

**BORELLI TEA HOLDINGS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2025**

|                                                 | Note | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|-------------------------------------------------|------|--------------------------------------|--------------------------------------|
| <b>ASSETS</b>                                   |      |                                      |                                      |
| <b>Non-Current Assets</b>                       |      |                                      |                                      |
| Property, Plant and Equipment                   | 2    | 15,203,163                           | 15,334,642                           |
| Capital Work-in-Progress                        | 24   | 425,095                              | 536,407                              |
| Goodwill on Consolidation                       | 3    | 2,681,316                            | 2,681,316                            |
| Other Intangible Assets                         | 4    | 58,201                               | 116,419                              |
| <b>Financial Assets</b>                         |      |                                      |                                      |
| Investments                                     | 5    | 1                                    | 1                                    |
| Loans                                           | 6    | 557,525                              | 1,121,294                            |
| Other Financial Assets                          | 7    | 0                                    | 75,816                               |
| Other Non-current Assets                        | 8    | -                                    | (0)                                  |
| <b>Current Assets</b>                           |      |                                      |                                      |
| Inventories                                     | 9    | 3,624,737                            | 4,568,216                            |
| Biological Assets other than bearer plants      | 10   | 67,970                               | 71,631                               |
| <b>Financial Assets</b>                         |      |                                      |                                      |
| Loans                                           | 6    | -                                    | -                                    |
| Other Financial Assets                          | 7    | 19,230                               | 269,932                              |
| Trade Receivables                               | 11   | 1,186,092                            | 1,197,462                            |
| Cash and Cash Equivalents                       | 12   | 321,367                              | 271,371                              |
| Current Tax Assets (Net)                        | 13   | 1,452,241                            | 1,271,920                            |
| Other Current Assets                            | 14   | 966,891                              | 742,487                              |
| <b>TOTAL ASSETS</b>                             |      | <b>26,563,829</b>                    | <b>28,252,915</b>                    |
| <b>EQUITY AND LIABILITIES</b>                   |      |                                      |                                      |
| <b>Equity</b>                                   |      |                                      |                                      |
| Equity Share Capital                            | 15   | 252,000                              | 252,000                              |
| Other Equity                                    | 16   | 7,179,481                            | 9,046,980                            |
| Minority Interest                               |      | -                                    | -                                    |
| <b>Non-current Liabilities</b>                  |      |                                      |                                      |
| <b>Financial Liabilities</b>                    |      |                                      |                                      |
| Borrowings                                      | 18   | 8,795,880                            | 4,742,583                            |
| Lease Liabilities                               |      | -                                    | -                                    |
| Other Financial Liabilities                     | 19   | -                                    | -                                    |
| <b>Provisions:</b>                              |      |                                      |                                      |
| Provision for post-retirement employee benefits | 20   | 613,489                              | 599,228                              |
| Other Provisions                                | 21   | -                                    | -                                    |
| Deferred Tax Liabilities (Net)                  | 22   | 69,254                               | 846,807                              |
| Other Non-current Liabilities                   | 23   | -                                    | -                                    |
| <b>Current Liabilities</b>                      |      |                                      |                                      |
| <b>Financial Liabilities</b>                    |      |                                      |                                      |
| Borrowings                                      | 24   | 5,170,814                            | 9,087,859                            |
| Trade Payables                                  | 25   | 742,459                              | 1,163,048                            |
| Lease Liabilities                               |      | -                                    | -                                    |
| Other Financial Liabilities                     | 19   | 1,581,517                            | 1,151,848                            |
| <b>Provisions:</b>                              |      |                                      |                                      |
| Provision for post-retirement employee benefits | 20   | 8,709                                | 5,981                                |
| Other Provisions                                | 21   | -                                    | -                                    |
| Current Tax Liabilities (Net)                   | 26   | -                                    | -                                    |
| Other Current Liabilities                       | 27   | 2,150,229                            | 1,356,581                            |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>           |      | <b>26,563,829</b>                    | <b>28,252,915</b>                    |

Auditor

Notes

*Ferguson Maidment & Co.*  
*22/5/25*

Director

*22/5/25*

1. The financial statements and accompanying notes of the subsidiaries used in the consolidation are presented in GBP by using the following and as at 31-03-25 exchange rates: GBP 1 = UGX 4,730, GBP 1 = US\$1.29, GBP 1 = KSH 167 as at 31-03-24 exchange rates: GBP 1 = VND 29,920, GBP 1 = UGX 4,875, GBP 1 = US\$1.26, GBP 1 = KSH 166



**BORELLI TEA HOLDINGS LIMITED**  
**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025**

|                                                            | Note     | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st March<br>2024<br>GBP |
|------------------------------------------------------------|----------|--------------------------------------|--------------------------------------|
| Revenue from Operations                                    | 28       | 15,133,136                           | 20,654,228                           |
| Other Income                                               | 29       | 261,214                              | 543,016                              |
| <b>Total Revenue</b>                                       |          | <b>15,394,350</b>                    | <b>21,197,243</b>                    |
| <b>Expenses:</b>                                           |          |                                      |                                      |
| Cost of Green Leaf Purchased                               | 30A      | 1,145,943                            | 2,854,348                            |
| Decrease/ (Increase) in Stock of Green Leaf                | 30       | -                                    | -                                    |
| Purchase of Tea                                            | 30B      | 3,693,046                            | 3,873,085                            |
| Changes in Inventories of Finished Goods                   | 31       | 126,287                              | 1,448,628                            |
| Employee Benefits Expense                                  | 32       | 3,910,574                            | 5,433,026                            |
| Finance Costs                                              | 33       | 1,372,035                            | 1,922,664                            |
| Depreciation and Amortisation Expense                      | 34       | 1,010,323                            | 1,329,693                            |
| Other Expenses                                             | 35       | 6,660,202                            | 8,537,154                            |
| <b>Total Expenses</b>                                      |          | <b>17,918,409</b>                    | <b>25,398,597</b>                    |
| Profit / (Loss) before Exceptional Items and Tax           |          | (2,524,059)                          | (4,201,354)                          |
| Exceptional Item                                           | 35B      | -                                    | -                                    |
| Profit / (Loss) before Tax and Minority Interest           |          | (2,524,059)                          | (4,201,354)                          |
| Tax expense:                                               |          |                                      |                                      |
| Current Tax                                                |          | 72,038                               | 200,158                              |
| Tax on exceptional items                                   |          | -                                    | -                                    |
| Deferred Tax-Charge/(Credit)                               |          | (717,418)                            | (1,274,387)                          |
| <b>Total Tax Expense</b>                                   | 36 (a&b) | (645,379)                            | (1,074,228)                          |
| Profit/ (Loss) after Taxation but before Minority Interest |          | (1,878,679)                          | (3,127,126)                          |
| Other Comprehensive Income (net of tax)                    | 37       | 73,443                               | 58,799                               |
| <b>Total Comprehensive Income for the period</b>           |          | <b>(1,805,236)</b>                   | <b>(3,068,327)</b>                   |
| Minority Interest                                          |          | -                                    | -                                    |
| <b>Profit (Loss) for the Year</b>                          |          | <b>(1,805,236)</b>                   | <b>(3,068,327)</b>                   |

Auditor *Ferguson Maidment & Co.*  
*22/5/25*

Notes

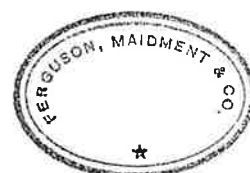
1. The financial statements and accompanying notes of the subsidiaries used in the consolidation are presented in GBP by using the following average 31-12-24 exchange rates: GBP 1 = UGX 4,800, GBP 1 = US\$1.28, GBP 1 = KSH172 and average 31-12-23 exchange rates: GBP 1 = VND 29,847 GBP 1 = UGX 4,606, GBP 1 = US\$1.24, GBP 1 = KSH173

*[Signature]*  
Director  
*22/5/25*



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

|                                                              | <u>Year ended 31st</u><br><u>March 2025</u><br><u>GBP</u> | <u>Year ended 31st</u><br><u>March 2024</u><br><u>GBP</u> |
|--------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| <b>1) Segment Revenue from Operations :</b>                  |                                                           |                                                           |
| United Kingdom                                               | -                                                         | -                                                         |
| Vietnam                                                      | -                                                         | 314,672                                                   |
| Uganda                                                       | 10,037,644                                                | 15,155,033                                                |
| Dubai                                                        | 1,376,429                                                 | 1,162,236                                                 |
| Kenya                                                        | 3,719,063                                                 | 4,022,287                                                 |
| Total                                                        | <u>15,133,136</u>                                         | <u>20,654,228</u>                                         |
| <b>2) Segment Profit before Tax :</b>                        |                                                           |                                                           |
| United Kingdom                                               | (321,660)                                                 | 2,289                                                     |
| Vietnam                                                      | 0                                                         | (402,179)                                                 |
| Uganda                                                       | (2,603,013)                                               | (4,026,137)                                               |
| Dubai                                                        | 91,109                                                    | 78,704                                                    |
| Kenya                                                        | 309,504                                                   | 145,969                                                   |
| Total                                                        | <u>(2,524,059)</u>                                        | <u>(4,201,354)</u>                                        |
| <b>3) Capital Expenditure related to Segments :</b>          |                                                           |                                                           |
| <b>A) Total Capital expenditure:</b>                         |                                                           |                                                           |
| Additions to Property, Plant and Equipment                   | 115,857                                                   | 530,683                                                   |
| Additions to Intangible assets                               | -                                                         | -                                                         |
|                                                              | <u>115,857</u>                                            | <u>530,683</u>                                            |
| Capital-work-in-progress on closing date                     | 425,095                                                   | 536,407                                                   |
|                                                              | <u>540,951</u>                                            | <u>1,067,090</u>                                          |
| less: Capital-work-in-progress on opening date               | 536,407                                                   | 735,235                                                   |
|                                                              | <u>4,544</u>                                              | <u>331,855</u>                                            |
| <b>B) Segment-wise Capital-expenditure:</b>                  |                                                           |                                                           |
| United Kingdom                                               | -                                                         | -                                                         |
| Vietnam                                                      | -                                                         | -                                                         |
| Uganda                                                       | 4,544                                                     | 331,855                                                   |
| Dubai                                                        | -                                                         | -                                                         |
| Kenya                                                        | -                                                         | -                                                         |
| Total                                                        | <u>4,544</u>                                              | <u>331,855</u>                                            |
| <b>4) Depreciation and Amortisation relating to Segments</b> |                                                           |                                                           |
| United Kingdom                                               | 58,218                                                    | 58,218                                                    |
| Vietnam                                                      | -                                                         | 177,202                                                   |
| Uganda                                                       | 951,345                                                   | 1,092,736                                                 |
| Dubai                                                        | 154                                                       | 322                                                       |
| Kenya                                                        | 605                                                       | 1,214                                                     |
| Total                                                        | <u>1,010,323</u>                                          | <u>1,329,692</u>                                          |
|                                                              | <u>As on 31st March</u><br><u>2025</u><br><u>GBP</u>      | <u>As on 31st</u><br><u>March 2024</u><br><u>GBP</u>      |
| <b>5) Segment Assets</b>                                     |                                                           |                                                           |
| United Kingdom                                               | 2,885,545                                                 | 3,100,462                                                 |
| Vietnam                                                      | -                                                         | -                                                         |
| Uganda                                                       | 21,979,704                                                | 23,501,987                                                |
| Dubai                                                        | 609,505                                                   | 597,986                                                   |
| Kenya                                                        | 1,089,075                                                 | 1,052,480                                                 |
| Total                                                        | <u>26,563,829</u>                                         | <u>28,252,915</u>                                         |
| <b>6) Segment Liabilities (excluding Equity)</b>             |                                                           |                                                           |
| United Kingdom                                               | 772,417                                                   | 690,364                                                   |
| Vietnam                                                      | -                                                         | -                                                         |
| Uganda                                                       | 18,246,962                                                | 18,123,261                                                |
| Dubai                                                        | 44,301                                                    | 76,179                                                    |
| Kenya                                                        | 68,669                                                    | 64,130                                                    |
| Total                                                        | <u>19,132,349</u>                                         | <u>18,953,934</u>                                         |



**BORELLITEA HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2025**

|                                                                                       |                                                                                                                     | Year Ended 31st March<br>2025 | Year Ended 31st March<br>2024 |
|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
|                                                                                       |                                                                                                                     | GBP                           | GBP                           |
| <b>A. Cash flow from operating activities :</b>                                       |                                                                                                                     |                               |                               |
|                                                                                       | Profit before income tax                                                                                            | (2,624,058)                   | (4,201,154)                   |
|                                                                                       | Adjustments for :                                                                                                   |                               |                               |
|                                                                                       | Depreciation and Amortisation Expense                                                                               | 1,010,223                     | 1,110,693                     |
|                                                                                       | (Profit) / Loss on disposal of Property, Plant and Equipment                                                        | (255,744)                     | -                             |
|                                                                                       | Write off of Fixed Assets                                                                                           | 2,032                         | (15,827)                      |
|                                                                                       | Amortisation of Government Grants - Capital Subsidy                                                                 | -                             | -                             |
|                                                                                       | Profit on sale of investments                                                                                       | -                             | -                             |
|                                                                                       | Provision for doubtful debtors/ receivables etc                                                                     | 775,425                       | -                             |
|                                                                                       | Changes in Fair Value of Financial Assets                                                                           | 5,772                         | 73,772                        |
|                                                                                       | Dividend Income classified as investing cash flows                                                                  | -                             | (172)                         |
|                                                                                       | Interest Income classified as investing cash flows                                                                  | -                             | -                             |
|                                                                                       | Finance Costs                                                                                                       | 1,434,643                     | 1,643,687                     |
|                                                                                       | Fair Value Gains on Derivatives                                                                                     | -                             | -                             |
|                                                                                       | Provision for Fair Value losses on derivatives                                                                      | -                             | -                             |
|                                                                                       | Losses on no longer required written back                                                                           | -                             | -                             |
|                                                                                       | Provision for bad and doubtful no longer required written back                                                      | -                             | 5,305                         |
|                                                                                       | Remeasurement of multi-employment defined benefit obligations                                                       | (242,616)                     | 83,998                        |
|                                                                                       | Adjustment for Income from shares in group undertakings                                                             | -                             | -                             |
|                                                                                       | Gain on financial assets at fair value through P&L account                                                          | -                             | -                             |
|                                                                                       | Provision for inventory obsolescence                                                                                | -                             | -                             |
|                                                                                       | Exchange difference on translation of balances denominated in foreign currencies                                    | (99,019)                      | 145,729                       |
|                                                                                       | Exchange difference on translation of foreign currency of subsidiaries and on consolidation (At BTHL Consolidation) | 11,186                        | 89,216                        |
|                                                                                       | Any other adjustments (please specify)                                                                              | -                             | -                             |
|                                                                                       | Change in operating assets and liabilities:                                                                         |                               |                               |
|                                                                                       | Changes in Investments                                                                                              | 1,050,701                     | 1,743,764                     |
|                                                                                       | Changes in Financial Assets (other than Loans above)                                                                | (748,871)                     | (451,650)                     |
|                                                                                       | Changes in Trade Receivables                                                                                        | 135,025                       | 70,376                        |
|                                                                                       | Changes in "Other Current Assets"                                                                                   | (247,335)                     | 177,400                       |
|                                                                                       | Changes in "Other Non-Current Assets"                                                                               | -                             | 18,028                        |
|                                                                                       | Changes in Trade Payables                                                                                           | (555,905)                     | 316,159                       |
|                                                                                       | Changes in Financial Liabilities (other than Borrowings)                                                            | (13,148)                      | (4,882)                       |
|                                                                                       | Changes in Employee Benefit Obligations                                                                             | (3,405)                       | (210,428)                     |
|                                                                                       | Changes in Other Current Liabilities                                                                                | 1,010,213                     | 811,185                       |
|                                                                                       | Changes in Minority Interest                                                                                        | -                             | -                             |
|                                                                                       | Any other changes in operating assets & liabilities (please specify)                                                | -                             | -                             |
|                                                                                       | Cash inflow/(outflow) from operating activities                                                                     | 733,618                       | 1,653,710                     |
|                                                                                       | Income taxes paid (Net of Refunds)                                                                                  | (111,584)                     | (75,394)                      |
|                                                                                       | <b>Net cash inflow/(outflow) from operating activities</b>                                                          | <b>622,034</b>                | <b>1,578,317</b>              |
| <b>B. Cash flows from investing activities:</b>                                       |                                                                                                                     |                               |                               |
|                                                                                       | Payments for Property, Plant and Equipment                                                                          | 11,859                        | (365,791)                     |
|                                                                                       | Payments for Intangible Fixed Assets (Trademark, Computer software)                                                 | -                             | -                             |
|                                                                                       | Interest / Dividend on Loans to Related parties                                                                     | 77,054                        | 477,608                       |
|                                                                                       | Interest / Dividend on Intercompany Loans                                                                           | -                             | -                             |
|                                                                                       | Interest / Dividend on Loans to others                                                                              | 308,144                       | (129,013)                     |
|                                                                                       | Receipts of Government Grants - Capital Subsidy                                                                     | -                             | -                             |
|                                                                                       | Proceeds from sale of Long Term Investments                                                                         | -                             | -                             |
|                                                                                       | Proceeds from sale of Property, Plant and Equipment                                                                 | (402)                         | 24,101                        |
|                                                                                       | Purchase of investments in subsidiaries                                                                             | -                             | -                             |
|                                                                                       | Repayment of loans by Employees and Related party                                                                   | -                             | -                             |
|                                                                                       | Dividends Received                                                                                                  | -                             | 16                            |
|                                                                                       | Interest Received                                                                                                   | -                             | -                             |
|                                                                                       | Any other inflow/(outflow) for investing activities (please specify)                                                | -                             | -                             |
|                                                                                       | <b>Net cash inflow/(outflow) from investing activities</b>                                                          | <b>631,155</b>                | <b>116,971</b>                |
| <b>C. Cash flows from financing activities :</b>                                      |                                                                                                                     |                               |                               |
|                                                                                       | Proceeds from Long Term Borrowings                                                                                  | 2,093,507                     | -                             |
|                                                                                       | Repayment of Long Term Borrowings                                                                                   | (120,023)                     | (1,105,454)                   |
|                                                                                       | Proceeds from Short Term Borrowings                                                                                 | 24,210                        | 1,059,422                     |
|                                                                                       | Repayment of Short Term Borrowings                                                                                  | (6,434,380)                   | (2,954,151)                   |
|                                                                                       | Payment of Lease Liabilities                                                                                        | -                             | (17,025)                      |
|                                                                                       | Interest paid                                                                                                       | (365,770)                     | (1,023,434)                   |
|                                                                                       | Dividends paid                                                                                                      | (6,024)                       | -                             |
|                                                                                       | Purchase of own shares                                                                                              | -                             | -                             |
|                                                                                       | Any other inflow/(outflow) for financing activities (please specify)                                                | -                             | 0                             |
|                                                                                       | <b>Net cash inflow/(outflow) from financing activities</b>                                                          | <b>(4,092,090)</b>            | <b>(1,080,137)</b>            |
| <b>Net increase (decrease) in Cash and Cash Equivalents</b>                           |                                                                                                                     | <b>(1,937,207)</b>            | <b>60,875</b>                 |
| <b>Reconciliation :</b>                                                               |                                                                                                                     |                               |                               |
| Cash and Cash Equivalents at beginning of the year (Note 19)                          |                                                                                                                     | 271,471                       | 265,291                       |
| Effect of exchange rate changes on opening Cash & Cash Equivalents                    |                                                                                                                     | -                             | (1,092)                       |
| Effect of exchange rate changes on opening Cash & Cash Equivalents (on Consolidation) | (A)                                                                                                                 | 5,301                         | (4,772)                       |
|                                                                                       |                                                                                                                     | 276,682                       | 260,296                       |
| Cash and Cash Equivalents at end of the year (Note 19)                                | (B)                                                                                                                 | (2,402,780)                   | 319,371                       |
| <b>Net INCREASE (DECREASE)</b>                                                        | <b>(B-A)</b>                                                                                                        | <b>(1,937,207)</b>            | <b>60,875</b>                 |

| Change in Group's liabilities arising from financing activities: | As at<br>March 31, 2024 | Cash flows | Non-Cash Flows | As at<br>March 31, 2025 |
|------------------------------------------------------------------|-------------------------|------------|----------------|-------------------------|
| Non-current borrowings                                           | 6,713,023               | (189,023)  | 2,182,373      | 8,706,373               |
| Current maturities of long term debt                             | -                       | -          | -              | -                       |
| Short Term borrowings                                            | 6,417,261               | -          | -              | 6,417,261               |
| Lease Liabilities                                                | -                       | -          | -              | -                       |
| Interest accrued and due on borrowings (Note 19)                 | 77,450                  | -          | (2,423)        | 74,999                  |
| Interest accrued but not due on borrowings (Note 19)             | 954,784                 | -          | 145,779        | 1,100,563               |

Notes include cash flows on amount of both principal and interest.

Auditor

Ferguson Mairdment & Co.  
22/5/25

Director



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

| 2 Property Plant and Equipment |                                             | GROSS BLOCK AT COST OR VALUATION |                                                   |                           |                                          |                          |                                      |                               | DEPRECIATION                                      |              |                             |                             | NET BLOCK                            |                                                         |                                                      |
|--------------------------------|---------------------------------------------|----------------------------------|---------------------------------------------------|---------------------------|------------------------------------------|--------------------------|--------------------------------------|-------------------------------|---------------------------------------------------|--------------|-----------------------------|-----------------------------|--------------------------------------|---------------------------------------------------------|------------------------------------------------------|
|                                | ASSETS                                      | As at Last Balance Sheet date    | Retranslation of Opening Balance at Year End Rate | Additions during the year | Adjustment During the year (Revaluation) | Disposal during the year | As At the Current Balance Sheet Date | As at Last Balance Sheet date | Retranslation of Opening Balance at Year End Rate | For the year | On Disposal During the year | FX Diff/AV. Rate & YE. Rate | As At the Current Balance Sheet Date | Written Down Value As at the Current Balance Sheet Date | Written Down Value As at the Last balance Sheet Date |
|                                | ROU-Leasehold Land                          | 1,064,739                        | 32,640                                            | 765                       |                                          |                          | 1,098,144                            |                               |                                                   |              |                             |                             | -                                    | 1,098,144                                               | 1,064,739                                            |
|                                | Tea Plantations (Bearer Plants)             | 7,478,736                        | 229,264                                           | 75,268                    |                                          |                          | 7,783,268                            | 2,664,291                     | 81,675                                            | 167,936      |                             | 2,485                       | 2,916,387                            | 4,866,881                                               | 4,814,445                                            |
|                                | Buildings                                   | 5,926,106                        | 174,904                                           | 5,122                     | 256,744                                  |                          | 6,362,876                            | 1,902,953                     | 58,336                                            | 114,321      |                             | 1,692                       | 2,077,302                            | 4,285,574                                               | 4,023,154                                            |
|                                | ROU - Leasehold Buildings                   |                                  |                                                   |                           |                                          |                          |                                      |                               |                                                   |              |                             |                             |                                      |                                                         |                                                      |
|                                | Plant and Equipments                        | 15,078,300                       | 462,231                                           | 34,148                    |                                          | (181,878)                | 15,392,801                           | 9,680,618                     | 296,763                                           | 656,581      | (180,768)                   | 9,717                       | 10,462,911                           | 4,929,890                                               | 5,397,682                                            |
|                                | Computer                                    | 50,224                           | 1,433                                             | 251                       |                                          |                          | 51,908                               | 43,475                        | 1,232                                             | 3,430        |                             | 55                          | 48,192                               | 3,716                                                   | 6,748                                                |
|                                | Motor and Other Vehicles                    | 548,597                          | 16,817                                            |                           |                                          | (57,412)                 | 508,003                              | 541,215                       | 16,591                                            | 2,533        | (57,412)                    | 37                          | 502,964                              | 5,038                                                   | 7,383                                                |
|                                | Furniture and Fixtures                      | 40,237                           | 703                                               |                           |                                          |                          | 40,940                               | 36,092                        | 576                                               | 1,685        |                             | 25                          | 38,378                               | 2,562                                                   | 4,145                                                |
|                                | Office Equipment                            | 101,862                          | 2,748                                             | 301                       |                                          |                          | 104,912                              | 85,516                        | 2,333                                             | 5,618        |                             | 87                          | 93,555                               | 11,357                                                  | 16,246                                               |
|                                | Total Current Balance as on 31st March 2025 | 30,288,802                       | 920,739                                           | 115,857                   |                                          | (239,290)                | 31,342,851                           | 14,954,160                    | 457,506                                           | 952,104      | (238,180)                   | 14,098                      | 16,139,688                           | 15,203,163                                              | 15,334,642                                           |
|                                | Total Current Balance as on 31st March 2024 | 45,445,036                       | (2,103,786)                                       | 530,683                   |                                          | (13,583,131)             | 30,288,802                           | 23,424,597                    | (1,042,375)                                       | 1,271,475    | (8,635,902)                 | (63,635)                    | 14,954,160                           | 15,334,642                                              | 21,976,322                                           |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

|                                                                           | Year Ended 31st<br>March 2025 | Year Ended 31st<br>March 2024 |
|---------------------------------------------------------------------------|-------------------------------|-------------------------------|
|                                                                           | GBP                           | GBP                           |
| <b>Note 2A : Particulars of Capital Work in Progress:</b>                 |                               |                               |
| <b>Aging of 'Capital Work in Progress' :</b>                              |                               |                               |
| (i) <b>Projects in progress :</b>                                         |                               |                               |
| Less than 1 year                                                          | 274,558                       | 405,401                       |
| 1 year to 2 years                                                         |                               |                               |
| 2 years to 3 years                                                        |                               |                               |
| More than 3 years                                                         | 150,537                       | 131,006                       |
| Sub-Total (i)                                                             | 425,095                       | 536,407                       |
| (ii) <b>Projects temporarily suspended :</b>                              |                               |                               |
| Less than 1 year                                                          |                               |                               |
| 1 year to 2 years                                                         |                               |                               |
| 2 years to 3 years                                                        |                               |                               |
| More than 3 years                                                         |                               |                               |
| Sub-Total (ii)                                                            |                               |                               |
| <i>Note: Please write particulars (with amount) of each such project.</i> |                               |                               |
| <b>Total [(i) + (ii)] : Should agree with CWIP in Balance Sheet</b>       | <b>425,095</b>                | <b>536,407</b>                |

