharvested leaf lying on tea-bushes) (Refer Note 10)		
Others (specify nature)		
Gain on Blended Tea	589,490	449,178
Miscellaneous income		6,790,134
	589,490	7,239,312

Internal Note:

- 1) Exceptional/Non-recurring income should be shown separately with brief descriptions.
- 2) Please specify against each line item the income from any group company


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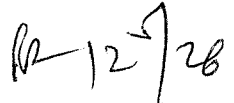
30

DERECASE/(INCREASE) IN INVENTORY OF GREEN LEAF (i.e. leaf plucked/purchased but not yet convrted to Tea)

Stock of Green Leaf at beginning of the year		
Less: Closing Stock of Green Leaf at end of the year		
(Increase)/Decrease		

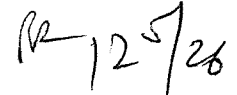
Internal Note:

- 1) Please ensure that opening stock of current year agrees with closing stock of last year
- 2) The stock above must agree with the stock shown in Note-9


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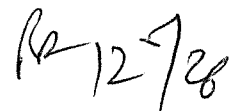
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		As on 31st December 2025 Shs	As on 31st December 2024 Shs
31	CHANGES IN INVENTORIES OF FINISHED GOODS		
	Stock of Tea at the beginning of the year	39,516,375	36,187,429
	Less: Stock of Tea at the end of the year	41,498,882	39,516,375
	(Increase)/Decrease	(1,982,507)	(3,328,946)
	Internal Note: 1) Please ensure that opening stock of current year agrees with closing stock of last year 2) The stock above must agree with the stock shown in Note-9		
32	EMPLOYEE BENEFITS EXPENSE	As on 31st December 2025 Shs	As on 31st December 2024 Shs
	Salaries and Wages	15,507,343	13,483,495
	Contribution to Provident and Other Funds	425,799	469,624
	Increase/(Decrease) in accrued leave provision	1,697,321	489,653
	Labour and Staff Welfare	525,049	
		18,155,512	14,442,772
	Internal Note: 1) Exceptional/Non-recurring expenditure should be shown separately with full description.		
		As on 31st December 2025	As on 31st December 2024


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Mcleod Russel Africa Limited

33	FINANCE COSTS	Shs	Shs
	Interest Expense		
	On Fixed Loans (Borelli Tea Holdings Limited)	11,077,421	13,329,377
	Others		
	Less: Interest received (Mcleod Russel Middle East)	(1,146,882)	(994,557)
	Other Borrowing Costs		
	Net Foreign Exchange Loss/(Gain)	317,612	(17,031,214)
		10,248,151	(4,696,394)
* Includes ----- on Leases			
Internal Note:			
Please specify against each line item, the interest to any group company			
34	DEPRECIATION AND AMORTISATION EXPENSE	As on 31st December 2025	As on 31st December 2024
		Shs	Shs
	Depreciation on Tangible Fixed Assets *	104,112	104,112
	Amortisation of Goodwill		
	Amortisation of other Intangible Assets		
		104,112	104,112
* Includes ----- on Leases			


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Mcleod Russel Africa Limited