**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 :**

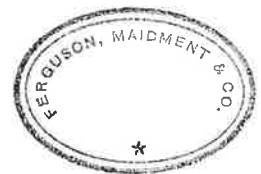
| To be completed in :    | Current Balance:<br>Sheet Date | Last Balance Sheet Date |
|-------------------------|--------------------------------|-------------------------|
| Next Less than 1 year   | 0                              | 0                       |
| Next 1 year to 2 years  | 0                              | 0                       |
| Next 2 years to 3 years | 0                              | 0                       |
| Next More than 3 years  | 0                              | 0                       |
|                         | 0                              | -                       |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**Note 3 Goodwill**

| Particular                                  | GROSS BLOCK AT COST OR VALUATION |                                   |                           |                          |                            | AMORTISATION/IMPAIRMENT          |                               |                                    |              |                             | NET BLOCK                  |                                  |                                                         |                                                      |
|---------------------------------------------|----------------------------------|-----------------------------------|---------------------------|--------------------------|----------------------------|----------------------------------|-------------------------------|------------------------------------|--------------|-----------------------------|----------------------------|----------------------------------|---------------------------------------------------------|------------------------------------------------------|
|                                             | As at Last Balance Sheet date    | Added/(Disposed) on Consolidation | Additions during the year | Disposal during the year | Adjustment During the year | As at Current Balance Sheet date | As at Last Balance Sheet date | Added/(Dis posed) on Consolidation | For the year | On Disposal During the year | Adjustment During the year | As at Current Balance Sheet Date | Written Down Value As at the Current Balance Sheet Date | Written Down Value As at the Last Balance Sheet Date |
| Goodwill                                    |                                  | -                                 | -                         | -                        | -                          | -                                | -                             | -                                  | -            | -                           | -                          | -                                | -                                                       | -                                                    |
| Goodwill on Consolidation                   |                                  |                                   |                           |                          |                            |                                  |                               |                                    |              |                             |                            |                                  |                                                         |                                                      |
| MRUL                                        | 2,678,602                        |                                   |                           |                          |                            | 2,678,602                        | -                             | -                                  | -            | -                           | -                          | 2,678,602                        | 2,678,602                                               |                                                      |
| MRME                                        | 2,492                            |                                   |                           |                          |                            | 2,492                            | -                             | -                                  | -            | -                           | -                          | 2,492                            | 2,492                                                   |                                                      |
| MRAL                                        | 222                              |                                   |                           |                          |                            | 222                              | -                             | -                                  | -            | -                           | -                          | 222                              | 222                                                     |                                                      |
| Total Current Balance as on 31st March 2025 | 2,681,316                        | -                                 | -                         | -                        | -                          | 2,681,316                        | -                             | -                                  | -            | -                           | -                          | 2,681,316                        | 2,681,316                                               |                                                      |
| Total Current Balance as on 31st March 2024 | 3,227,815                        | (546,499)                         | -                         | -                        | -                          | 2,681,316                        | -                             | -                                  | -            | -                           | -                          | 2,681,316                        | 2,681,316                                               | 3,227,815                                            |



#### Note 4 Other Intangible Assets



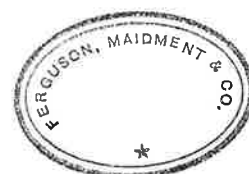
**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

**5 Non -Current Investments**

| Year Ended 31st March 2025 | Year Ended 31st March 2024 |
|----------------------------|----------------------------|
| GBP                        | GBP                        |

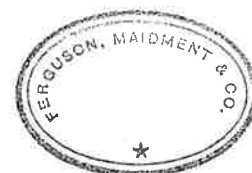
**Long Term**

|                                                                  |           |           |
|------------------------------------------------------------------|-----------|-----------|
| <b>Investments in Equity Instruments - Subsidiaries</b>          |           |           |
| <b>Unquoted</b>                                                  |           |           |
| Investment in MRUL                                               | -         | -         |
| Investment in MR Middle East LLC                                 | -         | -         |
| Investment in MR Africa Limited                                  | -         | -         |
| <b>Investments in Equity Instruments - Trade</b>                 |           |           |
| <b>Quoted</b>                                                    | -         | -         |
| <b>Unquoted</b>                                                  | -         | -         |
| <b>Investments in Equity Instruments - Other than trade</b>      |           |           |
| <b>Quoted</b>                                                    |           |           |
| <b>Unquoted</b>                                                  |           |           |
| Babcock Borsig Limited                                           |           |           |
| 1,299,600 shares of face value INR 10 each                       | 828,598   | 828,598   |
| <b>Investments in Government or trust securities</b>             |           |           |
| <b>Quoted</b>                                                    |           | -         |
| <b>Unquoted</b>                                                  |           |           |
| Less: Provision for diminution in value of Babcock Borsig Shares | (828,597) | (828,597) |
|                                                                  | <b>1</b>  | <b>1</b>  |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|   |                                                                                                                        | Year Ended 31st March 2025 |             | Year Ended 31st March 2024 |             |
|---|------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------|----------------------------|-------------|
|   |                                                                                                                        | GBP                        |             | GBP                        |             |
| 6 | Loans                                                                                                                  | Current                    | Non-Current | Current                    | Non-Current |
|   | Loans to Related Parties                                                                                               |                            |             |                            |             |
|   | - Subsidiary                                                                                                           |                            |             |                            |             |
|   | BTHL: Loan to MR Africa Limited (US\$ Loan)                                                                            |                            | -           |                            | -           |
|   | MRUL: Loan to BTHL                                                                                                     |                            | 0           | (o)                        | (o)         |
|   |                                                                                                                        |                            |             |                            |             |
|   | Loans to Employees                                                                                                     |                            |             |                            |             |
|   | MRUL: Considered Good;                                                                                                 | -                          | -           |                            | 6,416       |
|   | Considered Doubtful:                                                                                                   |                            |             |                            |             |
|   |                                                                                                                        |                            |             |                            |             |
|   | Loans to Others                                                                                                        |                            |             |                            |             |
|   | Considered Good;                                                                                                       |                            |             |                            |             |
|   |                                                                                                                        |                            |             |                            |             |
|   | MRUL: Unsecured Considered Good; (Amount given to SLU Holding to assist in corporate group restructuring requirements) |                            | 1,115,048   |                            | 1,114,879   |
|   | Less: Provision for bad and Doubtful Loans                                                                             |                            | (557,524)   |                            |             |
|   |                                                                                                                        |                            |             |                            |             |
|   | Misc                                                                                                                   |                            |             |                            |             |
|   | Considered Doubtful:                                                                                                   |                            |             |                            |             |
|   | Less: Provision for bad and Doubtful Loans                                                                             |                            |             |                            |             |
|   |                                                                                                                        |                            |             |                            |             |
|   |                                                                                                                        | -                          | 557,525     | (o)                        | 1,121,294   |



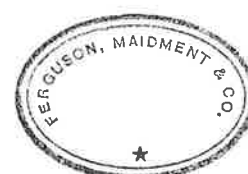
**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|   |                                                                                                          | Year Ended 31st March 2025<br>GBP |             | Year Ended 31st March 2024<br>GBP |               |
|---|----------------------------------------------------------------------------------------------------------|-----------------------------------|-------------|-----------------------------------|---------------|
| 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 (Specify)                                                                     |                                   |             |                                   |               |
|   | MRUL: Other loans and advances                                                                           | 19,230                            | -           | 50,611                            | -             |
|   | Interest Accrued on Loans and Deposits                                                                   |                                   |             |                                   |               |
|   | Considered good;                                                                                         |                                   |             |                                   |               |
|   | MRUL : Interest receivable from BTHL                                                                     | 0                                 | 0           | (0)                               | 0.00          |
|   | Considered Doubtful                                                                                      |                                   |             |                                   |               |
|   | MRUL - SLU Holding                                                                                       | 81,063                            | 436,904     | 80,829                            | 356,009       |
|   | Less: Provision for Doubtful Interest Receivable                                                         | (81,063)                          | (436,904)   | -                                 | (280,193)     |
|   | Security Deposits;                                                                                       |                                   |             |                                   |               |
|   | Considered good                                                                                          |                                   |             |                                   |               |
|   | Considered doubtful                                                                                      |                                   |             |                                   |               |
|   | Less : Provision for Doubtful Security Deposits                                                          |                                   |             |                                   |               |
|   | Subsidies/Benefits receivable from Government                                                            |                                   |             |                                   |               |
|   | Compensation receivable from Government                                                                  |                                   |             |                                   |               |
|   | Advance to Employees                                                                                     |                                   |             |                                   |               |
|   | Claim Receivable                                                                                         |                                   |             |                                   |               |
|   | MRUL: Foreign Exchange Derivatives Assets                                                                |                                   |             | 132,492                           |               |
|   | Receivable from TLK Agriculture Joint Stock Company against sale of 100% shareholdings in PhuBen Vietnam |                                   |             | 1,773,103.00                      |               |
|   | Bad debt provision against the amount receivable                                                         |                                   |             | (1,773,103.00)                    | -             |
|   | Receivable from MRIL                                                                                     | 1,773,103                         |             |                                   |               |
|   | Bad debt provision against the amount receivable                                                         | (1,773,103)                       |             |                                   |               |
|   | Deposit with Government Authorities                                                                      |                                   |             |                                   |               |
|   | Other financial assets                                                                                   |                                   |             |                                   |               |
|   |                                                                                                          | <b>19,230</b>                     | <b>0</b>    | <b>263,932</b>                    | <b>75,816</b> |



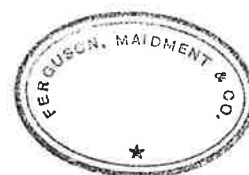
**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                    | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>8 Other Non-Current Assets</b>                  |                                      |                                      |
| Advances For Capital Expenditure                   |                                      |                                      |
| Unsecured considered Good;                         |                                      |                                      |
|                                                    |                                      |                                      |
| Prepaid Expenses                                   |                                      |                                      |
|                                                    |                                      |                                      |
| Advances to Suppliers, Service Providers etc.      |                                      |                                      |
| Considered good                                    |                                      |                                      |
|                                                    |                                      |                                      |
| Considered doubtful                                |                                      |                                      |
| MRUL Advances to Suppliers, Service Providers etc. | -                                    | 36,123                               |
| MRUL Less: Provision                               | -                                    | (36,123)                             |
|                                                    |                                      |                                      |
|                                                    | -                                    | -                                    |



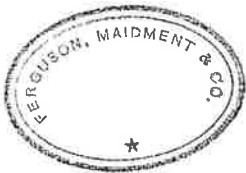
**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                    | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st March<br>2024<br>GBP |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>9 INVENTORIES</b>                               |                                      |                                      |
| At lower of cost and net realisable value          |                                      |                                      |
| Stores & Spare Parts                               |                                      |                                      |
| MRUL                                               | 2,408,021                            | 2,841,657                            |
| MRUL : Provision for slow-moving / obsolete stores | (780,993)                            | (404,093)                            |
| MRUL: Tea Nurseries                                | 44,222                               | 56,977                               |
| MRAL (packaging material)                          | 24,307                               | 28,717                               |
|                                                    |                                      |                                      |
|                                                    | <b>1,695,556</b>                     | <b>2,523,259</b>                     |
|                                                    |                                      |                                      |
| Finished Goods (Stock of Tea)                      |                                      |                                      |
| PBT                                                | -                                    | 434,256                              |
| PBT : Provision for inferior / old teas            | 0                                    | (200,997)                            |
| MRUL                                               | 1,471,010                            | 1,571,398                            |
| MRME:Purchased from non -related parties           | 164,969                              | 209,497                              |
| MRAL: Purchased from non -related parties          | 236,625                              | 217,997                              |
|                                                    |                                      |                                      |
|                                                    |                                      |                                      |
|                                                    | <b>1,872,604</b>                     | <b>2,232,150</b>                     |
|                                                    |                                      |                                      |
| Less: Removal of PBT stock on sale of PBT          |                                      |                                      |
| PBT Finished Stock                                 | -                                    | (434,256)                            |
| PBT : Provision for inferior / old teas            | 0                                    | 200,997                              |
| MRME: Goods in transit                             | 56,577                               | 46,066                               |
|                                                    |                                      |                                      |
|                                                    |                                      |                                      |
|                                                    | <b>3,624,737</b>                     | <b>4,568,216</b>                     |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| 10 Biological Assets Other than Bearer Plants (Current Assets) |                                      |                                      |
| MRUL: Green Leaf lying on Tea Bushes                           | 67,970                               | 71,631                               |
|                                                                | 67,970                               | 71,631                               |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

|  | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st March<br>2024<br>GBP |
|--|--------------------------------------|--------------------------------------|
|--|--------------------------------------|--------------------------------------|

**11 TRADE RECEIVABLES**

|                                                                                                     |                  |                  |
|-----------------------------------------------------------------------------------------------------|------------------|------------------|
| Debts outstanding for a period <b>exceeding</b> six months from the date they are due for payment - |                  |                  |
| Secured                                                                                             |                  |                  |
| Considered Good                                                                                     |                  |                  |
| Credit Impaired                                                                                     |                  |                  |
| Less: Allowances for Doubtful debts                                                                 |                  |                  |
| Unsecured                                                                                           |                  |                  |
| - Considered Good                                                                                   |                  |                  |
| MRME                                                                                                | 281,819          | 255,248          |
| MRUL                                                                                                | 277,227          | 207,359          |
| MRAL                                                                                                | 574,614          | 734,854          |
| MRAL: from MRME                                                                                     | 0                | 0                |
| MRAL: From MRUL                                                                                     | 0                | 0                |
| MRME: Credit Impaired                                                                               | 65,403           | 0                |
| Less: Allowances for Doubtful debts                                                                 | (12,972)         | -                |
| Other Debts                                                                                         |                  |                  |
|                                                                                                     | <b>1,186,092</b> | <b>1,197,462</b> |

**Internal Note:**

- 1 Specify against each line-item the receivable from any group company
- 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' :        |  | Current Balance Sheet Date | Last Balance Sheet Date |
|----------------------------------------|--|----------------------------|-------------------------|
| <b>Outstanding from due-dates:</b>     |  |                            |                         |
| Less than 6 months                     |  | 1,160,318                  | 1,171,692               |
| 6 months to 1 year                     |  |                            |                         |
| 1 year to 2 years                      |  |                            | 25,770                  |
| 2 year to 3 years                      |  | 536                        |                         |
| More than 3 years                      |  | 25,238                     |                         |
| Total (should agree with above totals) |  | 1,186,092                  | # 1,197,462             |

**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.**



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| Year Ended 31st March<br>2025 | Year Ended 31st March<br>2024 |
|-------------------------------|-------------------------------|
| GBP                           | GBP                           |

**12 Cash and Cash Equivalents**

|                                                                         |                |                |
|-------------------------------------------------------------------------|----------------|----------------|
| <b>i) Cash and Cash Equivalents</b>                                     |                |                |
| Cash in hand                                                            |                |                |
| MRUL                                                                    | 23,605         | 7,631          |
| MRME                                                                    | 933            | 1,220          |
| MRAL                                                                    | 704            | 628            |
|                                                                         |                |                |
| Cheques on hand                                                         |                |                |
| Remittance in Transit                                                   |                |                |
|                                                                         |                |                |
| Balance with banks in Current Accounts                                  |                |                |
| BTHL                                                                    | 59,114         | 63,549         |
| MRUL                                                                    | 98,172         | 12,799         |
| MRME                                                                    | 32,514         | 58,277         |
| MRAL                                                                    | 106,325        | 127,267        |
|                                                                         |                |                |
|                                                                         | <b>321,367</b> | <b>271,371</b> |
|                                                                         |                |                |
| <b>ii) Other Bank Balances</b>                                          |                |                |
| Fixed deposits with Maturity more than 3 months but less than 12 months | -              | -              |
|                                                                         |                |                |
|                                                                         | -              | -              |
|                                                                         |                |                |
| <b>Total</b>                                                            | <b>321,367</b> | <b>271,371</b> |

The above fixed deposit are not under lien.



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                    | Year Ended 31st March 2025<br>GBP | Year Ended 31st March 2024<br>GBP |
|------------------------------------|-----------------------------------|-----------------------------------|
| <b>13 Current Tax Assets (Net)</b> |                                   |                                   |
| <u>Advance Tax</u>                 |                                   |                                   |
| MRUL                               | 1,057,763                         | 1,026,302                         |
| MRAL                               | 101,442                           | (275)                             |
|                                    |                                   |                                   |
| <u>Withholding tax</u>             |                                   |                                   |
| MRUL                               | 351,637                           | 341,178                           |
|                                    |                                   |                                   |
| <u>Other Tax Receivable</u>        |                                   |                                   |
| Provision for Tax                  |                                   |                                   |
| MRAL                               | (58,601)                          | (95,286)                          |
|                                    | <b>1,452,241</b>                  | <b>1,271,920</b>                  |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**14 Other Current Assets**

|                                                                                                                      | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st March<br>2024<br>GBP |
|----------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Balance with Government Authorities</b>                                                                           |                                      |                                      |
| BTHL                                                                                                                 |                                      |                                      |
| BTHL- Unsecured - Considered Good (IE Smart Investor Depository Account - INR\$5,000)                                | 72                                   | 72                                   |
| BTHL- Balance with excise / VAT authorities                                                                          | 918                                  | 919                                  |
| MRME                                                                                                                 | 4,727                                | 5,376                                |
| MRUL                                                                                                                 | 309,043                              | 154,587                              |
| MRAL                                                                                                                 | 75,434                               | 78,193                               |
| MRME- Input Vat                                                                                                      | 8,387                                | 14,544                               |
| <b>Advance to Employees:</b>                                                                                         |                                      |                                      |
| MRUL                                                                                                                 | 43,737                               | 37,280                               |
| <b>Advances to Suppliers, Service Providers etc.</b>                                                                 |                                      |                                      |
| Considered Good                                                                                                      |                                      |                                      |
| MRUL                                                                                                                 | 353,531                              | 303,582                              |
| MRUL: Credit Impaired                                                                                                | 37,312                               | 80                                   |
| Less: Provision for bad and Doubtful Advances                                                                        | (37,312)                             | (80)                                 |
| <b>Other Loans and Advances</b>                                                                                      |                                      |                                      |
| <b>Prepaid Expenses</b>                                                                                              |                                      |                                      |
| MRME                                                                                                                 | 7,147                                | 7,757                                |
| MRAL                                                                                                                 | 881                                  | 959                                  |
| MRUL                                                                                                                 | 123,357                              | 86,906                               |
| <b>Accrued Income</b>                                                                                                |                                      |                                      |
| <b>Advances to Others</b>                                                                                            |                                      |                                      |
| <b>Interest accrued on Loans and Deposits</b>                                                                        |                                      |                                      |
| <b>BTHL: Interest on loans from MRAL</b>                                                                             |                                      |                                      |
| Interest on loans from MRAL from Jan-24 to March-24 Gross \$25,810.34 less tax @15% \$3,871.55= Net US\$21,938.79    |                                      | 17,411                               |
| Interest on loans from MRAL from Jan-25 to March-25 - Gross \$21,700.11 less tax @15% \$3,255.02= Net US\$=18,445.09 | 14,298.52                            |                                      |
| <b>Fx Difference on re-translation of outstanding balances as at 31-03-2025</b>                                      |                                      |                                      |
| <b>Compensation receivable from Government</b>                                                                       |                                      |                                      |
| <b>Other Short Term Assets</b>                                                                                       |                                      |                                      |
| MRAL: Receivable deposits                                                                                            | 2,110                                | 2,122                                |
| MRAL: Loan receivable (principal) from Knovic Pte Ltd, Singapore                                                     | 23,249                               | 32,778                               |
|                                                                                                                      | <b>966,891</b>                       | <b>742,487</b>                       |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

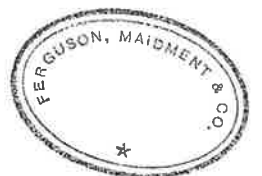
|                                                                |  | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st March<br>2024<br>GBP |
|----------------------------------------------------------------|--|--------------------------------------|--------------------------------------|
| <b>15 EQUITY SHARE CAPITAL</b>                                 |  |                                      |                                      |
| Authorised                                                     |  |                                      |                                      |
| 500,000 (2024- 500,000) equity shares of £1 each               |  | 500,000                              | 500,000                              |
|                                                                |  |                                      |                                      |
| Issued, subscribed and paid-up                                 |  |                                      |                                      |
|                                                                |  |                                      |                                      |
|                                                                |  |                                      |                                      |
| 252,000 (2024- 252,000) equity shares of £1 each fully paid up |  | 252,000                              | 252,000                              |
|                                                                |  |                                      |                                      |
|                                                                |  | 252,000                              | 252,000                              |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**16 Other Equity**

|                                         | General Reserve | Securities Premium Account | Capital Redemption Reserve | Revaluation Reserve | Reorganisation Reserve | Other Reserve | Foreign Currency Translation Reserve Account | Surplus in Profit and Loss Statement | Total       |
|-----------------------------------------|-----------------|----------------------------|----------------------------|---------------------|------------------------|---------------|----------------------------------------------|--------------------------------------|-------------|
|                                         | £               | £                          | £                          | £                   | £                      | £             | £                                            | £                                    | £           |
| <b>Opening Balance as at 01/04/2024</b> | -               | 5,158,424                  | -                          | -                   | -                      | 144,449       | (9,979,013)                                  | 13,723,121                           | 9,045,980   |
| Consolidated Loss for the year          | -               | -                          | -                          | -                   | -                      | -             | -                                            | (1,805,236)                          | (1,805,236) |
| Fx Differences                          | -               | -                          | -                          | -                   | -                      | -             | (62,263)                                     | -                                    | (62,263)    |
| <b>Balance at the end of the year</b>   | -               | 5,158,424                  | -                          | -                   | -                      | 144,449       | (10,041,276)                                 | 11,917,884                           | 7,179,481   |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                              | Year Ended 31st<br>March 2025 | Year Ended 31st<br>March 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------|-------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                              | GBP                           | GBP                           |
| <b>18 Non Current Borrowings</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                              |                               |                               |
| <b>SECURED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                              |                               |                               |
| Term-Loans from Banks (Bank-wise detail)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                              |                               |                               |
| MRUL: Absa Bank (Former Barclay Bank Limited)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              | 6,464,274                     | 4,310,624                     |
| MRUL: Less Repayable within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                              | (1,292,855)                   | (3,232,963)                   |
| MRUL: Stanbic Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                              |                               | -                             |
| MRUL: Less Repayable within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                              |                               | -                             |
| MRUL: DFCU Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                              |                               |                               |
| MRUL: Less Repayable within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                              |                               |                               |
| MRUL: Uganda Development Bank                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              | 3,777,273                     | 3,664,923                     |
| MRUL: Less: Repayable within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                              | (152,812)                     |                               |
| 1. During 2017, Term loan of USD 3 Million from Absa bank (Former Barclays Bank) with a year moratorium period and there after payable in a quarterly instalment of USD 187,500 for 4 years. The repayment started from Jan 2019. The loan carries a interest of 3 months Libor plus a base rate. The Loan is secured by a Mortgage over property title LRV 578 folio 24, LRV 1903 folio 8, LRF 593 folio 2, LRV 2672 folio 17 and LRV 515 folio 20 located at Bugambe, Bugahya, Kisita, Hoima and buniyoro, registered in the name of the Company. |                                              |                               |                               |
| 2. During 2019, Term loan of USD 15 Million from Absa Bank (Former Barclays Bank), repayable monthly instalment of USD 250,000 for 5 years. The repayment started from Aug 2019. The loan carries a interest of 1 month LIBOR plus a base rate. The Loan is Secured by a Mortgage over property title LRV 546 folio 17, LRV 569 folio 13 & 14 at Tororo                                                                                                                                                                                             |                                              |                               |                               |
| 3. During 2019, Term loan of USD 2 Million from Stanbic Bank with a year moratorium period and there after payable in a quarterly instalment of USD 166,666.67 for 3 years. The installment repayment would start from June 2020. The loan carries a interest of 3 months LIBOR plus a base rate. The Loan is Secured by a Mortgage over property title LRV 547 folio 2 at Muzizi and second ranking debenture charge over all fixed and floating assets of the Company                                                                             |                                              |                               |                               |
| 4. During 2019, Term loan of USD 5 Million from DFCU Bank repayable in Equated montly instalment USD 68,417.67 for 8 years. The repayment started from Sept 2019. The loan carries a interest of bank base rate less 4.9%. The Loan is Secured by a Mortgage over property title LRV 560 Foili 15, LRV 589 Foilo 15 and LRV 503 folio 21 at Ankole and Debenture charge over present and future movable and immovable assets in respect of the above property.                                                                                      |                                              |                               |                               |
| 5. During 2021, Term loan of Uganda Shillings equivalent of USD 5 Million is taken from Uganda Development Bank. It has 3 years moratorium period. Repayment in Equated Quarterly instalment would start from 17th Feb 2025. The loan carries a interest of 12%. The Loan is secured by Legal mortgage over property title LRV 599 Folio 12 and untitled agricultural land at Kisaru tea estate and Fixed and floating debenture over current and future movable and immovable assets in respect of the above property.                             |                                              |                               |                               |
| <b>Loans from group companies</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                              |                               |                               |
| BTHL: Loan from MRUL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | McLeod Russel Uganda Limited - USS13,600,000 | -                             | -                             |
| MRAL: From BTHL to MRAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | LIBOR+2%                                     | 0                             | (0)                           |
| MRME: Loan from BTHL (USS @8%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                              | (0)                           | 0                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                              | <b>8,795,880</b>              | <b>4,742,583</b>              |

**Declaration :**

We hereby confirm that borrowings from banks were used for the specific purpose for which these were taken.  
We hereby confirm that as on the Balance-Sheet date, there were no defaults in repayment of borrowings and interest.  
We hereby confirm that security (wherever applicable) has been created in favour of Banks  
We hereby confirm that all returns/ statements submitted to banks are in agreement with books of accounts



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                                                              | Year Ended 31st March 2025<br>GBP |             | Year Ended 31st March 2024<br>GBP |             |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------|-----------------------------------|-------------|
|                                                                                                              | Current                           | Non-Current | Current                           | Non-Current |
| <b>19 Other Financial Liabilities</b>                                                                        |                                   |             |                                   |             |
|                                                                                                              |                                   |             |                                   |             |
| Interest accrued but not due on borrowings - Banks                                                           |                                   |             |                                   |             |
| MRUL: Interest accrued but not on borrowings - Banks                                                         | 1,401,575                         |             | 954,784                           |             |
| Interest accrued but not due on borrowings - Group                                                           |                                   |             |                                   |             |
| Interest due to to MRUL from 01/01/24 to 31/03/24 (Gross \$121,998.14 less tax \$24,399.63 - Net \$97,598.51 |                                   |             | 77,459                            |             |
| Interest due to to MRUL from 01/01/25 to 31/03/25 (Gross \$120,657.50 less tax \$24,131.50 - Net \$96,526    | 74,826                            |             |                                   |             |
| Fx Difference on retranslation of outstanding Balance as at 31 March 2025                                    |                                   |             |                                   |             |
| <b>Liabilities Payable to Employees</b>                                                                      |                                   |             |                                   |             |
| MRUL - Liabilities payable to employees                                                                      | 105,115                           |             | 119,606                           |             |
| Provision for Employee Benefits                                                                              |                                   |             |                                   |             |
| Others (Specify)                                                                                             |                                   |             |                                   |             |
|                                                                                                              | <b>1,581,517</b>                  | <b>-</b>    | <b>1,151,849</b>                  | <b>-</b>    |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                           | Year Ended 31st March 2025<br>GBP |                | Year Ended 31st March 2024<br>GBP |                |
|-----------------------------------------------------------|-----------------------------------|----------------|-----------------------------------|----------------|
|                                                           | Current                           | Non-Current    | Current                           | Non-Current    |
| <b>20 Provision for post-retirement employee benefits</b> |                                   |                |                                   |                |
| Gratuity                                                  |                                   |                |                                   |                |
| MRUL                                                      |                                   | 592,036        |                                   | 579,542        |
| MRME                                                      |                                   | 21,453         |                                   | 19,686         |
| Others Employee -Benefits (specify nature)                |                                   |                |                                   |                |
| MRAL: Accrued leave                                       | 8,709                             |                | 5,980                             |                |
|                                                           | <b>8,709</b>                      | <b>613,489</b> | <b>5,981</b>                      | <b>599,228</b> |

**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

**21 Other Provisions**

| Year Ended 31st March 2025                                      |             | Year Ended 31st March 2024 |             |
|-----------------------------------------------------------------|-------------|----------------------------|-------------|
| GBP                                                             |             | GBP                        |             |
| Current                                                         | Non-Current | Current                    | Non-Current |
| Provision for mark to market losses on derivatives              |             |                            |             |
| Corporation tax provision (Corporation tax charge for the year) | -           | -                          | -           |
| Provision for slow moving stock                                 | -           | -                          | -           |
| Others (specify nature)                                         | -           | -                          | -           |
|                                                                 | -           | -                          | -           |



**BORELLI TEA HOLDINGS LIMITED**

**22 DEFERRED TAX LIABILITIES (NET)**

**A. Deferred Tax Liability arising due to**

|                                                                                                                              | GBP<br>Year Ended 31st<br>March 2025 | GBP<br>Year Ended 31st<br>March 2024 |
|------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| i) Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax laws |                                      |                                      |
| MRUL                                                                                                                         | 2,906,021                            | 3,012,887                            |
| ii) Others (specify nature)                                                                                                  |                                      |                                      |
| MRUL On Fair Value gain on derivative financial instruments                                                                  | -                                    | 39,747                               |
| MRUL Temporary difference on forex fluctuations                                                                              | 131,753                              | 130,193                              |
| MRUL On Fair Value gain on Biological assets                                                                                 | 20,391                               | 21,489                               |
| <b>A. Deferred Tax Liability arising due to</b>                                                                              | <b>3,058,164</b>                     | <b>3,204,316</b>                     |

**B. Deferred Tax Assets arising due to**

|                                                                                           |                    |                    |
|-------------------------------------------------------------------------------------------|--------------------|--------------------|
| i) Voluntary Retirement Compensation                                                      | -                  | -                  |
| ii) Items allowed for tax purpose after actual payment                                    |                    |                    |
| MRAL Accrued Leave                                                                        | (2,613)            | (1,794)            |
| iii) Provision for Doubtful Debts, Advances etc.                                          |                    |                    |
| MRUL                                                                                      | (400,882)          | (216,146)          |
| MRAL                                                                                      | (1,744)            | -                  |
| iv) Increase / Decrease in Tax losses available for set off against future Taxable Income |                    |                    |
| MRUL                                                                                      | (1,482,374)        | (1,431,657)        |
| MRAL                                                                                      | -                  | (99,751)           |
| v) Others (Specify nature)                                                                |                    |                    |
| MRUL Interest disallowed under section 25                                                 | (862,602)          | (434,298)          |
| MRUL Tax effect of re- measurement of retirement benefit obligation                       | (177,611)          | (173,863)          |
| MRAL Unrealised exchange Loss                                                             | (59,844)           | -                  |
| MRAL Plant and equipment                                                                  | (1,242)            | -                  |
| <b>B. Deferred Tax Assets arising due to</b>                                              | <b>(2,988,910)</b> | <b>(2,357,509)</b> |
| <b>Net Deferred Tax Liabilities (A-B)</b>                                                 | <b>69,254</b>      | <b>846,807</b>     |

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

| MRUL                        | Property, Plant, Equipment | Tax Losses available for set-off against future income | Items Allowed for Tax-purpose on payment | Provision for Doubtful Debts, Advances etc | Others Items Total |
|-----------------------------|----------------------------|--------------------------------------------------------|------------------------------------------|--------------------------------------------|--------------------|
| Opening Balance             | 3,012,887                  | (1,531,409)                                            | (608,160)                                | (216,146)                                  | 846,807            |
| Charged/Credited to :       |                            |                                                        |                                          |                                            | -                  |
| Profit & Loss Statement     | (197,985)                  | (6,828)                                                | 81,301                                   | (176,365)                                  | (697,833)          |
| Others Comprehensive Income |                            |                                                        | (79,720)                                 |                                            | (79,720)           |
| Closing Balance             | <b>2,814,901</b>           | <b>(1,538,237)</b>                                     | <b>(606,579)</b>                         | <b>(392,512)</b>                           | <b>69,254</b>      |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                 | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>23 Other Non-current Liabilities</b>         |                                      |                                      |
|                                                 |                                      |                                      |
| Deferred revenue arising from government grants | -                                    | -                                    |
|                                                 |                                      |                                      |
| Others (specify nature)                         | -                                    | -                                    |
|                                                 |                                      |                                      |
|                                                 | -                                    | -                                    |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------|--------------------------------------|
| <b>24 CURRENT BORROWINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                      |                                      |
| <b>Secured Loans repayable on demand from Banks</b>                                                                                                                                                                                                                                                                                                                                                                                 |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| Cash Credit, Packing Credit and Demand Loans                                                                                                                                                                                                                                                                                                                                                                                        |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| Current maturities of long-term debts                                                                                                                                                                                                                                                                                                                                                                                               |  |                                      |                                      |
| - payable to banks / institutions                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                      |                                      |
| MRUL Absa Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                              |  | 2,304,665                            | 4,336,847                            |
| The company has USD 6 Million and Ugx 1.2 Billion overdraft facility from the bank. The company need to pay on the overdrawn amount a interest of 3 months SOFR plus a base rate. The Loan is secured by a Mortgage over property title LRV 578 folio 24, LRV 1903 folio 8, LRF 593 folio 2, LRV 2672 folio 17 and LRV 515 folio 20 located at Bugambe, Bugahya, Kisita, Hoima and buniyoro, registered in the name of the Company. |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| MRUL Stanbic Uganda Limtied                                                                                                                                                                                                                                                                                                                                                                                                         |  | 1,420,481                            | 1,518,049                            |
| The Company has taken USD 2 Million overdraft facility from the bank. The interest on the overdrawn amount is calculated at 6.5%. The Loan is Secured by a Mortgage over property title LRV 547 folio 2 at Muzizi and second ranking debenture charge over all fixed and floating assets of the Company                                                                                                                             |  |                                      |                                      |
| MRUL - Term loan -instalments repayable witin one year.                                                                                                                                                                                                                                                                                                                                                                             |  |                                      | -                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| Secured Loans                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                      |                                      |
| MRUL:Current maturities of long-term debts                                                                                                                                                                                                                                                                                                                                                                                          |  | 1,445,667                            | 3,232,963                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| Unsecured Loans                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
| Unsecured Loans from group companies                                                                                                                                                                                                                                                                                                                                                                                                |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                      |                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | <b>5,170,814</b>                     | <b>9,087,859</b>                     |

**Declarations :**

We hereby confirm that borrowings from banks were used for the specific purpose for which these were taken,  
We hereby confirm that as on the Balance-Sheet date, there were no defaults in repayment of borrowings and interest.



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

## 25 TRADE PAYABLES

| TRADE PAYABLES                     |  |                                        |  | Year Ended 31st March<br>2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|------------------------------------|--|----------------------------------------|--|--------------------------------------|--------------------------------------|
|                                    |  |                                        |  |                                      |                                      |
|                                    |  |                                        |  |                                      |                                      |
|                                    |  |                                        |  |                                      |                                      |
|                                    |  |                                        |  |                                      |                                      |
| <u>Due to Group Companies</u>      |  |                                        |  |                                      |                                      |
| MRAL- Due to MRUL                  |  |                                        |  | 0                                    | 0                                    |
| MRME : Due to MRAL                 |  |                                        |  | (0)                                  | (0)                                  |
| MRME : Due to MRME                 |  |                                        |  | (0)                                  | -                                    |
| MRME : Due to MRUL                 |  |                                        |  | (0)                                  | -                                    |
| MRUL : Due to MRAL                 |  |                                        |  | (0)                                  | -                                    |
| <u>Due to Others</u>               |  |                                        |  |                                      |                                      |
| MRUL : Due to Others               |  |                                        |  | 623,412                              | 977,473                              |
| MRME : Due to Others               |  |                                        |  | -                                    | 31,603                               |
| MRAL: Due to Others                |  |                                        |  | 119,047                              | 153,972                              |
|                                    |  |                                        |  |                                      |                                      |
|                                    |  |                                        |  | 742,459                              | 1,163,048                            |
|                                    |  |                                        |  |                                      |                                      |
| <u>Aging of 'Trade Payable' :</u>  |  |                                        |  | Current Balance Sheet<br>Date        | Last Balance Sheet<br>Date           |
| <b>Outstanding from due-dates:</b> |  |                                        |  |                                      |                                      |
|                                    |  | Less than 6 months                     |  | 739,709                              | 1,163,048                            |
|                                    |  | 6 months to 1 year                     |  |                                      |                                      |
|                                    |  | 1 year to 2 years                      |  | 2,750                                |                                      |
|                                    |  | 2 year to 3 years                      |  |                                      |                                      |
|                                    |  | More than 3 years                      |  |                                      |                                      |
|                                    |  | Total (should agree with above totals) |  | 742,459                              | 1,163,048.17                         |

**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.**



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

**26 Current Tax Liabilities (Net)**

|                          |                                   | Year Ended 31st March 2025 | Year Ended 31st March 2024 |
|--------------------------|-----------------------------------|----------------------------|----------------------------|
|                          |                                   | GBP                        | GBP                        |
| Provision for Income Tax |                                   |                            |                            |
|                          |                                   |                            |                            |
|                          |                                   |                            |                            |
|                          | Less: Withholding Tax Recoverable | -                          | -                          |
|                          |                                   | -                          | -                          |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                                                                                                  |                  | Year Ended 31st March 2025 | Year Ended 31st March |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------|-----------------------|
|                                                                                                                                                  |                  | GBP                        | 2024                  |
|                                                                                                                                                  |                  |                            | GBP                   |
| <b>27 Other Current Liabilities</b>                                                                                                              |                  |                            |                       |
| Advances from Customers / Selling Agents                                                                                                         |                  |                            |                       |
| MRUL                                                                                                                                             |                  |                            | 48,025                |
| Capital Liabilities                                                                                                                              |                  |                            |                       |
| Current maturities of long-term debt                                                                                                             |                  |                            |                       |
| Statutory dues (including Provident Fund and Tax deducted at Source)                                                                             |                  |                            |                       |
| MRUL                                                                                                                                             | 1,072,012        | 273,411                    |                       |
| MRAL                                                                                                                                             | 6,354            | 5,724                      |                       |
| Other Payables                                                                                                                                   |                  |                            |                       |
| BTHL : Due to Others                                                                                                                             |                  |                            |                       |
| BTHL : Provision for Income tax (Net of Advance Tax) - UK tax deducted at source on interest payable to MRUL (Payable to tax authorities - HMRC) | 677,595          | 601,533                    |                       |
| MRUL: Payables to Others                                                                                                                         | 350,809          | 391,624                    |                       |
| MRME: Accruals                                                                                                                                   | 6,337            | 8,567                      |                       |
| MRME: Payable for expenses                                                                                                                       | 17,124           | 16,446                     |                       |
| BTHL : Accruals                                                                                                                                  | 20,000           | 11,250                     |                       |
|                                                                                                                                                  |                  |                            |                       |
|                                                                                                                                                  |                  |                            |                       |
|                                                                                                                                                  | <b>2,150,231</b> | <b>1,356,580</b>           |                       |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**28 REVENUE FROM OPERATIONS**

|                            | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|----------------------------|--------------------------------------|--------------------------------------|
| MRUL :Sale of Tea          | 10,037,644                           | 15,155,033                           |
| MRUL :Sale of Tea to MRME  | 0                                    | -                                    |
| MRUL :Sale of Tea to MRAL  | 0                                    | -                                    |
| MRME:Sale of Tea           | 1,376,429                            | 1,162,236                            |
| PBT:Sale of Tea            | -                                    | 314,672                              |
| MRAL:Sale of Tea to MRME   | (0)                                  | -                                    |
| MRAL:Sale of Tea to Others | 3,719,063                            | 4,020,814                            |
| MRAL: Gain on Bended Tea   |                                      | 1,473                                |
| Other Operating Revenues   |                                      |                                      |
|                            | <b>15,133,136</b>                    | <b>20,654,228</b>                    |

**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**29 OTHER INCOME**

|                                                                             | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|-----------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Interest Income (Gross)                                                     |                                      |                                      |
| On Deposits                                                                 |                                      |                                      |
| PBT :On Deposits                                                            |                                      | 17                                   |
| BTHL : Interest Receivable from MRAL Apr - Dec                              | -                                    | -                                    |
| BTHL : Interest Receivable from MRAL Jan- Mar                               | 16,822                               | 20,484                               |
| MRUL: On Loans from BTHL Jan-Mar                                            | 184,271                              | 201,922                              |
| Interest Income on Other Loans                                              |                                      |                                      |
| MRUL :On Deposit                                                            | -                                    | 2,498                                |
| Dividend on Long Term Trade Investments                                     |                                      |                                      |
| From Subsidiary Company                                                     |                                      |                                      |
| Sundry Income                                                               |                                      |                                      |
| BTHL:Rental Income from Property in Rwanda                                  | 26,792                               | 27,362                               |
| MRUL:Sundry Income                                                          | 4,976                                | 29,904                               |
|                                                                             |                                      | -                                    |
| Profit on Disposal of Property Plant and Equipment                          |                                      |                                      |
| Gain on financial assets at fair value through P&L                          |                                      |                                      |
| Net Gain on Foreign Currency Transaction and Translation                    |                                      |                                      |
| PBT: Net gain on Foreign Currency Transaction and translation (realised)    |                                      | 2,088                                |
| PBT: Net gain on Foreign Currency Transaction and translation (unrealised)  |                                      | 3,004                                |
| MRUL: Net gain on Foreign Currency Transaction and translation (realised)   |                                      | 311,104                              |
| MRAL: Net gain on Foreign Currency Transaction and translation (unrealised) |                                      | -                                    |
| Others (specify nature)                                                     |                                      |                                      |
| PBT:Gain from reduction against cost of bearer plants                       | -                                    | 4,775                                |
| PBT:Recovery from farmers against cost of bearer-plants                     | -                                    | 15,736                               |
| MRAL: Gain on Bended Tea                                                    | 2,612                                |                                      |
| Misc Income                                                                 | 31,514                               | -                                    |
| PBT: Others                                                                 | -                                    | (2,107)                              |
| MRUL: Changes in fair value of biological asset - (Leaf on tea bushes)      | (5,772)                              | (73,772)                             |
|                                                                             | <b>261,214</b>                       | <b>543,016</b>                       |



| <b>BORELLI TEA HOLDINGS LIMITED</b>           |                                                                                                                                                                                |  |                                                   |                                                   |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------|---------------------------------------------------|
| <b>Notes to Financial Statements (Contd.)</b> |                                                                                                                                                                                |  |                                                   |                                                   |
|                                               |                                                                                                                                                                                |  | <b>Year Ended<br/>31st March<br/>2025<br/>GBP</b> | <b>Year Ended<br/>31st March<br/>2024<br/>GBP</b> |
| <b>30A</b>                                    | <b>COST OF GREEN LEAF PURCHASED</b>                                                                                                                                            |  |                                                   |                                                   |
|                                               | MRUL: Green Leaf (purchased and consumed)                                                                                                                                      |  | 1,145,943                                         | 2,854,348                                         |
|                                               |                                                                                                                                                                                |  | <b>1,145,943</b>                                  | <b>2,854,348</b>                                  |
| <b>30B</b>                                    | <b>PURCHASE OF TEA</b>                                                                                                                                                         |  |                                                   |                                                   |
|                                               | MRME: purchase of Tea                                                                                                                                                          |  | 367,931                                           | 300,420                                           |
|                                               | MRAL: purchase of Tea - External suppliers                                                                                                                                     |  | 3,325,114                                         | 3,572,664                                         |
|                                               |                                                                                                                                                                                |  | <b>3,693,046</b>                                  | <b>3,873,085</b>                                  |
| <b>30</b>                                     | <b>CHANGES IN VALUE OF INVENTORY OF GREEN LEAF</b>                                                                                                                             |  |                                                   |                                                   |
|                                               | Changes in Value of Green Leaf harvested but not processed                                                                                                                     |  |                                                   |                                                   |
|                                               | (Increase)/Decrease                                                                                                                                                            |  | -                                                 | -                                                 |
| <b>31</b>                                     | <b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>                                                                                                                                |  |                                                   |                                                   |
|                                               | Stock of Tea at the beginning of the year                                                                                                                                      |  | 2,319,052                                         | 3,792,046                                         |
|                                               | Add : adjustment for intercompany transactions between group companies                                                                                                         |  |                                                   | -                                                 |
|                                               | Adjustment for Fx Difference                                                                                                                                                   |  | (86,902)                                          | (111,268)                                         |
|                                               | <b>A</b>                                                                                                                                                                       |  | <b>2,232,150</b>                                  | <b>3,680,778</b>                                  |
|                                               | Less: Removal of PBT stock on sale of PBT                                                                                                                                      |  |                                                   |                                                   |
|                                               | PBT Finished Stock                                                                                                                                                             |  | (434,256)                                         |                                                   |
|                                               | PBT : Provision for inferior / old teas                                                                                                                                        |  | 200,997                                           |                                                   |
|                                               | Being foreign exchange difference between last year closing stock(B/S) at closing and this year opening stock (P&L) items at average rate.                                     |  | (67,759)                                          | (35,809)                                          |
|                                               | Being transfer of foreign exchange difference between last year closing stock(B/S) at closing and this year opening stock (P&L) items at average rate from note 31 to note-35. |  | <b>67,759</b>                                     | <b>35,809</b>                                     |
|                                               | <b>B</b>                                                                                                                                                                       |  | <b>(233,259)</b>                                  | <b>-</b>                                          |
|                                               | Less: Stock of Tea at the end of the year                                                                                                                                      |  | (1,845,562)                                       | (2,319,052)                                       |
|                                               | Foreign Exchange loss / (gain) - arising on consolidation                                                                                                                      |  | (27,042)                                          | 86,902                                            |
|                                               | <b>C</b>                                                                                                                                                                       |  | <b>(1,872,604)</b>                                | <b>(2,232,150)</b>                                |
|                                               | (A+B+C) - (Increase)/Decrease                                                                                                                                                  |  | <b>126,287</b>                                    | <b>1,448,628</b>                                  |



**BORELLI TEA HOLDINGS LIMITED****Notes to Financial Statements (Contd.)**

|                                                         | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|---------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>32 EMPLOYEE BENEFITS EXPENSE</b>                     |                                      |                                      |
| 32B Salaries and Wages                                  | 3,285,530                            | 4,471,777                            |
| 32B Contribution to Provident and Other Funds           | 339,212                              | 464,427                              |
| 32B Increase in accrued leave provision                 | 2,847                                | 162                                  |
| 32B Labour and Staff Welfare                            | 282,986                              | 496,660                              |
|                                                         | 3,910,574                            | 5,433,026                            |
| <b>33 FINANCE COSTS</b>                                 |                                      |                                      |
| Interest Expense                                        |                                      |                                      |
| On Fixed Loans                                          |                                      |                                      |
| MRUL:Interest charge                                    | 694,996                              | 913,267                              |
| MRME:Interest charge on delayed payt                    | 0.00                                 | 21,178                               |
| MRAL : Interest charge - BTHL - Jan - Mar               | 20,174                               | 24,637                               |
| MRAL : Interest received                                | (5,782)                              | (11,410)                             |
| Others                                                  |                                      |                                      |
| BTHL:McLeod Russel Uganda Limited (interest Apr to Dec) | -                                    | 0                                    |
| BTHL:McLeod Russel Uganda Limited (interest Jan to Mar) | 93,533                               | 96,824                               |
| MRUL: Interest charge                                   | 616,595                              | 559,162                              |
| PBT:Interest on other loans from Bank                   |                                      | 111,782                              |
| MRAL: Net foreign exchange loss/(gain)- Realised        | (99,019)                             | (121,006)                            |
| MRAL: Net foreign exchange loss/(gain)-Unrealised       |                                      | 268,454                              |
| Other Borrowing Costs                                   |                                      |                                      |
| MRUL                                                    | 51,537                               | 59,776                               |
|                                                         | 1,372,035                            | 1,922,664                            |
| <b>34 DEPRECIATION AND AMORTISATION EXPENSE</b>         |                                      |                                      |
| Depreciation on Tangible Fixed Assets                   |                                      |                                      |
| MRUL                                                    | 951,345                              | 1,092,736                            |
| MRME                                                    | 154                                  | 322                                  |
| PBT                                                     | 0                                    | 177,202                              |
| MRAL                                                    | 605                                  | 1,214                                |
| Amortisation of other Intangible Assets                 |                                      |                                      |
| BTHL                                                    | 58,218                               | 58,218                               |
|                                                         | 1,010,323                            | 1,329,693                            |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to the Financial Statements (Contd.)**