		As on 31st December 2025 Shs	As on 31st December 2024 Shs
35	OTHER EXPENSES		
	Consumption of Stores and Spare Parts		
	Consumption of Manure, Fertilizers, Agro-chemicals, etc		
	Consumption of Packing Materials	6,111,623	7,451,311
	Power and Fuel	245,237	394,566
	Rent	1,491,408	1,319,049
	Lease Rent		
	Repairs to Buildings		
	Repairs to Plant & Machinery		
	Repairs to Others	3,787	74,895
	Insurance		
	Rates and Taxes		
	Cess on Tea manufactured		
	Cess on Green Leaf		
	Travelling	1,320,707	3,883,840
	Legal and Professional Fees	2,409,000	3,505,880
	Royalty Fee / License Fee		
	Freight, Shipping and Selling Expenses	48,697,217	83,433,052
	Brokerage on Sales		
	Selling Agents' Commission	4,759,672	7,725,563
	Auditors' Remuneration	690,000	720,000
	Royalty Fee		
	Management Fee		
	Advertisement and Promotion	225,000	-
	Loss (Net) on Disposal of Property, Plant & Equipment		
	Bad Debts written off (net of pre-existing provision)		
	Any other Write Off (Specify)(net of pre-existing provision)		
	Provision for Doubtful Debts	5,576,283	-
	Provision for diminution in value of investments		
	Any other Provision made (Specify) - Loan Receivable	2,063,924	970,637
	Net Loss on foreign exchange:-		
	'- Actually Paid		
	'- Translation Loss (Mark to market)		
	Miscellaneous Expenses [see internal note - (a)]	5,601,373	5,937,006
		79,195,231	115,415,799

Internal Notes:

- a) Any item under which the expenditure exceeds 1% of the total revenue from operations (i.e. Sale of Goods and Other Operating Income) should be shown as a separate item.
- b) Exceptional/Non-recurring expenditure should be shown separately with brief description
- c) In the above schedule, specify against each line item the expenditure due to purchase of goods/services from any group-company.
- d) Foreign exchange translation-loss (mark to market) must agree with the detail given in descriptive note under the head "Mark to market losses provided for"
- e) Borelli, in its consolidated accounts, should give Note - "35A" giving Company-wise break-up and consolidation-adjustments

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BORELLI TEA HOLDINGS LIMITED (CONSOLIDATED)
35A OTHER EXPENSES : Classification : Subsidiaries

	Borelli Tea Holdings	Phu Ben Tea Company	McLeod Russel Uganda	McLeod Russel Africa	McLeod Russel Middle East	Consolidation adjustments	Notes below	Total
	GBP	GBP	GBP	GBP	GBP	GBP		GBP
Consumption of Stores and Spare Parts								-
Consumption of Packing Materials								-
Power and Fuel								-
Rent								-
Lease Rent								-
Repairs to Buildings								-
Repairs to Plant & Machinery								-
Repairs to Others								-
Insurance								-
Rates and Taxes								-
Cess on Tea manufactured								-
Cess on Green Leaf								-
Travelling								-
Legal and Professional Fees								-
Royalty Fee / License Fee								-
Freight, Shipping and Selling Expenses								-
Brokerage on Sales								-
Selling Agents' Commission								-
Auditors' Remuneration								-
Royalty Fee								-
Management Fee								-
Loss (Net) on Disposal of Property,Plant & Equipment								-
Bad Debts written off (net of pre-existing provision)								-
Any other Write Off (Specify)(net of pre-existing provision)								-
Provision for Doubtful Debts								-
Provision for diminution in value of investments								-
Any other Provision made (Specify)								-
Net Loss on foreign exchange:-								-
'- Actually Paid								-
'- Translation Loss (Mark to market)								-
Miscellaneous Expenses [see internal note - (a)]								-
TOTAL	-	-	-	-	-	-		-

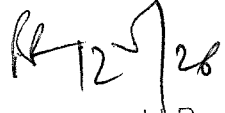
Note-1

Note-2

Note-3

Internal Note:

- Any item under which the expenditure exceeds 1% of the total revenue from operations (i.e. Sale of Goods and
- Exceptional/Non-recurring expenditure should be shown separately with brief description
- In the above schedule,specify against each line item the expenditure due to purchase of goods/services from any group-company.
- Borelli should give Schedule - 35A giving Company-wise break-up.