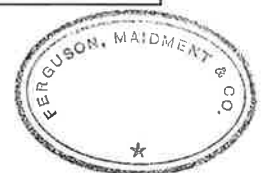
**32B Employee benefits expense**

|                                                  | Year ended<br>31st March 2025<br>GBP | Year ended<br>31st March 2024<br>GBP |
|--------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Salaries, Wages, Bonus etc.</b>               |                                      |                                      |
| McLeod Russel Africa Limited                     | 78,392                               | 60,596                               |
| McLeod Russel Middle East                        | 58,120                               | 51,423                               |
| McLeod Russel Uganda Limited                     | 314,901                              | 4,193,660                            |
| Phu Ben Tea Company                              |                                      | 166,098                              |
|                                                  | <b>3,285,530</b>                     | <b>4,471,777</b>                     |
| <b>Contribution to Provident and Other Funds</b> |                                      |                                      |
| McLeod Russel Africa Limited                     | 2,730                                | 279                                  |
| McLeod Russel Middle East                        | 2,242                                | 2,306                                |
| McLeod Russel Uganda Limited                     | 334,239                              | 431,360                              |
| Phu Ben Tea Company                              |                                      | 30,481                               |
|                                                  | <b>339,212</b>                       | <b>464,427</b>                       |
| <b>Increase in Accrued Leave Provision</b>       |                                      |                                      |
| McLeod Russel Africa Limited                     | 2,847                                | 162                                  |
| McLeod Russel Uganda Limited                     | -                                    | -                                    |
|                                                  | <b>2,847</b>                         | <b>162</b>                           |
| <b>Labour and Staff Welfare</b>                  |                                      |                                      |
| McLeod Russel Africa Limited                     |                                      | 3,452                                |
| McLeod Russel Uganda Limited                     | 267,758                              | 472,640                              |
| McLeod Russel Middle East                        | 15,228                               | 17,234                               |
| Phu Ben Tea Company                              | -                                    | 3,333                                |
|                                                  | <b>282,986</b>                       | <b>496,660</b>                       |
|                                                  | <b>3,910,574</b>                     | <b>5,433,026</b>                     |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                            | Year Ended 31st<br>March 2025<br>GBP | Year Ended 31st<br>March 2024<br>GBP |
|----------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>35 OTHER EXPENSES</b>                                                   |                                      |                                      |
| Consumption of Stores and Spare Parts and Blending charges and fertilizers | 1,231,892                            | 2,322,523                            |
| Consumption of Packing Materials                                           | 241,739                              | 328,755                              |
| Power and Fuel                                                             | 1,522,470                            | 2,023,439                            |
| Rent                                                                       | 17,165                               | (2,481)                              |
| Lease Rent                                                                 | 4,528                                | 6,874                                |
| Repairs - Buildings                                                        | 11,301                               | 33,891                               |
| - Machinery                                                                | 474,597                              | 665,833                              |
| - Others                                                                   | 47,422                               | 67,299                               |
| Insurance                                                                  | 86,321                               | 103,481                              |
| Rates and Taxes                                                            | 9,734                                | 3,934                                |
| Excise Cess on Tea                                                         | -                                    | -                                    |
| Green Leaf Cess                                                            | -                                    | -                                    |
| Travelling                                                                 | 74,190                               | 94,810                               |
| Auditors Remuneration                                                      | 68,114                               | 51,003                               |
| Legal and Professional Fees                                                | 175,029                              | 168,298                              |
| Bank Charges                                                               | 648                                  | 14,483                               |
| Electricity & Water                                                        | -                                    | -                                    |
| Freight, Shipping and Selling Expenses                                     | 1,482,127                            | 1,760,005                            |
| Brokerage on Sales                                                         | 60,635                               | 98,409                               |
| Selling Agents' Commission                                                 | 55,058                               | 52,231                               |
| Royalty fee / License fee                                                  | -                                    | 367,746                              |
| Loss on Disposal of Fixed Assets (net)                                     | 2,032                                | (18,527)                             |
| Gain on disposal of 100% shares of Phu Ben (subsidiary)                    | -                                    | (1,773,103)                          |
| Provision (100%) against receivable from MRIL                              | -                                    | 1,773,103                            |
| Provision for Doubtful debt Debts                                          | 230,785                              | -                                    |
| Provision for doubtful loan assets                                         | 557,524                              | -                                    |
| Management charges paid by BTHL to TGFM                                    | 60,000                               | 60,000                               |
| Loan Guarantee commission payable                                          | -                                    | -                                    |
| Prov. For Diminution In value of Investment                                | -                                    | -                                    |
| Security Deposit written off                                               | -                                    | -                                    |
| Provision for mark to market losses on derivatives                         | -                                    | -                                    |
| - Actually Paid                                                            | -                                    | 3,644                                |
| - Translation Loss                                                         | -                                    | 299,737                              |
| Any other Write Off (Specify)                                              | -                                    | -                                    |
| Miscellaneous Expenses                                                     | 203,850                              | 237,849                              |
| Foreign Exchange loss / (gain) - Realised                                  | 278                                  | 1,745                                |
| Foreign Exchange loss / (gain) - Unrealised                                | (21,192)                             | (116,413)                            |
| Mark-to-market unrealised loss on forex derivative contracts               | -                                    | 28                                   |
| BTHL: Foreign Exchange loss / (gain) - arising on consolidation            | 40,717                               | (122,711)                            |
| Postage and telephone                                                      | -                                    | 3,646                                |
| Vehicle running                                                            | -                                    | 2,767                                |
| Printing and stationery                                                    | -                                    | 1,477                                |
| Cleaning Expenses                                                          | -                                    | -                                    |
| Entertainment                                                              | -                                    | 778                                  |
| Advertisement and promotion                                                | -                                    | -                                    |
| Fines and penalties                                                        | -                                    | 390                                  |
| Licences                                                                   | -                                    | 287                                  |
| Subscriptions                                                              | -                                    | 1,393                                |
| Secretarial fees                                                           | -                                    | 426                                  |
| Loading and unloading charges                                              | 8,478                                | 6,560                                |
| Re-sampling charges                                                        | 14,760                               | 13,544                               |
| Warehousing charges                                                        | -                                    | -                                    |
|                                                                            | <b>6,660,202</b>                     | <b>8,537,154</b>                     |

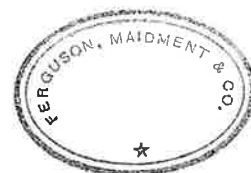


**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**  
**35A- OTHER EXPENSES BY SUBSIDIARY**

|                                                                            | Borelli Tea Holdings Limited | McLeod Russel Uganda Limited | McLeod Russel Africa Limited | McLeod Russel Middle East DMCC | Consolidation adjustments | Note on following page | Total     |
|----------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|---------------------------|------------------------|-----------|
|                                                                            | GBP                          | GBP                          | GBP                          | GBP                            | GBP                       | GBP                    | GBP       |
| Consumption of Stores and Spare Parts and Blending charges and fertilizers |                              | 1,222,681                    |                              | 9,211                          |                           |                        | 1,231,892 |
| Consumption of Packing Materials                                           |                              | 197,483                      | 43,322                       | 934                            |                           |                        | 241,739   |
| Power and Fuel                                                             |                              | 1,520,176                    | 2,294                        |                                |                           |                        | 1,522,470 |
| Rent                                                                       |                              |                              | 7,669                        | 9,496                          |                           |                        | 17,165    |
| Lease Rent                                                                 |                              | 4,528                        |                              |                                |                           |                        | 4,528     |
| Repairs - Buildings                                                        |                              | 11,301                       |                              |                                |                           |                        | 11,301    |
| - Machinery                                                                |                              | 474,597                      |                              |                                |                           |                        | 474,597   |
| - Others                                                                   |                              | 46,987                       | 435                          |                                |                           |                        | 47,422    |
| Insurance                                                                  |                              | 86,321                       |                              |                                |                           |                        | 86,321    |
| Rates and Taxes                                                            |                              | 9,734                        |                              |                                |                           |                        | 9,734     |
| Excise Cess on Tea                                                         |                              |                              |                              |                                |                           |                        | -         |
| Green Leaf Cess                                                            |                              |                              |                              |                                |                           |                        | -         |
| Travelling                                                                 |                              | 51,609                       | 22,580                       |                                |                           |                        | 74,190    |
| Auditors Remuneration                                                      | 25,000                       | 35,310                       | 4,186                        | 3,619                          |                           |                        | 68,114    |
| Legal and Professional Fees                                                | 51,668                       | 102,854                      | 20,383                       | 123                            |                           |                        | 175,029   |
| Bank Charges                                                               | 648                          |                              |                              |                                |                           |                        | 648       |
| Electricity & Water                                                        |                              |                              |                              |                                |                           |                        | -         |
| Freight, Shipping and Selling Expenses                                     |                              | 994,338                      | 485,076                      | 2,713                          |                           |                        | 1,482,127 |
| Brokerage on Sales                                                         |                              | 60,635                       |                              |                                |                           |                        | 60,635    |
| Selling Agents' Commission                                                 |                              | 10,142                       | 44,916                       |                                |                           |                        | 55,058    |
| Royalty fee / License fee                                                  |                              |                              |                              |                                |                           |                        | -         |
| Loss on Disposal of Fixed Assets (net)                                     |                              | 2,032                        |                              |                                |                           |                        | 2,032     |
| Provision for Doubtful debt Debts                                          |                              | 217,712                      |                              |                                |                           |                        | 217,712   |
| Provision for doubtful loan assets                                         |                              | 557,524                      |                              |                                |                           |                        | 557,524   |
| Management charges paid by BTHL to TGFM                                    | 60,000                       |                              |                              |                                |                           |                        | 60,000    |
| Loan Guarantee commission payable                                          |                              |                              |                              |                                |                           |                        | -         |
| Prov. For Diminution In value of Investment                                |                              |                              |                              |                                |                           |                        | -         |
| Provision for Doubtful Debts                                               |                              |                              |                              | 13,073                         |                           |                        | 13,073    |
| Security Deposit written off                                               |                              |                              |                              |                                |                           |                        | -         |
| Provision for Doubtful Loans                                               |                              |                              |                              |                                |                           |                        | -         |
| Provision for mark to market losses on derivatives                         |                              |                              |                              |                                |                           |                        | -         |
| Gain on disposal of 100% shares of Phu Ben (subsidiary)                    |                              |                              |                              |                                |                           |                        | -         |
| Provision (100%) against receivable from MRIL                              |                              |                              |                              |                                |                           |                        | -         |
| - Actually Paid                                                            |                              |                              |                              |                                |                           |                        | -         |



|                                                                  | Borelli Tea Holdings Limited | McLeod Russel Uganda Limited | McLeod Russel Africa Limited | McLeod Russel Middle East DMCC | Consolidation adjustments | Note on following page | Total     |
|------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|---------------------------|------------------------|-----------|
| - Translation Loss                                               |                              |                              |                              |                                |                           |                        | -         |
| Any other Write Off (Specify)                                    |                              |                              |                              |                                |                           |                        | -         |
| Miscellaneous Expenses                                           | 3,367                        | 104,269                      | 40,161                       | 56,054                         |                           |                        | 203,850   |
| Foreign Exchange loss / (gain) - Realised                        | (840)                        | 1,118                        |                              |                                |                           |                        | 278       |
| Foreign Exchange loss / (gain) - Unrealised                      | (155,754)                    | 134,562                      |                              |                                |                           |                        | (21,192)  |
| Mark-to-market unrealised loss on forex derivative contracts     |                              |                              |                              |                                |                           |                        | -         |
| BTHL: Foreign Exchange loss / (gain) - arising on consolidation. |                              |                              |                              |                                | 40,717                    | Note-1                 | 40,717    |
| Postage and telephone                                            |                              |                              |                              |                                |                           |                        | -         |
| Vehicle running                                                  |                              |                              |                              |                                |                           |                        | -         |
| Printing and stationery                                          |                              |                              |                              |                                |                           |                        | -         |
| Cleaning Expenses                                                |                              |                              |                              |                                |                           |                        | -         |
| Entertainment                                                    |                              |                              |                              |                                |                           |                        | -         |
| Advertisement and promotion                                      |                              |                              |                              |                                |                           |                        | -         |
| Fines and penalties                                              |                              |                              |                              |                                |                           |                        | -         |
| Licences                                                         |                              |                              |                              |                                |                           |                        | -         |
| Subscriptions                                                    |                              |                              |                              |                                |                           |                        | -         |
| Secretarial fees                                                 |                              |                              |                              |                                |                           |                        | -         |
| Loading and unloading charges                                    |                              |                              |                              | 8,478                          |                           |                        | 8,478     |
| Re-sampling charges                                              |                              |                              |                              | 14,760                         |                           |                        | 14,760    |
| Warehousing charges                                              |                              |                              |                              |                                |                           |                        | -         |
| TOTAL                                                            | (15,911)                     | 5,845,913                    | 671,022                      | 118,462                        | 40,717                    |                        | 6,660,202 |



Notes to Financial Statements (Contd.)

| 35B | Exceptional Item | 31st March 2025 |      | 31st March 2024 |   |
|-----|------------------|-----------------|------|-----------------|---|
|     |                  | £               | £    | £               | £ |
|     |                  |                 |      |                 |   |
|     |                  |                 | 0.00 |                 | - |
|     |                  |                 |      |                 |   |
|     |                  |                 |      |                 |   |
|     |                  |                 | -    |                 | - |



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

| 36 (a) Income tax Expense                                                  | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP                      | Current Year<br>GBP |
|----------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------------------------|---------------------|
|                                                                            | MRUL                | MRME                | MRAL                | BTHL                | Consolidation<br>Adjustments<br>(Note-1) | Total               |
| <i>Current Tax</i>                                                         |                     |                     |                     |                     |                                          |                     |
| Current tax on profits for the year                                        |                     |                     | 59,841              | 4,019               |                                          | 59,841              |
| Withholding tax suffered on Royalty, Management, License and Rental Income |                     |                     |                     | 11,122              |                                          | 4,019               |
| Withholding tax suffered on Dividend and Interest Received                 |                     |                     | (2,944)             |                     |                                          | 11,122              |
| Adjustments for current tax of prior periods                               |                     |                     |                     |                     |                                          | (2,944)             |
| Current tax on interest income                                             |                     |                     |                     |                     |                                          | 0                   |
| Sub-Total                                                                  | 0                   | 0                   | 56,897              | 15,141              |                                          | 72,038              |
| <i>Deferred Tax</i>                                                        |                     |                     |                     |                     |                                          |                     |
| MRAL: Decrease / (increase) in deferred tax assets                         |                     |                     | 34,464              |                     |                                          | 34,464              |
| MRUL: Decrease / (increase) in deferred tax assets                         | (240,818)           |                     |                     |                     |                                          | 0                   |
| MRUL:(Decrease) / increase in deferred tax liabilities                     | (511,064)           |                     |                     |                     |                                          | (240,818)           |
| (Decrease) / increase in deferred tax liabilities                          |                     |                     |                     |                     |                                          | (511,064)           |
| Sub-Total                                                                  | (751,881)           | 0                   | 34,464              | 0                   |                                          | (717,418)           |
| <b>Total</b>                                                               | (751,881)           | 0                   | 91,361              | 15,141              |                                          | (645,379)           |

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:**

|                                                                    | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP | Current Year<br>GBP                      | Current Year<br>GBP |
|--------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------------------------|---------------------|
|                                                                    | MRUL                | MRME                | MRAL                | BTHL                | Consolidation<br>Adjustments<br>(Note-1) | Total               |
| Profit before income-tax                                           |                     |                     |                     |                     |                                          |                     |
| Average rate of Income Tax                                         | (2,603,013)<br>30%  |                     | 309,504<br>30%      | (64,916)<br>25%     |                                          | (2,358,425)         |
| Tax at an average rate                                             | (780,904)           | 0                   | 92,851              | (16,229)            | 0                                        | (704,282)           |
| Effects of :-                                                      |                     |                     |                     |                     |                                          |                     |
| Withholding-tax suffered                                           |                     |                     |                     |                     |                                          |                     |
| Adjustment to tax-charge in respect of prior periods- income tax   |                     |                     |                     |                     |                                          |                     |
| Adjustment to tax-charge in respect of prior periods- deferred tax |                     |                     | (2,895)             |                     |                                          | (2,895)             |
| Effect on non- taxable gain on sale of investments                 |                     |                     |                     |                     |                                          |                     |
| Effect of expenses not deductible for tax-purposes                 |                     |                     | 1,405               |                     |                                          | 30,427              |
| Effect of income not subject to tax                                |                     |                     |                     |                     |                                          |                     |
| Adjustment for tax on losses                                       |                     |                     |                     |                     |                                          |                     |
| Underprovision of deferred tax in prior years                      |                     |                     |                     | 16,229              |                                          | 16,229              |
| Withholding-tax suffered                                           |                     |                     |                     |                     |                                          |                     |
| Any Other items (Recognition of derecognised deferred tax)         |                     |                     | 0                   | 15,141              |                                          | 15,141              |
| Income Tax Expense Total ( See Internal Note Below)                | (751,881)           | 0                   | 91,361              | 15,141              | 0                                        | (645,379)           |

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



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

| Year Ended<br>31st March<br>2024 |
|----------------------------------|
| GBP                              |

| Year Ended<br>31st March<br>2025 |
|----------------------------------|
| GBP                              |

**37 OTHER COMPREHENSIVE INCOME**

|                                                                    |               |               |
|--------------------------------------------------------------------|---------------|---------------|
| Gain or Loss on                                                    |               |               |
|                                                                    |               |               |
| <b>'a) Items that will not be reclassified to Profit or Loss :</b> |               |               |
|                                                                    |               |               |
| MRUL i) Re-measurement of post-employment benefit obligations      | (261,858)     |               |
| MRUL Less : Tax on above                                           | 78,558        |               |
|                                                                    |               |               |
| (ii) Fair Value gain/loss on Equity-instruments/ Investments       |               |               |
| Less : Tax on above                                                |               |               |
|                                                                    |               |               |
| iii) Others (Specify nature)                                       |               |               |
| Less : Tax on above                                                |               |               |
|                                                                    |               |               |
|                                                                    |               |               |
| <b>b) Items that will be reclassified to Profit or Loss :</b>      |               |               |
| (i) Exchange difference on translation of foreign operations       |               |               |
| (ii) Any other item                                                |               |               |
| Investment property fair value adjustment                          | 256,744       |               |
|                                                                    | <b>73,443</b> |               |
|                                                                    |               | <b>58,799</b> |



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025  
Notes to Consolidated Financial Statements

**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).

**1.1.2 Classification of current and non-current**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the 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 Company 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.

**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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

prepared upto the reporting date of 31st December, 2023. 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.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

**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.

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**

BTHL and MRME

N/A

MRUL and MRAL

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

**1.3 Foreign Currency Translation  
Group**

Foreign currency transactions are translated into British pounds (£) 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.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

- 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 'Reserves & Surplus'.

**1.4 Revenue Recognition**

**Borelli Tea Holdings Limited**

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

**McLeod Russel Uganda Limited**

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.

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.

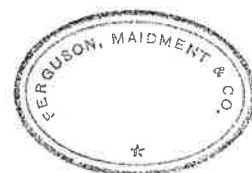
**McLeod Russel Middle East DMCC**

The company is in the business of blending, packaging and trading in tea.

Revenue from sale of goods is recognized at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers and have been accepted by the customers at their premises and there is no unfulfilled obligation that could affect customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer or the company has objective evidence that all criteria for acceptance have been satisfied.

The amount of revenue is shown as net of discounts, returns, other similar obligations and VAT as per the performance obligations determined as per the provisions of the contracts with customers.

**McLeod Russel Africa Limited**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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.

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**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

Not applicable

**Mcleod Russel Middle East DMCC**

Not applicable

**Mcleod Russel Africa Limited**

Not applicable

**1.6 Accounting for Taxes on Income**

**Borelli Tea Holdings Limited**

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. The Company pays UK corporation tax at the rate of 19% of its assessable income.

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

(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/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associate where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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.

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.

**Mcleod Russel Uganda Limited**

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/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associate where in case of assets it is not probable that the differences will reverse in the foreseeable



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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.

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.

**McLeod Russel Middle East DMCC**

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.

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.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Africa Limited**

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.

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**

**Group**

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**

**Group**

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.



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025

Notes to Consolidated Financial Statements (Contd.)

**1.9 Inventories**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

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.

**Mcleod Russel Middle East DMCC**

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.

**Mcleod Russel Africa Limited**

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.

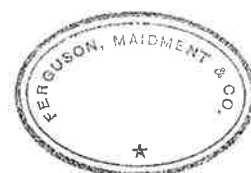
Raw materials of purchased tea leaves, Stores and Spare parts and Finished Goods are stated at lower of cost and net realisable value. Cost of Finished Goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all 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**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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.

**McLeod Russel Middle East DMCC**

Not applicable

**McLeod Russel Africa Limited**

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.

**1.11 Financial Instruments**

**Group**

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

The company 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 company 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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

receivable that do not contain a significant financing component are measured at transaction price.

**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.

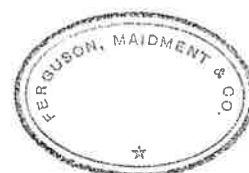
The company makes an election to present changes in fair value through other comprehensive income or through profit or loss on instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

In case the company 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.

**Derecognition**

The Company derecognizes a financial asset or a company 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**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

**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**

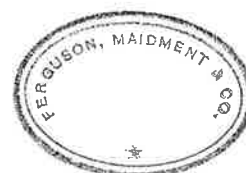
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**C. Derivative and Hedge Accounting**

**Initial Recognition and Subsequent measurement**

The Company 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 company. 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.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

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.

**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 Company or the counterparty.

**E. Cash and cash equivalents**

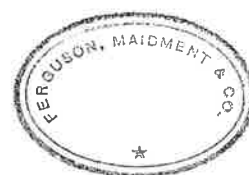
All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and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

**F. Financial guarantee contracts**

Financial guarantee contracts issued by the Company 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 company recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

The company 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 company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

**1.12 Property, Plant and Equipment**

**Borelli Tea Holdings Limited**

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 Company 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.

Where, The Company'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.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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.

Range of Life (years)

|                          |       |
|--------------------------|-------|
| • Tea Plantations        | : N/A |
| • Buildings              | : N/A |
| • Plant and Equipment    | : N/A |
| • Bearer Plants          | : N/A |
| • Furniture and Fixtures | : N/A |
| • Vehicles               | : N/A |
| • Computer               | : N/A |
| • Office Equipment       | : N/A |

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).

**Mcleod Russel Uganda Limited**

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.

**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

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 Company and its cost can be measured reliably. The costs of the day-to-day servicing of PPE are recognised in the profit and loss statement when incurred. Assets to be disposed of 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 and recognised 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 Company's leased assets comprise of land and building and these have been separately shown/disclosed under PPE as Right of Use (ROU) Assets.

Costs incurred for infilling are generally recognized in the profit and loss statement.

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, equipment 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**

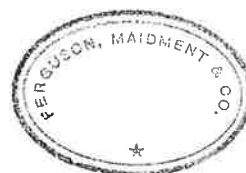
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives.

**Nature of assets**

Buildings  
Bearer plant – tea bushes  
Bearer plant – forests  
Plant and machinery

**Useful life**

50 years  
50 years  
20 to 33 years  
5 to 20 years



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                    |              |
|--------------------|--------------|
| Fixtures & Fixture | 3 to 5 years |
| Vehicles           | 4 years      |
| Computers          | 3 to 5 years |
| Motor vehicles     | 4 years      |

Land is not depreciated.

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).

**McLeod Russel Middle East DMCC**

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.

**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.

| <b>Nature of assets</b>   | <b>Useful life</b> |
|---------------------------|--------------------|
| Buildings                 | N/A                |
| Bearer plant – tea bushes | N/A                |
| Bearer plant – forests    | N/A                |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                     |         |
|---------------------|---------|
| Plant and machinery | N/A     |
| Fixtures & Fixture  | 4 years |
| Vehicles            | N/A     |
| Computers           | 4 years |
| Motor vehicles      | N/A     |

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).

**McLeod Russel Africa Limited**

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.

**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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

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.

| <b>Nature of assets</b>   | <b>Useful life</b> |
|---------------------------|--------------------|
| Buildings                 |                    |
| Bearer plant – tea bushes |                    |
| Bearer plant – forests    |                    |
| Plant and machinery       |                    |
| Fixtures & Fixture        |                    |
| Vehicles                  |                    |
| Computers                 |                    |
| Motor vehicles            |                    |

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).

**1.13 Intangible Assets**

**Borelli Tea Holdings Limited**

**1.13.1 Trademark**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

Separately acquired Trademark is shown at historical cost. It is amortised over expected useful life and is subsequently carried at cost less accumulated amortisation and impairment losses.

**1.13.2 Computer software**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

**1.13.3 Amortisation methods and periods**

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

|                     | <u>Range of Life (years)</u> |
|---------------------|------------------------------|
| • Trademark         | 20                           |
| • Computer software | N/A                          |

**McLeod Russel Uganda Limited**

**1.13.1 Trademark**

Not Applicable

**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

| <b>Nature of assets</b> | <b>Range of Life (Years)</b> |
|-------------------------|------------------------------|
| Trademark               | Not Applicable               |
| Computer Software       | 5 years                      |

**McLeod Russel Middle East DMCC**

**1.13.1 Trademark**

Not applicable

**1.13.2 Computer software**

Not applicable

**1.13.3 Amortisation methods and periods**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

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

| <b>Nature of assets</b> | <b>Range of Life<br/>(Years)</b> |
|-------------------------|----------------------------------|
| Trademark               | N/A                              |
| Computer Software       | N/A                              |

**McLeod Russel Africa Limited**

**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.

**1.13.4 Amortisation methods and periods**

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

| <b>Nature of assets</b> | <b>Range of Life<br/>(Years)</b> |
|-------------------------|----------------------------------|
| Trademark               |                                  |
| Computer Software       |                                  |

**1.14 Leases**

**Borelli Tea Holdings Limited**

N/A

**McLeod Russel Uganda Limited**

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

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

Certain lease arrangements include 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 if 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 is 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.

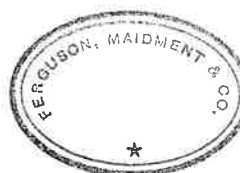
Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may 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.

**McLeod Russel Middle East DMCC**

The Company applies the short-term lease recognition exemption to its short-term leases of office premise (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

**McLeod Russel Africa Limited**

The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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

Certain lease arrangements include 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**

**Group**

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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.

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**

**Borelli Tea Holdings Limited**

**1.16.1 Short-term Employee Benefits**

N/A

**1.16.2 Long-term Employee Benefits (Unfunded)**

N/A

**1.16.3 Post-employment Benefit Plans**

N/A

**1.16.4 Bonus plans**

N/A



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Uganda Limited**

**1.16.1 Short-term Employee Benefits**

Short term employee benefits are recognised as an expense in the profit and loss statement in the year in which services are rendered.

**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 statement 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.

**(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**

Not Applicable

**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.

**McLeod Russel Middle East DMCC**

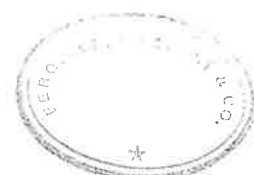
**1.16.1 Short-term Employee Benefits**

Not applicable

**1.16.2 Long-term Employee Benefits (Unfunded)**

Not applicable

**1.16.3 Post-employment Benefit Plans**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

Gratuity provision is made for end-of-service gratuity payable to the staff, subject to the completion of a minimum service period, at the reporting date in accordance with the local labour laws.

**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.

**McLeod Russel Africa Limited**

**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.

**(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**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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**

**Group**

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 compared at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or company 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**

**Borelli Tea Holdings Limited**

N/A

**Mcleod Russel Uganda Limited**

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

**Mcleod Russel Middle East DMCC**

N/A

**Mcleod Russel Africa Limited**

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.

**1.19 Use of Estimates**

**Borelli Tea Holdings Limited**

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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 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 Company'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:**

Since the company has only investment business, critical estimates and judgements are not involved for taxation.

**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.

**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:**

N/A

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.

**McLeod Russel Uganda Limited**

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

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 financial statements require 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 are 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.

**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.



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025  
Notes to Consolidated Financial Statements (Contd.)

**vi) Impairment loss on trade- receivables:**

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

**McLeod Russel Middle East DMCC**

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 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 trading activity and also subject to tax liability under UAE Corporate tax provisions effective 1 January 2024. Significant judgement is involved in determining the tax liability for the Company. 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.

**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:**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

Not applicable

**v) Defined employee benefit obligation:**

Provision is made for end-of-service gratuity payable to the staff at the balance sheet date in accordance with the U.A.E. labour law.

**vi) Impairment loss on trade- receivables:**

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

**McLeod Russel Africa Limited**

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.

**iii) Provisions and Contingencies:**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

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**

**Group**

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**

**Group**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

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

**Borelli Tea Holdings Limited**

Not applicable

**McLeod Russel Uganda Limited**

Not applicable

**McLeod Russel Africa Limited**

Not applicable



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025  
Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Middle East DMCC**  
Not applicable

**38. Scope of Consolidation:**

The consolidated financial statements for the year comprise the financial statements of the Parent Company, financial statements of its wholly owned subsidiaries to include, the financial statements of McLeod Russel Uganda Limited (incorporated in Uganda), the financial statements of McLeod Russel Middle East DMCC (incorporated in Dubai) and the financial statements of McLeod Russel Africa Limited (incorporated in Kenya). The accounting year of the parent is Apr- March while the accounting year of all of its subsidiaries is Jan-Dec.

**39. Detail of Employee Benefits:**

**Borelli Tea Holdings Limited**

**39.1 Post Employment Defined Contribution Plans:**

N/A

**39.2 Post Employment Defined Benefit Plans:**

N/A

**McLeod Russel Uganda Limited**

**39.1 Post Employment Defined Contribution Plans:**

Refer to 1.16.2 above for the description.

The charge to the profit and loss statement relating to contributions to the National Social Security Fund was US\$ 1,604 million (2023: US\$ 1,987 million).

**39.2 Post Employment Defined Benefit Plans:**

Not applicable

**McLeod Russel Middle East DMCC**

**39.1 Post Employment Defined Contribution Plans:**

Refer to 1.16.2 above for the description.

**39.2 Post Employment Defined Benefit Plans:**

Provision is made for end-of-service gratuity payable to the staff at the balance sheet date in accordance with the U.A.E. labour law.

Gratuity provision – US \$ 2,870/-.



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Africa Limited**

**40. Contingent Liabilities:**

**Borelli Tea Holdings Limited**

|                                                                                                                                                                                         | <b>Current Year<br/>Ended March-25<br/>Amount</b> | <b>Previous Year<br/>Ended March-24<br/>Amount</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------|
| <b>i) Claims not acknowledged as debts</b><br>(Specify each item separately)<br>All claims must be quantified. In case some<br>Claim is not quantifiable, please specifically write so. | £Nil                                              | £Nil                                               |
| <b>ii) Guarantees given on behalf of other companies</b><br>to banks etc. and year-end utilisation                                                                                      | £Nil                                              | £Nil                                               |
| <b>iii) Bank Guarantees Outstanding</b>                                                                                                                                                 | £Nil                                              | £Nil                                               |
| <b>iv) Any other (please specify)</b>                                                                                                                                                   | £Nil                                              | £Nil                                               |

**McLeod Russel Uganda Limited**

- i) Claims not acknowledged as debts:

The Company is a defendant in various legal actions arising in the normal course of business. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions will not give rise to any significant loss. Total claims at the year-end amounted to US\$ 538.772 million (2023: US\$ - 99.745 million).

Pending court cases and corresponding plaintiff claims against MRUL

|   | <b>Plaintiff</b> | <b>Ref.</b>                                             | <b>Court</b>              | <b>Description</b>                                                                                                                                                                             | <b>Claim (U<br/>Shs)</b> | <b>Status</b>                                                                                                                                                                                                                                                                                  |
|---|------------------|---------------------------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Tumusiime Joseph | 24/2008,<br>33/2009,<br>91/2009,<br>16/2011,<br>18/2012 | Fort Portal<br>Chief Mag. | A land conflict with Kiko estate neighbour started about 10 years ago with JFU winning at local courts and the plaintiff appealing and opening new cases in Chief Magistrate's and High Court. | 7,400,000                | His High Court Appeal of 2012 was dismissed during 2014 in favour of MRUL, plus another earlier loss, leaving 2 cases in Chief Magistrate's Court. The Chief Magistrate planned to visit the site at Kiko in June 2014 and this never happened. MRUL is demanding compensation for lost cases. |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

|   |                                 |                                                              |                                       |                                                                                                                                                                                                                                                                                        |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---|---------------------------------|--------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|   | Tumusiime Joseph                | Civil Suit<br>FPT – 00 –<br>CV – CS –<br>LC – 091 of<br>2009 | Fort Portal<br>Chief Mag              | The Plaintiff claims that the company crossed the survey line and entered his piece of land in the years 2000 and 2008. The plaintiff claims for an order of eviction, general damages and costs.                                                                                      |                            | The surveyors opened the boundaries and found that there is no trespass, but the case is still ongoing for Court to determine whether there was any trespass. It is currently difficult to speculate whether Court will find that there was trespass or not for us to estimate any likely loss.                                                                                                                                                                      |
|   | Tumusiime Joseph                | Civil Suit<br>No. FPT –<br>00 – CV –<br>CS – 016 of<br>2011. | Fort Portal<br>Chief Mag              | This suit is a claim for survey expenses to open boundaries. The above person claims a total of US\$ 7,400,000=.                                                                                                                                                                       |                            | We objected to this case and the Court is yet to determine whether there is a cause of action in this suit.                                                                                                                                                                                                                                                                                                                                                          |
| 2 | Joseph Agondoa                  | 56/2004                                                      | Fort Portal<br>High Court             | Lodged in 2004 by a former employee for wrongful dismissal.                                                                                                                                                                                                                            | 41,260,344                 | Due for judgement at a date not yet communicated; it is a dormant case.                                                                                                                                                                                                                                                                                                                                                                                              |
| 3 | Daniel Tibagwa                  | 70/2004                                                      | Masindi<br>Chief Mag.                 | Was a Shift Supervisor at Bugambe and involved in a Made Tea Theft Case. Filed a case for wrongful arrest. Court dismissed his case with costs. In attempt to evade execution, he filed an application to set aside Judgement.                                                         | No outflow is expected     | A hearing was setup in 2013 with adjournment happening without the hearing taking place. It was finally heard on 29 <sup>th</sup> Jan 2014; judgement initially scheduled for 7 <sup>th</sup> May 2014 has not been delivered to-date.                                                                                                                                                                                                                               |
| 4 | Hoima District Local Government | CS-041 /<br>2013                                             | Masindi<br>High Court                 | District Local Government sued MRUL for non-payment of Cess by Bugambe Tea Estate since 2010. The Case filed as a summary procedure; it did not warrant fully-fledged hearing. An application was filed, by MRUL, which convinced the judge to allow a hearing.                        | 137,420,000                | Before the 1st hearing took place, the Minister of Local Government issued communication withdrawing the law on payment of Cess on Produce.<br>A ruling was granted in favour of the defendant (MRUL) on the 6 <sup>th</sup> May 2014 at the high Court in Masindi. Still waiting for the plaintiff's action.                                                                                                                                                        |
| 5 | Doreen Muhairwe Komukyeya       | CS-311/2014                                                  | Kampala<br>High Court – Land Division | A Niece to King Solomon Iguru of Bunyoro claimed hereditary share of late father, 230.5 acres part of Bugambe T.E. After privatization from Government ownership, King Solomon's share was paid out by RHTC. Plaintiff claimed the 340.5 acres plus earnings from the same since 2003. | Amount cannot be estimated | Defence was filed in Court providing proof of ownership by King Solomon and evidence of settlement to him. Plaintiff advised to settle her hereditary disputes with her Uncle. This matter was still being heard and a notice to produce documents was served on the 3 <sup>rd</sup> Defendant by the plaintiff on the 6 <sup>th</sup> February 2015. The said documents were provided by the 3 <sup>rd</sup> Defendant. Thereafter, the plaintiff has not taken any |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|   |                            |                            |                                                            |                                                                                                                                                                                                                  |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---|----------------------------|----------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|   |                            |                            |                                                            |                                                                                                                                                                                                                  |                            | further step to ensure the case is sent for mediation or is fixed for scheduling or hearing, to date.                                                                                                                                                                                                                                                                                                                                               |
| 6 | <b>Agolei</b>              | Civil Suit No. 41 of 2023  | In The Chief Magistrate's Court Of Kagadi Holden At Kagadi | <p>The Plaintiff claims the Defendant cut the power line supplying his Grinding mill leading to loss in income.</p> <p>Previously he had sued Muzizi T. E. and the case was dismissed. Now he has sued MRUL.</p> | Amount cannot be estimated | <p>Previously he had sued Muzizi T. E. and the case was dismissed. Now he has sued MRUL</p> <p>Personnel Officer Muzizi Attended Court on 14<sup>th</sup> Sept 2023 - Court resolved that; MRUL avail Witness Statement(s) of the case to Court latest by 21<sup>st</sup> September 2023 which was submitted Judgement was delivered on 24<sup>th</sup> June 2024 in favour of the plaintiff. Appeal to Hoima High Court has been made by MRUL.</p> |
| 7 | <b>Kabanyoro Christine</b> | Civil Suit No. 47 of 2020. | Masindi High Court                                         | The Claimant filed a suit against the company claiming general damages for unlawful termination and defamation.                                                                                                  | No outflow is expected     | <p>The company filed a written statement of defence.</p> <p>Lawyer, PO Bugambe and Security Officer (Eric) attended court on 10<sup>th</sup> May 2023. Adjourned to 16<sup>th</sup> June for mention and decide on judgement day.</p> <p>Judgement date 17/1/2025.</p> <p>Judgement passed in MRUL favour with costs.</p>                                                                                                                           |
| 8 | <b>Kategaya James</b>      | Civil Suit No. 81 of 2021. | Fort Portal Chief Magistrates Court                        | The Claimant filed a suit against the Company claiming compensation.                                                                                                                                             | Amount cannot be estimated | <p>The company filed a defence through Kaahwa, Kafuuzi, Bwiruka &amp; Co. Advocates and the case is dismissed with cost but the Plaintiff disappeared.</p> <p>EM Kiko was informed to alert the Lawyer immediately the plaintiff is seen.</p>                                                                                                                                                                                                       |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**Notes to Consolidated Financial Statements (Contd.)**

|    |                                                                                                                                |                                                                                     |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9  | Departed Asians property Custodian Board and Chris Rugari Vs MRUL, Borelli Tea Holdings Limited MRIL & the Registrar of Titles | Civil Suit No. 825 of 2019                                                          |                            | The first plaintiff alleges that it was unaware that through fraud it had been deprived of the land in dispute; LRV599 Folio 12 until it allocated it to the second plaintiff. The land is in the possession of Mcleod Russel. The Plaintiffs seek recovery of the land, reversal of all entries on the land valued at Uganda Shillings Four Billion five hundred fifteen thousand (US\$ 4,515,000,000) cancellation of the entry of the first defendant as proprietor of the land and substitution thereof of the first plaintiff. The first claim is that he is allocatee of the land and as such is entitled to quiet and vacant possession, mesne profits and general damages. | 300,000,000                | <p>The matter came up for mediation on the 20<sup>th</sup> January 2020, but the mediator was not present. It was adjourned to 31<sup>st</sup> January 2020, but on that date the opposing counsel was not present. The court is to communicate the next available date for mediation.</p> <p>The matter has high chances of success because Mcleod Russel is the lawful owner of the property having purchased the land legally from the original owner. It is difficult to project the figure that Mcleod Russel would have to pay in the event that the matter is lost since the plaintiffs mainly seek restoration of the land. But the second plaintiff also seeks mesne profits (profits received by a party in wrongful possession and recoverable by the rightful owner), general damages, and the Defendant would also have to pay costs of the suits. Therefore, a rough estimate of the potential loss in the event of the suit is lost could be anywhere from US\$ 50,000,000 – US\$ 300,000,000.</p> |
| 10 | <b>Mwesige Christopher</b>                                                                                                     | KJJ – 00 – CV – CS – 51 of 2018                                                     | Kyenjojo Magistrates Court | The above person sued the company claiming special and general damages for conversion of Greenleaf tea and loss occasioned.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Amount cannot be estimated | The company filed a defence and Court is yet to determine whether the company is liable or not for us to estimate any likely loss. Plaintiff lost interest in the case.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 11 | <b>Mirimo Charles</b>                                                                                                          | Labour Dispute Claim No. 246 of 2018 Arising From Labour Dispute No. 091/2017/2018. | Industrial Court           | The Complainant filed a labour claim against the company and the Industrial Court awarded the claimant US\$ 52,691,667=. The Industrial Court made an award against the company on 5th day of June 2020.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 52,691,667                 | The Company being dissatisfied with the award, a decision and orders of the Industrial Court filed a Notice of Appeal in the Industrial Court for an appeal to the Court of Appeal of Uganda against the whole award, decision and orders. Appeal taken over by Katende, Ssempebwa & Co Advocates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|  |              |  |  |  |                    |  |
|--|--------------|--|--|--|--------------------|--|
|  | <b>Total</b> |  |  |  | <b>538,772,011</b> |  |
|--|--------------|--|--|--|--------------------|--|

ii) Guarantees given on behalf of other companies to banks etc. and year-end utilisation: Not applicable

iii) Bank Guarantees Outstanding: Not applicable

iv) Any other (please specify): The Company have been issued with few assessment orders from Uganda Revenue Authority (URA) at different times for past years amounting to US\$ 3,524,966,341. The Company have already filed an appeal/application against all of them and all those matters are still undergoing mediation/mentions/hearing.

**McLeod Russel Middle East DMCC**

i) Claims not acknowledged as debts:

Not applicable

ii) Guarantees given on behalf of other companies to banks etc. and year-end utilisation:

Not applicable

iii) Bank Guarantees Outstanding:

Not applicable

iv) Any other (please specify): None

**McLeod Russel Africa Limited**

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:**

**Group**

(a) Loan to director at year-end: Current Year Ended March-25 £Nil (Previous Year Ended March-24 £Nil)

(b) Maximum amount of loan to directors : (i) Nil Current Year Ended March-25 (Previous Year Ended March-24 £Nil)

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

**Please specify, if any.**



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025  
Notes to Consolidated Financial Statements (Contd.)

**Group**

None

**43. Capital Commitment & Advances:**

**Borelli Tea Holdings Limited**

NIL

**Mcleod Russel Uganda Limited**

(a) Estimated Capital commitments on account of purchase orders / contracts: 2024 – US\$ 443,110,541/- (2023 – US\$ 194,777,990/-).

(b) Advance against such capital commitments (Amount): 2024 US\$ 209,500,862/- (2023 US\$ 142,752,444/-).

**Mcleod Russel Middle East DMCC**

(a) Estimated Capital commitments on account of purchase orders / contracts: 2024 Nil (2023 Nil)

(b) Advance against such capital commitments (Amount): 2024 Nil (2023 Nil)

**Mcleod Russel Africa Limited**

Nil

**44. Revenue Expenditure on Research and Development:**

**Group**

Not applicable

**45. Related parties:**

**Borelli Tea Holdings Limited**

(A) List of Related Parties

Key Management Personnel

A Khaitan  
B J Ruck  
S Knight  
D Sen  
P Bhar



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

- Relatives of Key Management Personnel with whom transactions took place during the year.  
N/A

**(B) Transactions / Balances with Key Management Personnel**

|  |  | <b>Remuneration for<br/>the period</b> | <b>Loan outstanding at<br/>year ended</b> |
|--|--|----------------------------------------|-------------------------------------------|
|  |  | <b>Current Year</b>                    | <b>Previous Year</b>                      |
|  |  | <b>£Nil</b>                            | <b>£Nil</b>                               |

**(C) i) Transactions with relatives of Key Management Personnel**  
N/A

**ii) Balances with relatives of Key Management Personnel**  
N/A

**(D) i) Transactions with Holding Co./Subsidiary**  
**ii) Closing Balances with Holding Co./Subsidiary**  
(give nature-wise summary)

| Name of Holding Co /subsidiary | Nature of Transactions/Balances                             | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|--------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel India Ltd</b> | <b>Loan balance B/F</b>                                     | Nil                                 | Nil                                 |
|                                | Loan Received by BTHL including foreign exchange adjustment | Nil                                 | Nil                                 |
|                                | Loan Repaid by BTHL including foreign exchange adjustment   | Nil                                 | Nil                                 |
|                                | <b>Loan balance C/F</b>                                     | Nil                                 | Nil                                 |
|                                |                                                             |                                     |                                     |
|                                | Interest Expenditure (Gross – before tax)                   | Nil                                 | Nil                                 |
|                                | Interest accrued but not paid at the yearend                | Nil                                 | Nil                                 |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|  |                                                                         |     |     |
|--|-------------------------------------------------------------------------|-----|-----|
|  | (Gross)                                                                 |     |     |
|  | Subscription received for Share capital & premium                       | Nil | Nil |
|  | Royalty income (Gross-before tax)                                       | Nil | Nil |
|  | Royalty accrued but not received at the yearend (Gross)                 | Nil | Nil |
|  | Guarantee Commission Income (Gross)                                     | Nil | Nil |
|  | Guarantee Commission Income accrued but not paid at the yearend (Gross) | Nil | Nil |
|  | Dividend received (Gross)                                               | Nil | Nil |
|  | Dividend Paid by BTHL: Final Dividend                                   | Nil | Nil |
|  | Royalty Receivable w/off                                                | Nil | Nil |

| Name of Holding Co /subsidiary  | Nature of Transactions/Balances                             | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|---------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel Uganda Ltd</b> | <b>Loan Liability balance B/F</b>                           | 5,547,996                           | 6,033,715                           |
|                                 | Loan Received by BTHL including foreign exchange adjustment | Nil                                 | Nil                                 |
|                                 | Loan Repaid by BTHL                                         | Nil                                 | (394,944)                           |
|                                 | Foreign exchange adjustment                                 | (129,023)                           | (90,775)                            |
|                                 | <b>Loan Liability balance C/F</b>                           | 5,418,973                           | 5,547,996                           |
|                                 | Interest Income (Gross – before tax)                        | Nil                                 | Nil                                 |
|                                 | Interest accrued but not received at the yearend (Gross)    | Nil                                 | Nil                                 |
|                                 | Interest Expense (Gross – before tax)                       | 380,289                             | 401,626                             |
|                                 | Interest accrued but not Paid at the yearend (Gross)        | 2,687,994                           | 2,475,543                           |
|                                 | Subscription received for Share capital & premium           | Nil                                 | Nil                                 |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|  |                                   |     |         |
|--|-----------------------------------|-----|---------|
|  | Royalty income (Gross-before tax) | Nil | Nil     |
|  | License Fees                      | Nil | 372,005 |
|  | Interest Paid                     | Nil | Nil     |
|  | Dividend Received (Gross)         | Nil | Nil     |

| Name of Holding Co /subsidiary   | Nature of Transactions/Balances                            | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|----------------------------------|------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel Middle East</b> | <b>Loan Asset balance B/F</b>                              | Nil                                 | Nil                                 |
|                                  | Loan Given including foreign exchange adjustment           | Nil                                 | Nil                                 |
|                                  | Loan Refund received including foreign exchange adjustment | Nil                                 | Nil                                 |
|                                  | <b>Loan Asset balance C/F</b>                              | Nil                                 | Nil                                 |
|                                  |                                                            |                                     |                                     |
|                                  | Interest Income (Gross – before tax)                       | Nil                                 | Nil                                 |
|                                  | Interest accrued but not received at the yearend (Gross)   | 152,492                             | 176,742                             |
|                                  | Interest Received                                          | Nil                                 | Nil                                 |
|                                  | Other transactions                                         | Nil                                 | Nil                                 |

| Name of Holding Co /subsidiary      | Nature of Transactions/Balances                          | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|-------------------------------------|----------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel Africa Limited</b> | <b>Loan Asset balance B/F</b>                            | 1,071,428                           | 1,206,138                           |
|                                     | Loan Given including foreign exchange adjustment         | Nil                                 | Nil                                 |
|                                     | Loan Refund received                                     | Nil                                 | (117,428)                           |
|                                     | Foreign exchange adjustment                              | (24,917)                            | (17,282)                            |
|                                     | <b>Loan Asset balance C/F</b>                            | 1,046,512                           | 1,071,428                           |
|                                     |                                                          |                                     |                                     |
|                                     | Interest Income (Gross – before tax)                     | 74,144                              | 83,479                              |
|                                     | Interest accrued but not received at the yearend (Gross) | £22,069                             | £35,033                             |
|                                     | Other transactions                                       | Nil                                 | Nil                                 |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

**46. Quantitative details of Tea**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

|                                                   |     | <b>2022 (Kgs)</b> | <b>2023 (Kgs)</b> |
|---------------------------------------------------|-----|-------------------|-------------------|
| Opening Stock                                     | (A) | 2,729,002         | 3,183,126         |
| Add: Production                                   |     |                   |                   |
| Gross production                                  |     | 15,735,444        | 19,436,281        |
| Less: Unsaleable including Tea Waste              |     | (33,888)          | (38,968)          |
| Saleable Production                               | (B) | 15,701,556        | 19,397,313        |
| Add: Purchases (Net of return)                    | (C) |                   |                   |
| Less: Sales (Net of return)                       | (D) | 16,061,960        | 19,851,437        |
| Closing Stock (A+B+C+D)                           | (E) | 2,368,598         | 2,729,002         |
| Value of Opening Stock (UShs '000)                | (F) | 7,660,564         | 12,874,371        |
| Average value of Opening stock (Amount/Kg) (F/A)  | (G) | 2.81              | 4.05              |
| Value of Sales (UShs '000)                        | (H) | 48,626,368        | 70,249,308        |
| Average Selling price (Amount/Kg) (H/D)           | (I) | 3.03              | 3.54              |
| Value of Closing Stock (UShs '000)                | (J) | 6,957,878         | 7,660,564         |
| Average value of Closing stock (Amount /Kg) (J/E) | (K) | 2.94              | 2.81              |

**Mcleod Russel Middle East DMCC**

|                                                  |     | <b>2024 (Kgs)</b> | <b>2023 (Kgs)</b> |
|--------------------------------------------------|-----|-------------------|-------------------|
| Opening Stock                                    | (A) | 119,377           | 89,578            |
| Add: Production                                  |     |                   |                   |
| Gross production                                 |     | -                 | -                 |
| Less: Unsaleable including Tea Waste             |     | -                 | -                 |
| Saleable Production                              | (B) | -                 | -                 |
| Add: Purchases (Net of return)                   | (C) | 815,657           | 674,069           |
| Less: Sales (Net of return)                      | (D) | 839,085           | 644,270           |
| Closing Stock (A+B+C+D)                          | (E) | 95,949            | 119,377           |
| Value of Opening Stock                           | (F) | 263,966           | 203,854           |
| Average value of Opening stock (Amount/Kg) (F/A) | (G) | 2.21              | 2.28              |
| Value of Sales                                   | (H) | 1,761,829         | 1,441,173         |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                                   |     |         |         |
|---------------------------------------------------|-----|---------|---------|
| Average Selling price (Amount/Kg) (H/D)           | (I) | 2.10    | 2.24    |
| Value of Closing Stock                            | (J) | 212,810 | 263,966 |
| Average value of Closing stock (Amount /Kg) (J/E) | (K) | 2.22    | 2.21    |

**Mcleod Russel Africa Limited**

|                                                   |     | <b>2024 (Kgs)</b> | <b>2023 (Kgs)</b> |
|---------------------------------------------------|-----|-------------------|-------------------|
| Opening Stock                                     | (A) | 229,114           | 207,992           |
| Add: Production                                   |     |                   |                   |
| Gross production                                  |     |                   |                   |
| Less: Unsaleable including Tea Waste              |     |                   |                   |
| Saleable Production                               | (B) |                   |                   |
| Add: Purchases (Net of return)                    | (C) | 3,618,341         | 3,636,765         |
| Less: Sales (Net of return)                       | (D) | 3,606,867         | 3,615,643         |
| Closing Stock (A+B+C+D)                           | (E) | 240,588           | 229,114           |
| Value of Opening Stock                            | (F) | 36,187,429        | 42,572,666        |
| Average value of Opening stock (Amount/Kg) (F/A)  | (G) | 157.94            | 204.68            |
| Value of Sales                                    | (H) | 743,415,236       | 804,677,159       |
| Average Selling price (Amount/Kg) (H/D)           | (I) | 206.11            | 222.55            |
| Value of Closing Stock                            | (J) | 39,516,375        | 36,187,429        |
| Average value of Closing stock (Amount /Kg) (J/E) | (K) | 164.25            | 157.94            |

**47. Quantitative detail of Green Leaf Consumed**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

|                                              | <b>2024</b> | <b>2023</b> |
|----------------------------------------------|-------------|-------------|
| Plucked from own Plantation (Quantity in Kg) | 42,671,193  | 51,130,628  |
| Purchased – Quantity (Kgs)                   | 22,485,924  | 31,909,228  |
| – Cost (US\$ '000)                           | 5,500,527   | 13,147,129  |
| Average Cost per Kg (US\$)                   | 245         | 412         |

**Mcleod Russel Middle East DMCC**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                              | <b>2024</b> | <b>2023</b> |
|----------------------------------------------|-------------|-------------|
| Plucked from own Plantation (Quantity in Kg) | N/A         | N/A         |
| Purchased – Quantity (Kgs)                   | N/A         | N/A         |
| – Cost                                       | N/A         | N/A         |
| Average Cost per Kg                          | N/A         | N/A         |

**McLeod Russel Africa Limited**

|                                              | <b>2024</b> | <b>2023</b> |
|----------------------------------------------|-------------|-------------|
| Plucked from own Plantation (Quantity in Kg) |             |             |
| Purchased – Quantity (Kgs)                   |             |             |
| – Cost                                       |             |             |
| Average Cost per Kg                          |             |             |

**48. Derivative Instruments and Unhedged Foreign Currency Exposure:  
Borelli Tea Holdings Limited**

**a) Derivatives outstanding as at the reporting date:-**

| Particulars                      | Purpose                                           | Name of Foreign Currency | 31 <sup>st</sup> March 2025 | 31 <sup>st</sup> March 2024 |
|----------------------------------|---------------------------------------------------|--------------------------|-----------------------------|-----------------------------|
|                                  |                                                   |                          | Amount in Foreign Currency  | Amount in Foreign Currency  |
| Forward Contracts                | Hedging of foreign currency receivables           | N/A                      | Nil                         | Nil                         |
| Currency swap for loan-principal | Shifting repayment-obligation to another currency | N/A                      | Nil                         | Nil                         |
| Interest-rate swap               | Hedging of floating interest-rate (Note-1)        | US\$                     | Nil                         | Nil                         |
|                                  |                                                   |                          |                             |                             |

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

| Particulars                                                       | Purpose           | Name of Foreign Currency  | 31 <sup>st</sup> March 2025 | 31 <sup>st</sup> March 2024 |
|-------------------------------------------------------------------|-------------------|---------------------------|-----------------------------|-----------------------------|
|                                                                   |                   |                           | Amount in Foreign Currency  | Amount in Foreign Currency  |
| Financial Assets:-<br><b>MRIL</b><br>Royalty income due from MRIL | Income receivable | Not applicable as invoice | Not applicable              | Not applicable              |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                 |                    | raised in<br>GBP |           |           |
|---------------------------------|--------------------|------------------|-----------|-----------|
| <b>Financial Assets:-</b>       |                    |                  |           |           |
| <b>PBTCL</b>                    |                    |                  |           |           |
| Loan due from PBTCL             | Intercompany loan  | USD              | Nil       | Nil       |
| Interest on loan due from PBTCL | Income receivable  | USD              | Nil       | Nil       |
|                                 | Intercompany loan  | USD              | Nil       | Nil       |
| <b>Financial Assets:-</b>       |                    |                  |           |           |
| <b>MRME</b>                     |                    |                  |           |           |
| Loan due from MRME              | Intercompany loan  | USD              | Nil       | Nil       |
| Interest on loan due from MRME  | Intercompany loan  | USD              | 160,118   | 220,188   |
| <b>Financial Assets:-</b>       |                    |                  |           |           |
| <b>MRAL</b>                     |                    |                  |           |           |
| Loan due from MRAL              | Intercompany Loan  | USD              | 1,350,000 | 1,350,000 |
| <b>Financial Liabilities:-</b>  |                    |                  |           |           |
| <b>MRIL</b>                     |                    |                  |           |           |
| Loan due to MRIL                | Intercompany Loan  | InRs             | Nil       | Nil       |
| Commission payable due to MRIL  | Commission payable | InRs             | Nil       | Nil       |
| <b>Financial Liabilities:-</b>  |                    |                  |           |           |
| <b>MRUL</b>                     |                    |                  |           |           |
| Loan due to MRUL                | Intercompany Loan  | USD              | 6,990,476 | 6,990,476 |

Last Year BTHL should have received the consideration from the sale pf PBT, however due to the fact that PBT shares were pledged by BTHL in favour of a company that provided loan to its parent company. BTHL did not receive anything and all the sale proceeds went to that Company. As MRIL still owed this money to BTHL we have recognised this amount as loan due from MRIL amounting to US\$2,150,000 (£1,773,103) as amount receivable and also provided full bad debt provision against it as MRIL is unable to pay it in the near future.