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		As on 31st December 2025 Shs	As on 31st December 2024 Shs
35B	Exceptional Items		
	1		
	2		
	3		
	TOTAL		


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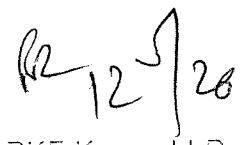
	As on 31st December 2025 Shs	As on 31st December 2024 Shs
36 (a) Income tax Expense		
<u>Current Tax</u>		
Current tax on profits for the year	5,870,555	10,292,724
Withholding tax suffered (Please Specify)		
Adjustments for current tax of prior periods	-	(506,378)
Sub-Total	5,870,555	9,786,346
<u>Deferred Tax</u>		
Decrease / (increase) in deferred tax assets	(2,571,843)	5,927,755
(Decrease) / increase in deferred tax liabilities		
Sub-Total	(2,571,843)	5,927,755
Total	3,298,712	15,714,101

Internal Note: This must agree with "Total Tax Expense" appearing in Statement of Profit & loss

(b) Reconciliation of tax expense and the accounting profit multiplied by average tax rate:

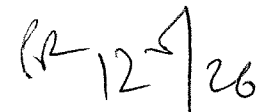
	As on 31st December 2025 Shs	As on 31st December 2024 Shs
Profit before income-tax	3,430,655	53,234,715
Average rate of Income Tax	30%	30%
Tax at average rate	1,029,197	15,970,415
Effects of :-		
Withholding-tax suffered		
Adjustment to tax-charge in respect of prior periods	-	(497,964)
Effect of expenses not deductible for tax-purposes	2,269,516	241,650
Effect of income not subject to tax		
Adjustment for tax on losses		
Any Other items (Please Specify)		
Income Tax Expense Total (See Internal Note Below)	3,298,713	15,714,101

Internal Note: This must agree with "Total Tax Expense" appearing in Statement of Profit & loss


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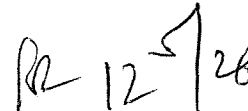
	As on 31st December 2025 Shs	As on 31st December 2024 Shs
37 OTHER COMPREHENSIVE INCOME (Net of Tax)		
Gain or Loss on		
a) Items that will not be reclassified to Profit or Loss :		
(i) Re-measurement of post-employment defined-benefit obligations		
Less : Tax on above		
(ii) Fair Value gain/loss on Equity-instruments/ Investments		
Less : Tax on above		
(iii) Any other item (please specify)		
Less : Tax on above		
b) Items that will be reclassified to Profit or Loss :		
(i) Exchange difference on translation of foreign operations		
(ii) Any other item		


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Mcleod Russel Africa Limited

Statement of Cash Flows for the year ended 31 December 2025

				Current Year	Previous Year
				<u>Year ended 31st December 2025</u>	<u>Year ended 31st December 2024</u>
A. Cash flow from operating activities :					
Profit before income tax				3,430,655	53,234,716
Adjustments for :					
Depreciation and Amortisation Expense				104,112	104,112
(Profit) / Loss on disposal of Property, Plant and Equipment					
Amortisation of Government Grants - Capital Subsidy					
Profit on sale of investments					
Provision for doubtful advances/ receivables etc					
Changes in Fair Value of Biological Assets					
Dividend and Interest Income classified as investing cash flows					
Finance Costs				9,930,539	12,334,820
Fair Value loss/Gain on Foreign Exchange Derivatives (Net)					
Liabilities no longer required written back					
Provision for bad and doubtful no longer required written back					
Exchange difference on translation of balances denominated in Foreign Currency				317,612	(17,031,214)
Any other adjustments (please specify)					
Change in operating assets and liabilities:					
Changes in Inventories				(1,758,559)	(2,621,045)
Changes in Financial Assets (other than 'Loans given')					
Changes in Trade Receivables				(994,579)	39,264,954
Changes in "Other Current Assets"				(3,655,981)	1,953,250
Changes in "Other Non-Current Assets"				1,859,508	
Changes in Trade Payables				(4,643,320)	(21,738,662)
Changes in Financial Liabilities (other than Borrowings)					
Changes in Employee Benefit Obligations				1,697,321	461,605
Changes in Other Current Liabilities				(298,747)	111,057
Any other changes in operating assets & liabilities (please specify)					
Cash inflow/(outflow) from operating activities				5,988,561	66,073,593
Income taxes paid (Net of Refunds)				(1,500,000)	(32,803,721)
Net cash inflow/(outflow) from operating activities				4,488,561	33,269,872