**c) Mark to market Losses Provided for**

| Particulars | Purpose and Detail | <b>31<sup>st</sup> March<br/>2025 (£)</b> | <b>31<sup>st</sup> March<br/>2024 (£)</b> |
|-------------|--------------------|-------------------------------------------|-------------------------------------------|
|             |                    | Amount                                    | Amount                                    |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

|                                 |  |     |     |
|---------------------------------|--|-----|-----|
| Loans                           |  | Nil | Nil |
|                                 |  |     |     |
| Total (See Internal Note Below) |  | Nil | Nil |

**McLeod Russel Uganda Limited**

**a) Derivatives outstanding as at the reporting date:-**

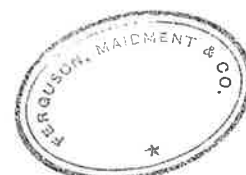
| Particulars                      | Purpose                                           | Name of Foreign Currency | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|----------------------------------|---------------------------------------------------|--------------------------|--------------------------------|--------------------------------|
|                                  |                                                   |                          | Amount in USD                  | Amount in USD                  |
| Forward Contracts                | Hedging of foreign currency receivables           | USD                      | NIL                            | 3,800,000                      |
| Currency swap for loan-principal | Shifting repayment-obligation to another currency | -do-                     | NIL                            | NIL                            |
| Interest-rate swap               | Hedging of floating interest-rate                 | -do-                     | NIL                            | NIL                            |
| Any other (Specify)              |                                                   |                          | NIL                            | NIL                            |

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

| Particulars             | Purpose                      | Name of Foreign Currency | 31 <sup>st</sup> Dec 2024 | 31 <sup>st</sup> Dec 2023 |
|-------------------------|------------------------------|--------------------------|---------------------------|---------------------------|
|                         |                              |                          | Amount in USD             | Amount in USD             |
| Financial Assets:-      |                              |                          |                           |                           |
| Investments             |                              |                          |                           |                           |
| Loans Given             | BTHL, SLU                    | USD                      | 13,313,955                | 12,204,248                |
| Trade Receivables       | Sales and other advances     | USD                      | 291,974                   | 391,047                   |
| Cash & Bank Balances    |                              | USD                      | 103,758                   | 4,227                     |
| Others (Please Specify) |                              |                          |                           |                           |
| Financial Liabilities:- |                              |                          |                           |                           |
| Borrowings              | Bank Overdraft & Term loan   | USD                      | 13,131,447                | 12,682,323                |
| Trade Payable           | Purchases and other services | USD                      | 395,221                   | 616,212                   |
| Others (Please Specify) |                              |                          |                           |                           |

**c) Mark to market Losses Provided for**

| Particulars | Purpose and Detail | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|-------------|--------------------|--------------------------------|--------------------------------|
|             |                    | Amount                         | Amount                         |
|             |                    | NIL                            |                                |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

**Mcleod Russel Middle East DMCC**

**a) Derivatives outstanding as at the reporting date:-**

| Particulars                      | Purpose                                           | Name of Foreign Currency | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|----------------------------------|---------------------------------------------------|--------------------------|--------------------------------|--------------------------------|
|                                  |                                                   |                          | Amount (USD)                   | Amount (USD)                   |
| Forward Contracts                | Hedging of foreign currency receivables           | Nil                      | Nil                            | Nil                            |
| Currency swap for loan-principal | Shifting repayment-obligation to another currency | Nil                      | Nil                            | Nil                            |
| Interest-rate swap               | Hedging of floating interest-rate                 | Nil                      | Nil                            | Nil                            |
| Any other (Specify)              |                                                   | Nil                      | Nil                            | Nil                            |

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

| Particulars                                                                                                              | Purpose | Name of Foreign Currency | 31 <sup>st</sup> Dec 2024 | 31 <sup>st</sup> Dec 2023 |
|--------------------------------------------------------------------------------------------------------------------------|---------|--------------------------|---------------------------|---------------------------|
|                                                                                                                          |         |                          | Amount (USD)              | Amount (USD)              |
| Financial Assets:-<br>Investments<br>Loans Given<br>Trade Receivables<br>Cash & Bank Balances<br>Others (Please Specify) | Nil     | Nil                      | Nil                       | Nil                       |
| Financial Liabilities:-<br>Borrowings<br>Trade Payable<br>Others (Please Specify)                                        | Nil     | Nil                      | Nil                       | Nil                       |

**c) Mark to market Losses Provided for**

| Particulars | Purpose and Detail | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|-------------|--------------------|--------------------------------|--------------------------------|
|             |                    | Amount (USD)                   | Amount (USD)                   |
| Nil         | Nil                | Nil                            | Nil                            |

**Mcleod Russel Africa Limited**

**a) Derivatives outstanding as at the reporting date:-**

| Particulars | Purpose            | Name of Foreign Currency | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|-------------|--------------------|--------------------------|--------------------------------|--------------------------------|
|             |                    |                          | Amount (Currency)              | Amount (Currency)              |
| Forward     | Hedging of foreign |                          |                                |                                |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

|                                  |                                                   |  |  |  |
|----------------------------------|---------------------------------------------------|--|--|--|
| Contracts                        | 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 <sup>st</sup> Dec 2024 | 31 <sup>st</sup> Dec 2023 |
|--------------------------------|-----------|--------------------------|---------------------------|---------------------------|
|                                |           |                          | Amount (USD)              | Amount (USD)              |
| <b>Financial Assets:-</b>      |           |                          |                           |                           |
| Investments                    |           |                          |                           |                           |
| Loans Given                    |           | USD                      | 37,558                    | 35,908                    |
| Trade Receivables              |           | USD                      | 912,492                   | 1,006,613                 |
| Cash & Bank Balances           |           | USD                      | 132,102                   | 121,715                   |
| Others (Please Specify)        |           |                          |                           |                           |
| <b>Financial Liabilities:-</b> |           |                          |                           |                           |
| Borrowings                     | Loan      | USD                      | 1,369,182                 | 1,395,229                 |
| Trade Payable                  | Purchases | USD                      | 181,079                   | 262,046                   |
| Others (Please Specify)        |           |                          |                           |                           |

**c) Mark to market Losses Provided for**

| Particulars | Purpose and Detail | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|-------------|--------------------|--------------------------------|--------------------------------|
|             |                    | Amount (Currency)              | Amount (Currency)              |
|             |                    |                                |                                |

**49. Assets pledged /hypothecated/mortgaged as security**

| Particulars               | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|---------------------------|--------------------------------|--------------------------------|
|                           | Amount (Currency)              | Amount (Currency)              |
| <b>Current Assets:</b>    |                                |                                |
| <b>Financial Assets</b>   |                                |                                |
| Trade Receivables         |                                |                                |
| Cash and Cash Equivalents |                                |                                |
| Loans                     |                                |                                |
| Current Tax Assets (Net)  |                                |                                |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                                      |  |  |
|------------------------------------------------------|--|--|
| Other Financial Assets (Interest accrued on advance) |  |  |
| <b>Sub Total</b>                                     |  |  |
| <b>Non-financial Assets</b>                          |  |  |
| Inventories                                          |  |  |
| Biological Assets                                    |  |  |
| Other Current Assets (Refer Note 14)                 |  |  |
| <b>Sub Total</b>                                     |  |  |
| <b>Total Current assets pledged as security (a)</b>  |  |  |
| <b>Non-current Assets</b>                            |  |  |
| Property, Plant and Equipment                        |  |  |
| Capital Work-in-Progress                             |  |  |
| Other Non-Current Assets (Please Specify)            |  |  |
| <b>(b)</b>                                           |  |  |
| <b>Total Assets pledged as security (a+b)</b>        |  |  |

**Internal Note:**

**49. Assets pledged /hypothecated/mortgaged as security**

**Borelli Tea Holdings Limited**

**Not applicable**

**Mcleod Russel Uganda Limited**

| Particulars                                          | 31 <sup>st</sup> December 2024 | 31 <sup>st</sup> December 2023 |
|------------------------------------------------------|--------------------------------|--------------------------------|
|                                                      | Amount in US\$ '000            | Amount in US\$ '000            |
| <b><u>Current Assets:</u></b>                        |                                |                                |
| <b>Financial Assets</b>                              |                                |                                |
| Trade Receivables                                    | 1,429,520                      | 1,390,207                      |
| Cash and Cash Equivalents                            | 576,002                        | 99,599                         |
| Loans                                                | -                              | 2,969,138                      |
| Current Tax Assets (Net)                             | 6,666,464                      | 6,666,464                      |
| Other Financial Assets (Interest accrued on advance) | 1,891,863                      | 3,232,863                      |
| <b>Sub Total</b>                                     | <b>10,563,849</b>              | <b>14,358,271</b>              |
| <b>Non-financial Assets</b>                          |                                |                                |
| Inventories                                          | 14,862,890                     | 19,821,457                     |
| Biological Assets                                    | 321,498                        | 349,203                        |
| Other Current Assets (Refer Note 14)                 | 3,924,332                      | 2,870,257                      |
| <b>Sub Total</b>                                     | <b>19,108,720</b>              | <b>23,040,917</b>              |
| <b>Total Current assets pledged as security (a)</b>  | <b>29,672,569</b>              | <b>37,899,189</b>              |
| <b>Non-current Assets</b>                            |                                |                                |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                                                       |              |                    |                    |
|-----------------------------------------------------------------------|--------------|--------------------|--------------------|
| Property, Plant and Equipment                                         |              | 69,643,639         | 73,668,707         |
| Capital Work-in-Progress                                              |              | 2,010,698          | 2,614,983          |
| Other Non-Current Assets<br>(Loans and accrued interest on the loans) |              | 41,977,837         | 41,429,910         |
|                                                                       | <b>(b)</b>   | <b>113,632,173</b> | <b>117,713,600</b> |
| <b>Total Assets pledged as security</b>                               | <b>(a+b)</b> | <b>143,304,743</b> | <b>155,112,788</b> |

**Mcleod Russel Middle East DMCC**

Not applicable

**Mcleod Russel Africa Limited**

Not applicable

**50. Contractual obligation of payment of Principal and Interest on Long-term borrowings:-**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

| Amount In US\$'000   |                |                        |                        |                |              |
|----------------------|----------------|------------------------|------------------------|----------------|--------------|
|                      | Upto<br>1 year | Between<br>1 & 2 years | Between<br>2 & 5 years | Beyond 5 years | Total Amount |
| Instalments of Loans | 6,838,004      | 6,922,183              | 21,420,724             | 13,261,600     | 48,442,511   |
| Interest             | 4,277,234      | 3,623,625              | 6,854,965              | 5,669,338      | 20,425,162   |

**Mcleod Russel Middle East DMCC**

|                      | Upto<br>1 year | Between<br>1 & 2 years | Between<br>2 & 5 years | Beyond 5 year | Total Amount |
|----------------------|----------------|------------------------|------------------------|---------------|--------------|
| Instalments of Loans | Nil            | Nil                    | Nil                    | Nil           | Nil          |
| Interest             | 203,718        | Nil                    | Nil                    | Nil           | 203,718      |

**Mcleod Russel Africa Limited**

| Amount In (Currency) |                |                        |                        |                |              |
|----------------------|----------------|------------------------|------------------------|----------------|--------------|
|                      | Upto<br>1 year | Between<br>1 & 2 years | Between<br>2 & 5 years | Beyond 5 years | Total Amount |
| Instalments of Loans |                |                        |                        |                |              |
| Interest             |                |                        |                        |                |              |

**51. Borrowings at Floating Interest-rate:**

**Borelli Tea Holdings Limited**

Not applicable



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Uganda Limited**

|                                          | Description of the Floating Interest Rate | Amount of Borrowings at Floating Interest Rate |                                |
|------------------------------------------|-------------------------------------------|------------------------------------------------|--------------------------------|
|                                          |                                           | 31 <sup>st</sup> December 2024                 | 31 <sup>st</sup> December 2023 |
|                                          |                                           | Amount in US\$ '000                            | Amount in US\$ '000            |
| <b>Long-term borrowings</b>              |                                           |                                                |                                |
| Absa (Former Barclays Bank)              | 3 months SOFR plus a base rate of 4.8%    | 30,576,015                                     | 21,014,290                     |
| <b>Short-term borrowings (Overdraft)</b> |                                           |                                                |                                |
| Absa (Former Barclays Bank)              | 3 months SOFR plus a base rate 4.80%      | 10,901,067                                     | 21,142,130                     |
| Stanbic Bank (U) Limited                 | 3 months LIBOR plus a base rate 4.50%     | 6,718,877                                      | 7,400,488                      |

**McLeod Russel Middle East DMCC**

|                                             | Description of the Floating Interest Rate | Amount of Borrowings at Floating Interest Rate |                                |
|---------------------------------------------|-------------------------------------------|------------------------------------------------|--------------------------------|
|                                             |                                           | 31 <sup>st</sup> December 2024                 | 31 <sup>st</sup> December 2023 |
|                                             |                                           | Amount (USD)                                   | Amount (USD)                   |
| <b>Long-term borrowings</b>                 | N/A                                       | Nil                                            | Nil                            |
| <b>Short-term borrowings (Overdraft)</b>    | N/A                                       | Nil                                            | Nil                            |
| <b>Interest accrued on loan from parent</b> | N/A                                       | 203,718                                        | 234,718                        |

**McLeod Russel Africa Limited**

|                                          | Description of the Floating Interest Rate | Amount of Borrowings at Floating Interest Rate |                                |
|------------------------------------------|-------------------------------------------|------------------------------------------------|--------------------------------|
|                                          |                                           | 31 <sup>st</sup> December 2024                 | 31 <sup>st</sup> December 2023 |
|                                          |                                           | Amount (USD)                                   | Amount (USD)                   |
| <b>Long-term borrowings</b>              | LIBOR + 2%                                | 1,350,000                                      | 1,350,000                      |
| <b>Short-term borrowings (Overdraft)</b> |                                           |                                                |                                |

**52. Maturity Analysis of Financial Liabilities:-**

**Borelli Tea Holdings Limited**

Not applicable

**McLeod Russel Uganda Limited**

|                             | Amount in US\$ '000 |                  |              |          |              |
|-----------------------------|---------------------|------------------|--------------|----------|--------------|
|                             | On Demand           | Less than 6 mths | 6 to 12 mths | > 1 Year | Total Amount |
| Trade Payable               |                     | 2,951,640        |              |          | 2,951,640    |
| Finance Lease Obligations   |                     |                  |              |          | -            |
| Other Financial Liabilities |                     | 6,629,452        |              |          | 6,529,452    |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

**McLeod Russel Middle East DMCC**

On Current Balance Sheet Date

|                             | On Demand | Less than<br>6 mths | 6 to 12<br>mths | > 1 Year | Total Amount |
|-----------------------------|-----------|---------------------|-----------------|----------|--------------|
| Trade Payables              | Nil       | 203,822             | Nil             | Nil      | 203,822      |
| Finance Lease Obligations   | Nil       | Nil                 | Nil             | Nil      | Nil          |
| Other Financial Liabilities | Nil       | 30,265              | Nil             | Nil      | 30,265       |

On Last Balance Sheet Date

|                             | On Demand | Less than<br>6 mths | 6 to 12 mths | > 1 Year | Total Amount |
|-----------------------------|-----------|---------------------|--------------|----------|--------------|
| Trade Payables              | Nil       | 258,455             | Nil          | Nil      | 258,455      |
| Finance Lease Obligations   | Nil       | Nil                 | Nil          | Nil      | Nil          |
| Other Financial Liabilities | Nil       | 31,521              | Nil          | Nil      | 31,521       |

**McLeod Russel Africa Limited**

On Current Balance Sheet Date

|                             | On Demand | Less than<br>6 mths | 6 to 12<br>mths | > 1 Year    | Total Amount |
|-----------------------------|-----------|---------------------|-----------------|-------------|--------------|
| Trade Payable               |           | 19,880,845          |                 |             | 24,992,185   |
| Finance Lease Obligations   |           |                     |                 |             |              |
| Other Financial Liabilities |           |                     |                 | 177,025,083 | 177,025,083  |

On Last Balance Sheet Date

|                             | On Demand | Less than<br>6 mths | 6 to 12 mths | > 1 Year    | Total Amount |
|-----------------------------|-----------|---------------------|--------------|-------------|--------------|
| Trade Payable               |           | 25,559,319          |              |             | 25,559,319   |
| Finance Lease Obligations   |           |                     |              |             |              |
| Other Financial Liabilities |           |                     |              | 218,300,089 | 218,300,089  |

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

**Borelli Tea Holdings Limited**

| Particulars | Fair Value<br>through<br>Profit and<br>Loss | Fair Value<br>through Other<br>Comprehensive<br>Income (£) | Financial<br>Assets-At<br>amortised<br>cost (£) | Fair<br>Valuation<br>Hierarchy<br>(£) |
|-------------|---------------------------------------------|------------------------------------------------------------|-------------------------------------------------|---------------------------------------|
|-------------|---------------------------------------------|------------------------------------------------------------|-------------------------------------------------|---------------------------------------|



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                             | <b>Account (£)</b> |  |           |  |
|-----------------------------|--------------------|--|-----------|--|
| Loans Receivable            |                    |  | 1,046,512 |  |
| Other Financial Assets      |                    |  | 991       |  |
| Trade Receivables           |                    |  | Nil       |  |
| Cash and Cash Equivalents   |                    |  | 59,114    |  |
| Borrowings                  |                    |  | 5,418,973 |  |
| Trade Payables              |                    |  | Nil       |  |
| Other Financial Liabilities |                    |  | 3,365,590 |  |
|                             |                    |  |           |  |

**McLeod Russel Uganda Limited**

| Particulars                 | Fair Value through Profit and Loss Statement | Fair Value through Other Comprehensive Income | Amount in US\$ '000                |                          |
|-----------------------------|----------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------|
|                             |                                              |                                               | Financial Assets-At amortised cost | Fair Valuation Hierarchy |
| Investments                 |                                              |                                               |                                    |                          |
| Loans                       |                                              |                                               | 30,931,105                         |                          |
| Other Financial Assets      |                                              |                                               | 15,575,684                         |                          |
| Trade Receivables           |                                              |                                               | 1,429,520                          |                          |
| Cash and Cash Equivalents   |                                              |                                               | 576,002                            |                          |
| Borrowings                  |                                              |                                               | 66,062,460                         |                          |
| Trade Payables              |                                              |                                               | 2,951,640                          |                          |
| Other Financial Liabilities |                                              |                                               | 7,126,645                          |                          |

**McLeod Russel Middle East DMCC**

| Particulars                 | Fair Value through Profit and Loss Account | Fair Value through Other Comprehensive Income | Amount (USD)                       |                          |
|-----------------------------|--------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------|
|                             |                                            |                                               | Financial Assets-At amortised cost | Fair Valuation Hierarchy |
| Investments                 | Nil                                        | Nil                                           | Nil                                | N/A                      |
| Loans                       | Nil                                        | Nil                                           | Nil                                | N/A                      |
| Other Financial Assets      | Nil                                        | Nil                                           | 26,136                             | Level 3                  |
| Trade Receivables           | Nil                                        | Nil                                           | 431,183                            | Level 3                  |
| Cash and Cash Equivalents   | Nil                                        | Nil                                           | 43,148                             | Level 1                  |
| Borrowings                  | Nil                                        | Nil                                           | 203,718                            | Level 3                  |
| Trade Payables              | Nil                                        | Nil                                           | 203,822                            | Level 3                  |
| Other Financial Liabilities | Nil                                        | Nil                                           | 30,265                             | Level 3                  |



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

**Mcleod Russel Africa Limited**

| Particulars                 | Fair Value through Profit and Loss Account | Fair Value through Other Comprehensive Income | Amount (Shs)                       |                          |
|-----------------------------|--------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------|
|                             |                                            |                                               | Financial Assets-At amortised cost | Fair Valuation Hierarchy |
| Investments                 |                                            |                                               |                                    |                          |
| Loans                       |                                            |                                               | 4,853,186                          |                          |
| Other Financial Assets      |                                            |                                               | 13,096,920                         |                          |
| Trade Receivables           |                                            |                                               | 118,231,657                        |                          |
| Cash and Cash Equivalents   |                                            |                                               | 17,873,824                         |                          |
| Borrowings                  |                                            |                                               | 177,025,083                        |                          |
| Trade Payables              |                                            |                                               | 24,992,185                         |                          |
| Other Financial Liabilities |                                            |                                               | 2,025,888                          |                          |

**54. Significant events/transactions taken place between the date of financial year end of subsidiaries (31<sup>st</sup> December 2024) and the date of financial year end of holding company Borelli (31<sup>st</sup> March, 2025)**

**Borelli Tea Holdings Limited**

None event noted.

**Mcleod Russel Uganda Limited**

There are no significant events that have occurred subsequent to the year end and till the date of reporting.

**Mcleod Russel Middle East DMCC**

There are no significant events that have occurred subsequently after the year end and till the date of reporting.

**Mcleod Russel Africa Limited**

None event noted.