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Mcleod Russel Africa Limited**Statement of Cash Flows for the year ended 31 December 2025 (continued)**

B. Cash flows from investing activities:				
Payments for Property, Plant and Equipment (Tangible fixed assets)			(234,050)	(48,000)
Payments for Intangible Fixed Assets (Trademark, Computer software)				
Increase / (decrease) in Loans to Related parties			(795,251)	(35,417,048)
Increase / (decrease) in Inter-corporate Loans				
Receipts of Government Grants - Capital Subsidy				
Proceeds from sale of Long Term Investments				
Proceeds from sale of Property, Plant and Equipment				
Repayment of loans by Employees and Related party				
Dividends Received				
Interest Received				
Any other inflow/outflow for investing-activities (please specify)				
Net cash inflow/(outflow) from investing activities			(1,029,301)	(35,465,048)

C. Cash flows from financing activities :				
Proceeds from Long Term Borrowings				
Repayment of Long Term Borrowings				
Proceeds from Short Term Borrowings				
Repayment of Short Term Borrowingss				
Payment of Lease-liabilities				
Interest paid			(9,930,539)	(1,161,564)
Dividends paid				
Any other inflow/outflow for financing-activities (please specify)				
Net cash inflow/ (outflow) from financing activities			(9,930,539)	(1,161,564)

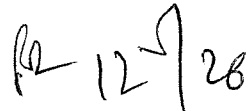
Net increase (decrease) in Cash and Cash Equivalents**(6,471,280)****(3,356,740)**

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Mcleod Russel Africa Limited**Statement of Cash Flows for the year ended 31 December 2025 (continued)**

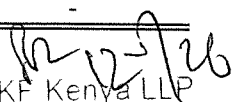
Reconciliation :				
Cash and Cash Equivalents at beginning of the year (Refer relevant numeric note)			17,873,824	21,230,564
Effect of exchange rate changes on opening Cash & Cash Equivalents				
(A)				
Cash and Cash Equivalents at end of the year (Refer relevant numeric note) (B)			11,402,544	17,873,824
Net increase (decrease) (A - B)			(6,471,280)	(3,356,740)
	Last Balance Sheet Date	Cash flows (Note below)	Non-Cash Flows	Current Balance Sheet Date
Change in liabilities arising from financing activities:				
Non-current borrowings				
Current maturities of long term debt				
Short Term borrowings				
Lease-Liabilities				
Interest accrued and due on borrowings				
Interest accrued but not due on borrowings				
Note: Includes cash flows on account of both principal and interest.				


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Consolidated Borelli

SEGMENT INFORMATION (this statement will be prepared by Borelli only)

	<u>Year ended 31st</u> <u>March 2025</u> GBP	<u>Year ended 31st</u> <u>March 2024</u> GBP
1) Segment Revenue from Operations :		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>
2) Segment Profit before Tax :		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>
3) Capital Expenditure related to Segments :		
A) Total Capital expenditure:		
Additions to Property, Plant and Equipment		
Additions to Intangible assets		
	<u>-</u>	<u>-</u>
Capital-work-in-progress on closing date		
	<u>-</u>	<u>-</u>
less: Capital-work-in-progress on opening date		
	<u>-</u>	<u>-</u>
B) Segment-wise Capital-expenditure:		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>
4) Depreciation and Amortisation relating to Segments		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>
	<u>As on 31st March</u> <u>2023</u> GBP	<u>As on 31st March</u> <u>2022</u> GBP
5) Segment Assets		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>
6) Segment Liabilities (excluding Equity)		
United Kingdom		
Uganda		
Dubai		
Kenya		
Total	<u>-</u>	<u>-</u>


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