**55. Lease Disclosure:**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

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

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

The future minimum lease commitment of the Company is as under:

**31<sup>st</sup> Dec 2024**  
**Amount in US\$**  
**'000**

**31<sup>st</sup> Dec 2023**  
**Amount in US\$**  
**'000**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

|                                         |            |            |
|-----------------------------------------|------------|------------|
| Up to one year                          | NIL        | NIL        |
| More than one year and up to five years | NIL        | NIL        |
| More than five years                    | NIL        | NIL        |
| <b>TOTAL</b>                            | <b>NIL</b> | <b>NIL</b> |

- Depreciation charge on "Right-to-Use Assets" (i.e. leases) : NIL
- Interest expense on lease (included in Finance costs – Note 33) : NIL
- 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.: Not Applicable
- Expense relating to leases of low-value assets not accounted for as lease. : Not Applicable
- Expense relating to variable lease payments not included in the measurement of lease liabilities: Not Applicable
- income from sub-leasing right-of-use assets NIL
- Total cash outflow for leases: NIL
- Additions to "Right-to-Use Assets" : US\$ 3,620,000
- Carrying amount of "Right-to-Use Assets" at the end of the reporting period, by class of underlying asset US\$ 5,194,221,000

**Mcleod Russel Middle East DMCC**

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

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

|                                                                | <b>31<sup>st</sup> Dec 2024<br/>Amount (USD)</b> | <b>31<sup>st</sup> Dec 2023<br/>Amount (USD)</b> |
|----------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| The future minimum lease commitment of the Group is as under : |                                                  |                                                  |
| Up to one year                                                 | Nil                                              | Nil                                              |
| More than one year and up to five years                        | Nil                                              | Nil                                              |
| More than five years                                           | Nil                                              | Nil                                              |
| <b>TOTAL</b>                                                   | <b>Nil</b>                                       | <b>Nil</b>                                       |

- Depreciation charge on "Right-to-Use Assets" (i.e. leases) : N/A
- Interest expense on lease (included in Finance costs – Note ...) : N/A
- 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.: US\$ 12,155/-
- Expense relating to leases of low-value assets not accounted for as lease. : N/A
- Expense relating to variable lease payments not included in the measurement of lease liabilities: N/A
- income from sub-leasing right-of-use assets N/A
- Total cash outflow for leases: US\$ 11,837/-
- Additions to "Right-to-Use Assets" : N/A
- Carrying amount of "Right-to-Use Assets" at the end of the reporting period, by class of underlying asset : N/A

**Mcleod Russel Africa Limited**

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



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

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

|                                                                | <b>31<sup>st</sup> Dec 2024<br/>Amount (KSHs)</b> | <b>31<sup>st</sup> Dec 2023<br/>Amount (Kshs)</b> |
|----------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|
| The future minimum lease commitment of the Group is as under : |                                                   |                                                   |
| Up to one year                                                 | 385,320                                           | 385,320                                           |
| More than one year and up to five years                        |                                                   |                                                   |
| More than five years                                           |                                                   |                                                   |
| <b>TOTAL</b>                                                   |                                                   |                                                   |

- 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**

**Borelli Tea Holdings Limited**

Not applicable

**Mcleod Russel Uganda Limited**

| Particulars                          | Amount in US\$ '000                   |                                     |                                                                         |
|--------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------------------------------------------|
|                                      | Allowance against Interest Receivable | Allowance against doubtful advances | Allowance against doubtful Advance to Suppliers, Service Providers etc. |
| Balance at the beginning of the year | 1,365,939                             | -                                   | 176,488                                                                 |
| Recognised during the year           | 1,084,043                             | 2,637,089                           | -                                                                       |
| Reversal during the Year             | -                                     | -                                   | -                                                                       |
| Balance at the end of the year       | 2,449,982                             | 2,637,089                           | 176,488                                                                 |

**Mcleod Russel Middle East DMCC**

**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**  
Notes to Consolidated Financial Statements (Contd.)

| <b>Particulars</b>                   | <b>Allowance against Interest Receivable</b> | <b>Allowance against doubtful debts</b> | <b>Allowance against doubtful Advance to Suppliers, Service Providers etc.</b> |
|--------------------------------------|----------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------|
| Balance at the beginning of the year | Nil                                          | Nil                                     | Nil                                                                            |
| Recognised during the year           | Nil                                          | 16,734                                  | Nil                                                                            |
| Reversal during the Year             | Nil                                          | Nil                                     | Nil                                                                            |
| Balance at the end of the year       | Nil                                          | 16,734                                  | Nil                                                                            |

**Mcleod Russel Africa Limited**

| <b>Particulars</b>                   | <b>Allowance against Inte Receivable</b> | <b>Allowance against doubtful advances</b> | <b>Allowance against doubtful Advance to Suppliers, Service Providers etc.</b> |
|--------------------------------------|------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------|
| Balance at the beginning of the year |                                          | 0                                          |                                                                                |
| Recognised during the year           |                                          | 970,637                                    |                                                                                |
| Reversal during the Year             |                                          | 0                                          |                                                                                |
| Balance at the end of the year       |                                          | 970,637                                    |                                                                                |

**57. Changes in Fair Value of Biological Assets Other Than Bearer Plants:**  
**Borelli Tea Holdings Limited**  
Not applicable

| <b>Particulars</b>                        | <b>Year ended<br/>December 31, 2024</b> | <b>Year ended<br/>December 31, 2023</b> |
|-------------------------------------------|-----------------------------------------|-----------------------------------------|
| Opening                                   | 349,203                                 | 688,995                                 |
| Increase due to harvest/ physical changes |                                         |                                         |
| Decrease due to harvest/ physical changes | 27,705                                  | 339,792                                 |
| Closing                                   | 321,498                                 | 349,203                                 |

**Mcleod Russel Uganda Limited**

**Mcleod Russel Middle East DMCC**



**BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025**

Notes to Consolidated Financial Statements (Contd.)

Not applicable

**Mcleod Russel Africa Limited**

| <b>Particulars</b>                        | <b>Year ended<br/>December 31, 2024</b> | <b>Year ended<br/>December 31, 2023</b> |
|-------------------------------------------|-----------------------------------------|-----------------------------------------|
| Opening                                   |                                         |                                         |
| Increase due to harvest/ physical changes |                                         |                                         |
| Decrease due to harvest/ physical changes |                                         |                                         |
| Closing                                   |                                         |                                         |

**58. Currency:**

**Borelli Tea Holdings Limited**

All amounts mentioned in above notes are in home-currency (i.e. GBP Sterling), unless stated in specific foreign-currency.

**Mcleod Russel Uganda Limited**

All amounts mentioned in above notes are in home-currency (i.e Uganda Shillings), unless stated in specific foreign-currency.

**Mcleod Russel Africa Limited**

All amounts mentioned in above notes are in Kenya shillings (kshs), unless stated in specific foreign-currency.

**Mcleod Russel Middle East DMCC**

All amounts mentioned in above notes are in US Dollars.



BORELLI TEA HOLDINGS LIMITED CONSOLIDATED ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2025  
Notes to Consolidated Financial Statements (Contd.)

**59. Previous Year's figures:**

**Borelli Tea Holdings Limited**

Not applicable

**McLeod Russel Uganda Limited**

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

**McLeod Russel Africa Limited**

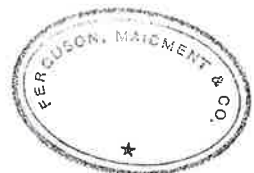
Previous year's figures have been rearranged/regrouped wherever necessary. N/A

**McLeod Russel Middle East DMCC**

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

  
Director

22/5/25



**BORELLI TEA HOLDINGS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2025**

|                                                 | Note | 31st March 2025<br>£ | 31st March 2024<br>£ |
|-------------------------------------------------|------|----------------------|----------------------|
| <b>ASSETS</b>                                   |      |                      |                      |
| <b>Non-Current Assets</b>                       |      |                      |                      |
| Property, Plant and Equipment                   | 2    | 477,365              | 220,621              |
| Capital Work-in-Progress                        | 2A   | -                    | -                    |
| Goodwill                                        | 3    | -                    | -                    |
| Other Intangible Assets                         | 4    | 58,201               | 116,419              |
| <b>Financial Assets</b>                         |      |                      |                      |
| Investments                                     | 5    | 8,845,681            | 8,845,681            |
| Loans                                           | 6    | 1,046,512            | 1,071,428            |
| Other Financial Assets                          | 7    | -                    | -                    |
| Other Non-current Assets                        | 8    | -                    | -                    |
| <b>Current Assets</b>                           |      |                      |                      |
| Inventories                                     | 9    | -                    | -                    |
| Biological Assets other than bearer plants      | 10   | -                    | -                    |
| <b>Financial Assets</b>                         |      |                      |                      |
| Loans                                           | 6    | -                    | -                    |
| Other Financial Assets                          | 7    | -                    | -                    |
| Trade Receivables                               | 11   | -                    | -                    |
| Cash and Cash Equivalents                       | 12   | 59,114               | 63,549               |
| Current Tax Assets (Net)                        | 13   | -                    | -                    |
| Other Current Assets                            | 14   | 175,555              | 222,309              |
| <b>TOTAL ASSETS</b>                             |      | <b>10,662,427</b>    | <b>10,540,007</b>    |
| <b>EQUITY AND LIABILITIES</b>                   |      |                      |                      |
| <b>Equity</b>                                   |      |                      |                      |
| Equity Share Capital                            | 15   | 252,000              | 252,000              |
| Other Equity                                    | 16   | 1,605,867            | 1,685,923            |
| Minority Interest                               | 17   | -                    | -                    |
| <b>Non-current Liabilities</b>                  |      |                      |                      |
| <b>Financial Liabilities</b>                    |      |                      |                      |
| Borrowings                                      | 18   | 5,418,973            | 5,547,997            |
| Lease Liabilities                               |      | -                    | -                    |
| Other Financial Liabilities                     | 19   | -                    | -                    |
| <b>Provisions:</b>                              |      |                      |                      |
| Provision for Post-retirement Employee Benefits | 20   | -                    | -                    |
| Other Provisions                                | 21   | -                    | -                    |
| Deferred Tax Liabilities (Net)                  | 22   | -                    | -                    |
| Other Non-current Liabilities                   | 23   | -                    | -                    |
| <b>Current Liabilities</b>                      |      |                      |                      |
| <b>Financial Liabilities</b>                    |      |                      |                      |
| Borrowings                                      | 24   | -                    | -                    |
| Lease Liabilities                               |      | -                    | -                    |
| Trade Payables                                  | 25   | -                    | -                    |
| Other Financial Liabilities                     | 19   | 2,687,994            | 2,441,306            |
| <b>Provisions:</b>                              |      |                      |                      |
| Provision for Post-retirement Employee Benefits | 20   | -                    | -                    |
| Other Provisions                                | 21   | -                    | -                    |
| Current Tax Liabilities (Net)                   | 26   | -                    | -                    |
| Other Current Liabilities                       | 27   | 697,593              | 612,782              |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>           |      | <b>10,662,427</b>    | <b>10,540,007</b>    |
| Ferguson Macdonald + Co                         |      | 22/5/25              |                      |
| Auditor                                         |      | Director             |                      |



**BORELLI TEA HOLDINGS LIMITED**  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st March 2025**

|                                                    | Note                  | Current Year<br>£ | Previous Year<br>£ |
|----------------------------------------------------|-----------------------|-------------------|--------------------|
| Revenue from Operations                            | 28                    | -                 | 372,005            |
| Other Income                                       | 29                    | 100,936           | 110,841            |
| <b>Total Revenue</b>                               |                       | <b>100,936</b>    | <b>482,846</b>     |
| <b>Expenses:</b>                                   |                       |                   |                    |
| Cost of Green Leaf Purchased                       |                       | -                 | -                  |
| Decrease/(Increase) in Stock of Green Leaf         | 30                    | -                 | -                  |
| Purchase of Tea                                    |                       | -                 | -                  |
| Changes in Inventories of Finished Goods           | 31                    | -                 | -                  |
| Employee Benefits Expense                          | 32                    | -                 | -                  |
| Finance Costs                                      | 33                    | 380,289           | 401,626            |
| Depreciation and Amortisation Expense              | 34                    | 58,218            | 58,218             |
| Other Expenses                                     | 35                    | (15,912)          | 20,712             |
| <b>Total Expenses</b>                              |                       | <b>422,596</b>    | <b>480,555</b>     |
| Profit before Exceptional Items and Tax            |                       | <b>(321,660)</b>  | <b>2,290</b>       |
| Exceptional Item                                   | 35B                   | -                 | -                  |
| Profit, before Tax and Minority Interest           |                       | <b>(321,660)</b>  | <b>2,290</b>       |
| Tax expense:                                       |                       |                   |                    |
| Current Tax                                        |                       | 15,140            | 72,427             |
| Deferred Tax-Charge/(Credit)                       |                       |                   | -                  |
| <b>Total Tax Expense</b>                           | <b>36 (a &amp; b)</b> | <b>15,140</b>     | <b>72,427</b>      |
| Profit after Taxation but before Minority Interest |                       | <b>(336,800)</b>  | <b>(70,137)</b>    |
| Other Comprehensive Income (net of tax)            | 37                    | 256,744           | -                  |
| <b>Total Comprehensive Income for the period</b>   |                       | <b>(80,056)</b>   | <b>(70,137)</b>    |
| Minority Interest                                  |                       | -                 | -                  |
| <b>Profit for the Year</b>                         |                       | <b>(80,056)</b>   | <b>(70,137)</b>    |

Ferguson Maidment + Co.  
Auditor 22/5/25

  
Director 22/5/25



**BORELLI TEA HOLDINGS LIMITED**
**Statement of Cash Flows for the year ended 31 March 2025**

|                                                                                |  |  | 31st March 2025  | 31st March 2024 |
|--------------------------------------------------------------------------------|--|--|------------------|-----------------|
|                                                                                |  |  | £                | £               |
| <b>A. Cash flow from operating activities :</b>                                |  |  |                  |                 |
| Profit / (Loss) before income tax                                              |  |  | (321,660)        | 2,290           |
| <b>Adjustments for :</b>                                                       |  |  |                  |                 |
| Depreciation and Amortisation Expense                                          |  |  | 58,218           | 58,218          |
| (Profit) / Loss on disposal of Property, Plant and Equipment                   |  |  | (256,744.00)     | -               |
| Amortisation of Government Grants - Capital Subsidy                            |  |  |                  |                 |
| Fairvalue adjustment for investment property                                   |  |  |                  |                 |
| Profit on sale of investments                                                  |  |  |                  |                 |
| Provision for diminution in value of investment                                |  |  | -                | -               |
| Adjustment for Income from shares in group undertakings                        |  |  | -                | -               |
| Changes in Fair Value of Biological Assets                                     |  |  |                  |                 |
| Dividend and Interest Income classified as investing cash flows                |  |  |                  |                 |
| Finance Costs                                                                  |  |  |                  |                 |
| Gain on financial assets at fair value through the profit and loss             |  |  | -                | -               |
| 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                 |  |  | -                | -               |
| Remeasurement of post-employment defined benefit obligations                   |  |  | -                | -               |
| Exchange difference on translation of balances denominated in Foreign Currency |  |  | -                | -               |
| Any other adjustments (please specify)                                         |  |  | -                | -               |
| <b>Change in operating assets and liabilities:</b>                             |  |  |                  |                 |
| Changes in Inventories                                                         |  |  |                  |                 |
| Changes in Financial Assets (other than 'Loans given')                         |  |  |                  |                 |
| Changes in Trade Receivables                                                   |  |  |                  |                 |
| Changes in "Other Current Assets"                                              |  |  | 56,204           | (30,235)        |
| Changes in "Other Non-Current Assets"                                          |  |  |                  |                 |
| Changes in Trade Payables                                                      |  |  |                  |                 |
| Changes in Financial Liabilities (other than Borrowings)                       |  |  |                  |                 |
| Changes in Employee Benefit Obligations                                        |  |  |                  |                 |
| Changes in Other Current Liabilities                                           |  |  | 322,747          | 387,690         |
| Any other changes in operating assets & liabilities (please specify)           |  |  |                  |                 |
| <b>Cash inflow/(outflow) from operating activities</b>                         |  |  | <b>(141,235)</b> | <b>417,963</b>  |
| Income taxes paid (Net of Refunds)                                             |  |  | (15,140)         | (72,427)        |
| <b>Net cash inflow/(outflow) from operating activities</b>                     |  |  | <b>(156,375)</b> | <b>345,536</b>  |
| <b>B. Cash flows from investing activities:</b>                                |  |  |                  |                 |
| Payments for Property, Plant and Equipment (Tangible fixed assets)             |  |  | -                | -               |
| Payments for Intangible Fixed Assets (Trademark, Computer software)            |  |  | -                | -               |
| Loans to Employees and Related party                                           |  |  | -                | -               |
| 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                                                              |  |  | -                | -               |
| Capitalisation of loans to / (from) subsidiary                                 |  |  | -                | -               |
| Any other inflow/outflow for investing activities (please specify)             |  |  | -                | -               |
| <b>Net cash inflow/(outflow) from investing activities</b>                     |  |  | <b>-</b>         | <b>-</b>        |



|                                                                    |  |  |              |              |
|--------------------------------------------------------------------|--|--|--------------|--------------|
| <b>C. Cash flows from financing activities :</b>                   |  |  |              |              |
| Proceeds from Long Term Borrowings                                 |  |  |              |              |
| Repayment of Long Term Borrowings -                                |  |  |              |              |
| Repayment of Long Term Borrowings - Subsidiaries-MRUL              |  |  | (120,023.00) | (485,719.00) |
| Proceeds from Short Term Borrowings -MRAL                          |  |  | 24,219.00    | 132,709.00   |
| Repayment of Short Term Borrowings -                               |  |  |              |              |
| Payment of Lease-liabilities                                       |  |  |              |              |
| Company's Share buy back                                           |  |  |              |              |
| Interest paid                                                      |  |  |              |              |
| Dividends paid                                                     |  |  |              |              |
| Any other inflow/outflow for financing-activities (please specify) |  |  |              |              |
| Net cash inflow/ (outflow) from financing activities               |  |  | (104,804)    | (351,010)    |

Net increase (decrease) in Cash and Cash Equivalents (261,179) (5,474)

|                                                                                  |  |  |        |        |
|----------------------------------------------------------------------------------|--|--|--------|--------|
| <b>Reconciliation :</b>                                                          |  |  |        |        |
| Cash and Cash Equivalents at beginning of the year (Refer relevant numeric note) |  |  | 63,549 | 60,023 |
| Effect of exchange rate changes on opening Cash & Cash Equivalents               |  |  |        |        |

|                                                                            |  |  |         |         |
|----------------------------------------------------------------------------|--|--|---------|---------|
| (A)                                                                        |  |  |         |         |
| Cash and Cash Equivalents at end of the year (Refer relevant numeric note) |  |  | 59,114  | 63,549  |
| (B)                                                                        |  |  |         |         |
| Net increase (decrease) (A - B)                                            |  |  | (4,435) | (5,474) |

| Change in Group's liabilities arising from financing activities: | As at March 31, 2024 | Cash flows | Non-Cash Flows | As at March 31, 2025 |
|------------------------------------------------------------------|----------------------|------------|----------------|----------------------|
| Non-current borrowings                                           | 5,547,997            |            | (120,023)      | 5,418,974            |
| Current maturities of long term debt                             |                      |            |                |                      |
| Short Term borrowings                                            |                      |            |                |                      |
| Interest accrued and due on borrowings                           | 2,441,307            |            | 246,687.00     | 2,687,994            |
| Interest accrued but not due on borrowings                       |                      |            |                |                      |

Note: Includes cash flows on account of both principal and interest.

Auditor

Ferguson Maidment & Co.  
22/5/25

Director

22/5/25



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**2. Property Plant and Equipment**

| 2 Property Plant and Equipment |                                  |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|--------------------------------|----------------------------------|----------------------------------|------------------------|---------------------------|--------------------------|-------------------------------------|----------------------------------|-------------------------------|------------------------|--------------|-----------------------------|--------------------------------------|-----------------------------|-----------------------------------------------------|--------------------------------------------------|
|                                |                                  | 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 1) | 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 -1) | Up to Current Balance Sheet | Written Down Value As at Current Balance Sheet Date | Written Down Value As at Last Balance Sheet Date |
| ASSETS                         | Land -Freehold                   |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Land - Leaschold                 |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | ROU- Assets (Refer Note below)   |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Tea Plantations (Bearer Plants)  |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Buildings                        | 220,621                          |                        |                           |                          | 256,744                             | 477,365                          | -                             | -                      | -            | -                           | -                                    | -                           | 477,365                                             | 220,621                                          |
|                                | Plant and Equipment              |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Computers                        |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Motor and Other Vehicles         |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Furniture and Fixtures           |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Office Equipment                 |                                  |                        |                           |                          |                                     |                                  |                               |                        |              |                             |                                      |                             |                                                     |                                                  |
|                                | Total Current Balance Sheet Date | 220,621                          | -                      | -                         | -                        | 256,744                             | 477,365                          | -                             | -                      | -            | -                           | -                                    | -                           | 477,365                                             | 220,621                                          |
|                                | Total Last Balance Sheet Date    | 220,621                          | -                      | -                         | -                        | -                                   | 220,621                          | -                             | -                      | -            | -                           | -                                    | -                           | 220,621                                             | 220,621                                          |

**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.

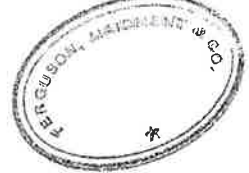
3) Assets acquired from any group-company.

4) This is a new standard applicable from April 01, 2019 whereby at inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

On the commencement of the lease, lessee needs to recognise the right-of use asset and measure it at cost. Lessee should also recognise a lease liability and measure it at the present value of the lease payments that are not paid at that date.

| Description of item of property              | Title-deed held in the name of | Property held since which date | Reason of not being held in the 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)              |                                |                                |                                                         | 220,621.00                             | 220,621.00                                |
| Buildings                                    |                                |                                |                                                         | 256,744.00                             | 256,744.00                                |
| fair value adjustment of Investment property |                                |                                |                                                         |                                        |                                           |
| ROU - Leasehold Buildings                    |                                |                                |                                                         | 477,365.00                             | 477,365.00                                |

\* Please indicate if in dispute.



BORELLI TEA HOLDINGS LIMITED  
Notes to Financial Statements (Contd.)

Note 3 Goodwill

| 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)

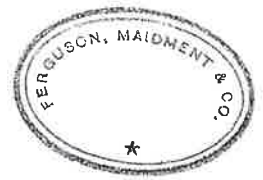
Note 4 Other Intangible Assets

| 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            | 1,164,350                        |                        |                           |                          |                                       | 1,164,350                        | 1,047,931                     |                        | 58,218       |                             |                                       | 1,106,149                   | 58,201                                              | 116,419                                          |
|                                | Computer Software                |                                  |                        |                           |                          |                                       |                                  |                               |                        |              |                             |                                       |                             |                                                     |                                                  |
|                                | Total Current Balance Sheet Date | 1,164,350                        | -                      | -                         | -                        | -                                     | 1,164,350                        | 1,047,931                     | -                      | 58,218       | -                           | -                                     | 1,106,149                   | 58,201                                              | 116,419                                          |
|                                | Total Last Balance Sheet Date    | 1,164,350                        | -                      | -                         | -                        | -                                     | 1,164,350                        | 931,495                       |                        | 58,218       |                             |                                       | 989,713                     | 174,637                                             | 232,855                                          |

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.



**BORELLI TEA HOLDINGS LIMITED**  
Notes to Financial Statements (Contd.)

**5 Non -Current Investments**

**Long Term**

|                                                                                     | Current Balance Sheet Date<br>£ | Current Balance Sheet Date<br>£ |
|-------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Investments in Equity Instruments - Subsidiaries</b>                             |                                 |                                 |
| <b>Unquoted</b>                                                                     |                                 |                                 |
| Investment in PBT                                                                   | -                               | 17,158,825                      |
| Provision for diminution of value of Investment in PBT                              | -                               | (17,158,825)                    |
| Investment in MRUL                                                                  | 8,808,221                       | 8,808,221                       |
| Investment in MR Middle East LLC                                                    | 36,555                          | 36,555                          |
| Investment in MR Africa Limited                                                     | 904                             | 904                             |
| Investment in PFunda Tea Company Limited                                            | -                               | -                               |
| <b>Investments in Equity Instruments - Trade</b>                                    |                                 |                                 |
| <b>Quoted</b>                                                                       |                                 |                                 |
| <b>Unquoted</b>                                                                     |                                 |                                 |
| <b>Investments in Equity Instruments - Other than trade</b>                         |                                 |                                 |
| <b>Quoted</b>                                                                       |                                 |                                 |
| <b>McLeod Russel India Limited</b>                                                  |                                 |                                 |
| 17,067,500 shares @ INR 5 each                                                      | -                               | -                               |
| <b>Unquoted</b>                                                                     |                                 |                                 |
| <b>Babcock Borsig Limited</b>                                                       |                                 |                                 |
| 1,299,600 shares @ INR 47 each                                                      | 828,598                         | 828,598                         |
| Less: Provision for diminution in value of investments re-<br>Babcock borsig shares | (828,597)                       | (828,597)                       |
| <b>Investments in Government or trust securities</b>                                |                                 |                                 |
| <b>Quoted</b>                                                                       |                                 |                                 |
| <b>Unquoted</b>                                                                     |                                 |                                 |
|                                                                                     | <b>8,845,681</b>                | <b>8,845,681</b>                |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|   |                                                            | Current Balance Sheet Date |             | Last Balance Sheet Date |             |
|---|------------------------------------------------------------|----------------------------|-------------|-------------------------|-------------|
|   |                                                            | £                          |             | £                       |             |
| 6 | Loans                                                      | Current                    | Non-Current | Current                 | Non-Current |
|   | Loans to Related Parties                                   |                            |             |                         |             |
|   | - Subsidiary                                               |                            |             |                         |             |
|   | Loan to PBT                                                |                            | -           |                         |             |
|   | Loan to Mcleod Russel Middle East                          |                            | -           |                         |             |
|   | Loan to Mcleod Russel Africa (US\$ loan)                   |                            | 1,046,512   |                         | 1,071,428   |
|   | Loan to Mcleod Russel India Limited US\$ loan)             |                            |             |                         |             |
|   | Bad debt provision re- MRIL                                |                            |             |                         |             |
|   | - Key Managerial Personnel                                 |                            |             |                         |             |
|   |                                                            |                            |             |                         |             |
|   | Loans to Employees                                         |                            |             |                         |             |
|   | Unsecured considered Good;                                 |                            |             |                         |             |
|   | Unsecured which have a significant increase in Credit Risk |                            |             |                         |             |
|   | Credit Impaired:                                           |                            |             |                         |             |
|   | Less: Provision for bad and Doubtful Loans                 |                            |             |                         |             |
|   |                                                            |                            |             |                         |             |
|   | Loans to Others                                            |                            |             |                         |             |
|   | Unsecured considered Good;                                 |                            |             |                         |             |
|   | Unsecured which have a significant increase in Credit Risk |                            |             |                         |             |
|   | Credit Impaired:                                           |                            |             |                         |             |
|   | Less: Provision for bad and Doubtful Loans                 |                            |             |                         |             |
|   |                                                            |                            |             |                         |             |
|   |                                                            | -                          | 1,046,512   | -                       | 1,071,428   |

**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.

|   |                                                  | Current Balance Sheet Date |             | Last Balance Sheet Date |             |
|---|--------------------------------------------------|----------------------------|-------------|-------------------------|-------------|
|   |                                                  | £                          |             | £                       |             |
| 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;                                 |                            |             |                         |             |
|   | Considered Doubtful                              |                            |             |                         |             |
|   | Less: Provision for Doubtful Interest Receivable |                            |             |                         |             |
|   |                                                  |                            |             |                         |             |
|   | Receivable from MRIL                             | 1,773,103                  |             |                         |             |
|   | Bad debt provision against the amount receivable | (1,773,103)                |             |                         |             |
|   |                                                  |                            |             |                         |             |
|   |                                                  |                            |             |                         |             |
|   | Foreign Exchange Derivatives Assets              |                            |             |                         |             |
|   |                                                  |                            |             |                         |             |
|   | Other financial assets                           |                            |             |                         |             |
|   |                                                  | -                          | -           | -                       | -           |

**Internal Note:**

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



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

**8 Other Non-Current Assets**

|                                                            | Current Balance Sheet<br>Date<br>£ | Last Balance Sheet<br>Date<br>£ |
|------------------------------------------------------------|------------------------------------|---------------------------------|
| 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.              |                                    |                                 |
| Less: Provision                                            |                                    |                                 |
| Security Deposits:                                         |                                    |                                 |
| Considered Good                                            |                                    |                                 |
| Considered Doubtful                                        |                                    |                                 |
| Less: Provision for doubtful security-deposits             |                                    |                                 |
| Others (Please Specify)                                    |                                    |                                 |
|                                                            | -                                  | -                               |

**9 INVENTORIES**

|                                                             | Current Balance Sheet<br>Date<br>£ | Last Balance Sheet<br>Date<br>£ |
|-------------------------------------------------------------|------------------------------------|---------------------------------|
| <b>At lower of cost and net realisable value</b>            |                                    |                                 |
| Raw Materials ( Green Leaf)                                 |                                    |                                 |
| Finished Goods (Stock of Tea)                               |                                    |                                 |
| [Including in transit ..... (Last Balance Sheet Date.....)] |                                    |                                 |
| Less: Provision for old/inferior/damaged tea                |                                    |                                 |
| Stores and Spares                                           |                                    |                                 |
| [Including in transit ..... (Last Balance Sheet Date.....)] |                                    |                                 |
| Less: Provision for slow-moving/obsolete stores             |                                    |                                 |

**Internal Note:**

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

**10 Biological Assets Other than Bearer Plants (Current Assets)**

|                                                            | Current Balance Sheet<br>Date<br>£ | Last Balance Sheet<br>Date<br>£ |
|------------------------------------------------------------|------------------------------------|---------------------------------|
| Green Leaf lying on Tea Bushes (i.e. unharvested Tea leaf) |                                    |                                 |
| Value                                                      |                                    |                                 |
| Quantity (Kg.)                                             |                                    |                                 |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                   |                                |
|-----------------------------------|--------------------------------|
| <b>Current Balance Sheet Date</b> | <b>Last Balance Sheet Date</b> |
| <b>£</b>                          | <b>£</b>                       |

## 11 TRADE RECEIVABLES

|                                    |  |  |
|------------------------------------|--|--|
|                                    |  |  |
| Secured                            |  |  |
| - Considered Good                  |  |  |
| - Credit Impaired                  |  |  |
| Less: Allowance for Doubtful Debts |  |  |
| Unsecured                          |  |  |
| - Considered Good                  |  |  |
| - Credit Impaired                  |  |  |
| Less: Allowance for Doubtful Debts |  |  |
| Less: Provision for Doubtful Debts |  |  |
|                                    |  |  |
|                                    |  |  |
|                                    |  |  |
|                                    |  |  |

**Internal Note:**

**Internal Note:**

- 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-Receivables, as per table below. The total of the table should agree with above**

|                            |                         |
|----------------------------|-------------------------|
| Current Balance Sheet Date | Last Balance Sheet Date |
|----------------------------|-------------------------|

### Aging of 'Trade-Receivables' :

**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)

**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.**

|                                   |                                |
|-----------------------------------|--------------------------------|
| <b>Current Balance Sheet Date</b> | <b>Last Balance Sheet Date</b> |
| £                                 | £                              |

## 12 Cash and Cash Equivalents

|                                                   |        |        |
|---------------------------------------------------|--------|--------|
| Cash on hand                                      |        |        |
| Cheques on hand                                   |        |        |
| Remittance in Transit                             |        |        |
| Balance with banks in Current Accounts            | 59,114 | 63,549 |
| Fixed deposits with banks (please specify tenure) |        |        |
| Escrow Accounts                                   |        |        |
| Other Bank Balances (Specify nature)              |        |        |
|                                                   |        |        |
|                                                   | 59,114 | 63,549 |

|                                   |                                |
|-----------------------------------|--------------------------------|
|                                   |                                |
| <b>Current Balance Sheet Date</b> | <b>Last Balance Sheet Date</b> |
| <b>£</b>                          | <b>£</b>                       |

### 13 Current Tax Assets (Net)

|                             |   |   |
|-----------------------------|---|---|
| Advance Tax                 |   |   |
| Withholding Tax Recoverable |   |   |
| Less : Provision for Tax    |   |   |
|                             | - | - |

### Internal Note

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



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| 14 Other Current Assets                                                                                             | Current Balance Sheet Date | Last Balance Sheet Date |
|---------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------|
|                                                                                                                     | £                          | £                       |
| BTHL- Unsecured - Considered Good (IE Smart Investor Depository Account - INR\$5,000)                               | 72                         | 72                      |
| BTHL- Balance with excise / VAT authorities                                                                         | 918                        | 919                     |
| Prepaid Expenses                                                                                                    |                            |                         |
| Accrued Income                                                                                                      |                            |                         |
| <b>BTHL: Interest on loans from MRME</b>                                                                            |                            |                         |
| Gross Interest charges due from MLRME to BTHL from 01/04/14 to 31/03/15 (\$108,994.84)                              | 73,645                     | 73,645                  |
| Gross Interest charges due from MLRME to BTHL from 01/04/15 to 31/03/16 (\$55,227.78)                               | 38,353                     | 38,353                  |
| Gross Interest charges due from MLRME to BTHL from 01/04/16 to 31/03/17 (\$21,016)                                  | 16,813                     | 16,813                  |
| Gross Interest charges due from MLRME to BTHL from 01/04/17 to 31/12/17 (\$11,863.39)                               | 8,474                      | 8,474                   |
| Gross Interest charges due from MLRME to BTHL from 01/01/18 to 31/03/18 (\$3,704.11)                                | 2,646                      | 2,646                   |
| Gross Interest charges due from MLRME to BTHL from 01/04/18 to 31/03/19                                             | 8,361                      | 8,361                   |
| Gross Interest charges due from MLRME to BTHL from 01/04/19 to 31/03/20                                             | 4,968                      | 4,968                   |
| Interest repayment from MRME (\$20,000)                                                                             | (17,699.12)                | (17,699)                |
| MRME- towards loan repayment - \$10000                                                                              | (7,874)                    |                         |
| MRME- towards loan repayment - \$3470                                                                               | (2,732)                    |                         |
| MRME- towards loan repayment                                                                                        | (2,732)                    |                         |
| MRME- towards loan repayment                                                                                        | (2,916)                    |                         |
| MRME - loan repayment                                                                                               | (2,669)                    |                         |
| MRME - loan repayment                                                                                               | (2,732)                    |                         |
| MRME                                                                                                                | (2,753.97)                 |                         |
| MRME - \$3500 towards repayment of interest                                                                         | (2,845.53)                 |                         |
| MRME - \$3500 towards repayment of interest                                                                         | (2,755.91)                 |                         |
| Fx Difference on retranslation of outstanding Balance as at 31 March 2025                                           | 46,945                     | 51,315                  |
| <b>BTHL: Interest on loans from MRAL</b>                                                                            |                            |                         |
| Interest on loans from MRAL from Oct-23 to Dec-23 Gross \$26,329.70 less tax @15% \$3949.46 = Net US\$22380.24      |                            | 17,622.24               |
| Interest on loans from MRAL from Jan-24 to March-24 Gross \$25,810.34 less tax @15% \$3,871.55= Net US\$21,938.79   |                            | 17,411.74               |
| Interest on loans from MRAL from Oct-24 to Dec-24 Gross \$23,131.57 less tax @15% \$3,469.74= Net US\$19,661.84     | 15,604.63                  |                         |
| MRAL- Interest for Oct 2024 USD 7,710.41 less WHT USD 1156.56 and remitted USD 6,553.85                             | (5,243.08)                 |                         |
| MRAL Interest for Nov 2024 USD 7710.41 less WHT USD 1156.56 and remitted USD 6,553.85                               | (5,080.50)                 |                         |
| Interest on loans from MRAL from Jan-25 to March-25 - Gross \$21,700.11 less tax @15% \$3,255.02= Net US\$18,445.09 | 14,298.52                  |                         |
| Fx Difference on re-translation of outstanding balances as at 31-03-2025                                            | 2,489.39                   |                         |
| Compensation receivable from Government                                                                             |                            |                         |
| Others (Please specify)                                                                                             |                            |                         |
|                                                                                                                     | <b>175,555</b>             | <b>222,309</b>          |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|    |                                                |                        |                        |
|----|------------------------------------------------|------------------------|------------------------|
| 15 | <b>EQUITY SHARE CAPITAL</b>                    | <b>31st March 2025</b> | <b>31st March 2024</b> |
|    |                                                | <b>£</b>               | <b>£</b>               |
|    |                                                |                        |                        |
|    | Authorised                                     |                        |                        |
|    | Equity Shares 500,000 of £1 each               | 500,000                | 500,000                |
|    |                                                |                        |                        |
|    |                                                |                        |                        |
|    | Issued, subscribed and paid-up                 |                        |                        |
|    | Equity Shares 252,000 of £1 each fully paid up | 252,000                | 252,000                |
|    |                                                |                        |                        |
|    |                                                | <b>252,000</b>         | <b>252,000</b>         |



BORELLI TEA HOLDINGS LIMITED  
Notes to Financial Statements (Contd.)

16 Other Equity

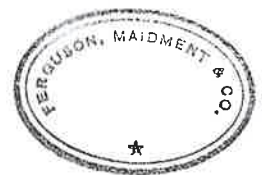
|                                | General Reserve | Securities Premium Account | Capital Reserve | Revaluation Reserve | Other Reserve | Share Redemption Reserve | Foreign Currency Translation Reserve | Surplus in Profit and Loss Statement | Total     |
|--------------------------------|-----------------|----------------------------|-----------------|---------------------|---------------|--------------------------|--------------------------------------|--------------------------------------|-----------|
| Opening Balance                | -               | 6,214,076                  | -               | -                   | 144,449       | 110,000                  | -                                    | (4,782,604)                          | 1,685,923 |
| Profit for the year            |                 |                            |                 |                     |               |                          |                                      | (80,056)                             | (80,056)  |
|                                |                 |                            |                 |                     |               |                          |                                      |                                      |           |
|                                |                 |                            |                 |                     |               |                          |                                      |                                      |           |
| Any other adjustment (specify) |                 |                            |                 |                     |               |                          |                                      |                                      |           |
| Balance at the end of the year | -               | 6,214,076                  | -               | -                   | 144,449       | 110,000                  | -                                    | (4,862,660)                          | 1,605,867 |

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

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

(applicable for consolidated Borelli only)

|                           | Total |
|---------------------------|-------|
| Opening balance           |       |
| Profit for the year       |       |
| Dividend                  |       |
| Foreign exchange movement |       |
| Closing Balance           |       |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

**18 Non Current Borrowings**

|                                                                       | Current Balance<br>Sheet Date | Last Balance Sheet<br>Date |
|-----------------------------------------------------------------------|-------------------------------|----------------------------|
|                                                                       | £                             | £                          |
| <b>SECURED</b>                                                        |                               |                            |
| Term-Loans from Banks (Bank-wise detail)                              |                               |                            |
| <b>Note:- Also specify for each term-loan, the following detail:-</b> |                               |                            |
| 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                  |                               |                            |
|                                                                       |                               |                            |
| <b>UNSECURED</b>                                                      |                               |                            |
| Loans from Banks (Bank-wise detail)                                   |                               |                            |
| .....name of Bank/Institution                                         |                               |                            |
| Gross                                                                 |                               |                            |
| Less: Repayable within one year                                       |                               |                            |
|                                                                       |                               |                            |
| Finance Lease Obligations                                             |                               |                            |
|                                                                       |                               |                            |
| <b>Note:- Also specify for each term-loan, the following detail:-</b> |                               |                            |
| a) Rate of interest                                                   |                               |                            |
| b) Terms of repayment (dates and amounts)                             |                               |                            |
| c) Currency in which the loan was originally availed                  |                               |                            |
|                                                                       |                               |                            |
| <b>Loans from group companies</b>                                     |                               |                            |
| Gross                                                                 |                               |                            |
| Less: Repayable within one year                                       |                               |                            |
| a) Rate of Interest                                                   |                               |                            |
| b) Terms of repayment (dates and amounts)                             |                               |                            |
| c) Currency in which the loan was availed                             |                               |                            |
| McLeod Russel Uganda Limited - US\$13,600,000                         | 5,418,973                     | 5,547,997                  |
|                                                                       | -                             | -                          |
|                                                                       |                               |                            |
|                                                                       |                               |                            |
|                                                                       | <b>5,418,973</b>              | <b>5,547,997</b>           |

**Declaration :**

We hereby confirm that borrowings from banks were used for the specific purpose for which these were taken,

**Note:** In case borrowings were not used for the specific purpose for which these were taken, please disclose the detail of where they have been used.



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| 19 Other Financial Liabilities                                                                                  | Current Balance Sheet Date |             | Last Balance Sheet Date |             |
|-----------------------------------------------------------------------------------------------------------------|----------------------------|-------------|-------------------------|-------------|
|                                                                                                                 | £                          |             | £                       |             |
|                                                                                                                 | Current                    | Non-Current | Current                 | Non-Current |
| Lease Liabilities                                                                                               |                            |             |                         |             |
| Liability for capital expenditure                                                                               |                            |             |                         |             |
| Foreign Exchange Derivative Liabilities (Mark to Market)                                                        |                            |             |                         |             |
| Liabilities payable to Employees                                                                                |                            |             |                         |             |
| Interest accrued but not due on borrowings - Group Company                                                      |                            |             |                         |             |
| Interest due to MRUL from 01/1/19 to 31/03/19 - Gross \$224,691.78 less tax @20%\$44,938.36 = Net-\$179,753.42  | 138,272.00                 |             | 138,272.00              |             |
| Interest due to MRUL from 01/04/19 to 30/06/19 - Gross \$249,048.86 less tax @20%\$49,809.77 = Net-\$199,239.09 | 156,881.17                 |             | 156,881.17              |             |
| Interest due to MRUL from 01/07/19 to 30/09/19 - Gross \$293,929.66                                             | 242,418.25                 |             | 242,418.25              |             |
| Interest due to MRUL from 01/10/19 to 31/12/19 - Gross \$202,017.70                                             | 184,438.29                 |             | 184,438.29              |             |
| Interest due to MRUL from 01/01/20 to 31/03/20 - Gross \$211,452.88                                             | 136,485.73                 |             | 136,485.73              |             |
| Interest due to MRUL from 01/04/20 to 30/06/20 - Gross \$205,925.36                                             | 129,716.76                 |             | 129,716.76              |             |
| Interest due to MRUL from 01/07/20 to 30/09/20 - Gross \$192,617.32                                             | 118,533.74                 |             | 118,533.74              |             |
| Interest due to MRUL from 01/10/20 to 31/12/20 - Gross \$181,824.18                                             | 111,891.80                 |             | 111,891.80              |             |
| Interest due to MRUL from 01/01/21 to 31/03/21 - Gross \$173,037.67                                             | 101,043.89                 |             | 101,043.89              |             |
| Interest due to MRUL from 01/04/21 to 30/06/21 - Gross \$169,969.84 - (Net US\$)                                | 98,237.42                  |             | 98,237.42               |             |
| Interest due to MRUL from 01/07/21 to 30/09/21 - Gross \$165,775.66 - (Net -US\$132,620.53)                     | 97,824.25                  |             | 97,824.25               |             |
| Interest due to MRUL from 01/10/21 to 31/12/21 (Gross \$158,104.12 - Net \$126,482.50)                          | 93,690.74                  |             | 93,690.74               |             |
| Interest due to MRUL from 01/01/22 to 31/03/22 (Gross \$150,828.65 - Net \$120,669.92)                          | 92,109.10                  |             | 92,109.10               |             |
| Interest due to MRUL from 01/04/22 to 30/06/22 (Gross \$147,249.32 less tax \$29,449.86 - Net \$117,799.50)     | 96,556.97                  |             | 96,556.97               |             |
| Interest due to MRUL from 01/07/22 to 30/09/22 (Gross \$146,150.62 less tax \$29,230.12 - Net \$116,920.50)     | 107,266.51                 |             | 107,266.51              |             |
| Interest due to MRUL from 01/10/22 to 31/12/22 (Gross \$140,999.002 less tax \$28,199.80 - Net \$112,799.22)    | 93,222.50                  |             | 93,222.50               |             |
| Interest due to MRUL from 01/1/23 to 31/03/23 (Gross \$133,713.25 less tax \$26,742.65 - Net \$106,970.60)      | 86,266.61                  |             | 86,266.61               |             |
| Interest due to MRUL from 01/04/23 to 30/06/23 (Gross \$130,361.91 less tax \$26,072.38 - Net \$103,461.83)     | 82,769.47                  |             | 82,769.47               |             |
| Interest due to MRUL from 01/07/23 to 30/09/23 (Gross \$127,151.82 less tax \$25,430.36 - Net \$101,721.46)     | 83,378.24                  |             | 83,378.24               |             |
| Interest due to MRUL from 01/10/23 to 31/12/23 (Gross \$123,338.77 less tax \$24,667.75 - Net \$98,671.02)      | 77,693.71339               |             | 77,693.71339            |             |
| Interest due to MRUL from 01/01/24 to 31/03/24 (Gross \$121,998.14 less tax \$24,399.63 - Net \$97,598.51)      | 77,459.14                  |             | 77,459.14               |             |
| Interest due to MRUL from 01/04/24 to 30/06/24 (Gross \$121,998.14 less tax \$24,399.63 - Net \$97,598.51)      | 77,459.14                  |             |                         |             |
| Interest due to MRUL from 01/07/24 to 30/09/24 (Gross \$123,338.77 less tax \$24,667.75 - Net \$98,671.02)      | 73,635.09                  |             |                         |             |
| Interest due to MRUL from 01/10/24 to 31/12/24 (Gross \$123,338.77 less tax \$24,667.75 - Net \$98,671.02)      | 78,310.33                  |             |                         |             |
| Interest due to MRUL from 01/01/25 to 31/03/25 (Gross \$120,657.50 less tax \$24,131.50 - Net \$96,526)         | 74,826.36                  |             |                         |             |
| Fx Difference on retranslation of outstanding Balance as at 31 March 2025                                       | (22,393.29)                |             | 35,149.74               |             |
| Others (Specify)                                                                                                | 2,687,994                  | -           | 2,441,306               | -           |

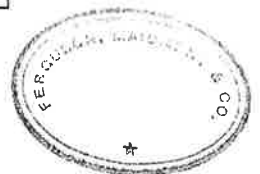
**Internal Note:**

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

| 20 Provision for post-retirement employee-benefits | Current Balance Sheet Date |             | Last Balance Sheet Date |             |
|----------------------------------------------------|----------------------------|-------------|-------------------------|-------------|
|                                                    | £                          |             | £                       |             |
|                                                    | Current                    | Non-Current | Current                 | Non-Current |
| -Gratuity                                          |                            |             |                         |             |
| -Pension                                           |                            |             |                         |             |
| -Medical                                           |                            |             |                         |             |
| Other Employee-benefits (Please Specify)           |                            |             |                         |             |
|                                                    | -                          | -           | -                       | -           |

| 21 Other Provisions                                | Current Balance Sheet Date |             | Last Balance Sheet Date |             |
|----------------------------------------------------|----------------------------|-------------|-------------------------|-------------|
|                                                    | £                          |             | £                       |             |
|                                                    | Current                    | Non-Current | Current                 | Non-Current |
| Provision for mark to market losses on derivatives | -                          | -           | -                       | -           |
| Others (specify nature)                            |                            |             |                         |             |
|                                                    | -                          | -           | -                       | -           |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| 22                                              | DEFERRED TAX LIABILITIES (NET)                                                          | Current Balance Sheet Date | Last Balance Sheet Date |
|-------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------|-------------------------|
|                                                 |                                                                                         | £                          | £                       |
| <b>A. Deferred Tax Liability arising due to</b> |                                                                                         |                            |                         |
|                                                 | Difference between net book value of depreciable capital assets                         |                            |                         |
| i)                                              | (Property, Plant & Equipment) as per books vis-à-vis written down value as per tax laws | 64,186.00                  | -                       |
| ii)                                             | Others (specify nature)                                                                 | -                          | -                       |
|                                                 | Sub-total (A)                                                                           | 64,186.00                  | -                       |
| <b>B. Deferred Tax Assets arising due to</b>    |                                                                                         |                            |                         |
| i)                                              | Items allowed for tax purpose after actual payment                                      | -                          | -                       |
| ii)                                             | Provision for Doubtful Debts, Advances etc.                                             | -                          | -                       |
| iii)                                            | Tax-losses available for set-off against future income                                  | -                          | -                       |
| iv)                                             | Others (Specify nature)                                                                 | -                          | -                       |
|                                                 | Sub-total (B)                                                                           | -                          | -                       |
|                                                 | <b>Net Deferred Tax Liabilities (A-B)</b>                                               | <b>64,186.00</b>           | <b>-</b>                |

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

|                             | Property, Plant & Equipment | Tax-losses available for set-off against future income | Items Allowed for Tax-purpose on payment | Provision for Doubtful Debts, Advances etc | Others Items | Total |
|-----------------------------|-----------------------------|--------------------------------------------------------|------------------------------------------|--------------------------------------------|--------------|-------|
| Opening Balance             |                             |                                                        |                                          |                                            |              |       |
| Charged/Credited to :       |                             |                                                        |                                          |                                            |              |       |
| Profit & Loss Statement     |                             |                                                        |                                          |                                            |              |       |
| Others Comprehensive Income |                             |                                                        |                                          |                                            |              |       |
| Closing Balance             |                             |                                                        |                                          |                                            |              |       |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| <b>23 Other Non - Current Liabilities</b>       | <b>Current Balance<br/>Sheet Date</b> | <b>Last Balance<br/>Sheet Date</b> |
|-------------------------------------------------|---------------------------------------|------------------------------------|
|                                                 | <b>£</b>                              | <b>£</b>                           |
| Deferred revenue arising from Government grants | -                                     | -                                  |
|                                                 |                                       |                                    |
| Others (Please Specify)                         |                                       |                                    |
|                                                 | -                                     | -                                  |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                              | Current Balance<br>Sheet Date<br>£ | Last Balance<br>Sheet Date<br>£ |
|--------------------------------------------------------------|------------------------------------|---------------------------------|
| <b>24 CURRENT BORROWINGS</b>                                 |                                    |                                 |
| <b>Secured Loans repayable on demand from Banks</b>          |                                    |                                 |
| Cash Credit, Export Credit and Demand Loans (Note-1)         |                                    |                                 |
| (Give detail of Security Created / to be Created)            |                                    |                                 |
|                                                              |                                    |                                 |
|                                                              |                                    |                                 |
| <b>Unsecured Loans</b>                                       |                                    |                                 |
| 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)

**Declarations :**

We hereby confirm that borrowings from banks were used for the specific purpose for which these were taken,

We hereby confirm that as on the Balance-Sheet date, there were no defaults in repayment of borrowings and interest.

|                                        |                                    |                                 |
|----------------------------------------|------------------------------------|---------------------------------|
| <b>25 TRADE PAYABLES</b>               | Current Balance<br>Sheet Date<br>£ | Last Balance<br>Sheet Date<br>£ |
| Due to Group-Companies (Specify names) |                                    |                                 |
| Due to Others                          |                                    |                                 |
|                                        | -                                  | -                               |

**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)

|                               |                            |
|-------------------------------|----------------------------|
| Current Balance<br>Sheet Date | Last Balance<br>Sheet Date |
|-------------------------------|----------------------------|

**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.**

|                                         |                                    |                                 |
|-----------------------------------------|------------------------------------|---------------------------------|
|                                         | Current Balance<br>Sheet Date<br>£ | Last Balance<br>Sheet Date<br>£ |
| <b>26 Current Tax Liabilities (Net)</b> |                                    |                                 |
| Provision for Income Tax                |                                    |                                 |
| Less: Advance Tax                       |                                    |                                 |
| Less: Withholding Tax Recoverable       |                                    |                                 |
|                                         | -                                  | -                               |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                                                               | <b>Current Balance<br/>Sheet Date</b> | <b>Last Balance<br/>Sheet Date</b> |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|
| <b>27 Other Current Liabilities</b>                                                                           | <b>£</b>                              | <b>£</b>                           |
| Accruals - FM fees                                                                                            | 20,000.00                             | 11,250.00                          |
| Amounts due to Others                                                                                         |                                       |                                    |
| UK tax deducted at source on interest payable to MRUL Jan-19 to Mar-19 (Payable to tax authorities - HMRC)    | 34,568                                | 34,568                             |
| UK tax deducted at source on interest payable to MRUL April-19 to June-19 (Payable to tax authorities - HMRC) | 39,220                                | 39,220                             |
| UK tax deducted at source on interest payable to MRUL July-19 to Sept-19 (Payable to tax authorities - HMRC)  | 60,605                                | 60,605                             |
| UK tax deducted at source on interest payable to MRUL Oct-19 to Dec-19 (Payable to tax authorities - HMRC)    | 46,110                                | 46,110                             |
| UK tax deducted at source on interest payable to MRUL Jan-20 to Mar-20 (Payable to tax authorities - HMRC)    | 34,121                                | 34,121                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/04/20 to 30/06/20                   | 32,429                                | 32,429                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/07/20 to 30/09/20                   | 29,633                                | 29,633                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/10/20 to 31/12/20                   | 27,973                                | 27,973                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/01/21 to 31/03/21                   | 25,261                                | 25,261                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/04/21 to 30/06/21                   | 24,456                                | 24,456                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/07/21 to 30/09/21                   | 24,559                                | 24,559                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/10/21 to 31/12/21                   | 23,423                                | 23,423                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/1/22 to 31/03/22                    | 23,021                                | 23,021                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/4/22 to 30/06/22                    | 24,139                                | 24,139                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/7/22 to 30/09/22                    | 26,817                                | 26,817                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/7/22 to 30/09/22                    | 23,306                                | 23,306                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/01/23 to 31/03/23                   | 21,567                                | 21,567                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/4/23 to 30/06/23                    | 20,692                                | 20,692                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/7/23 to 30/09/23                    | 20,845                                | 20,845                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/10/23 to 31/12/23                   | 19,423                                | 19,423                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/01/24 to 31/03/24                   | 19,365                                | 19,365                             |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/04/24 to 30/06/24                   | 19,364.78                             |                                    |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/07/24 to 30/09/24                   | 18,408.77                             |                                    |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/10/24 to 31/12/24                   | 19,577.58                             |                                    |
| UK tax deducted at source on interest payable to MRUL due to HMRC from 01/01/25 to 31/03/25                   | 18,706.59                             |                                    |
|                                                                                                               | <b>697,591</b>                        | <b>612,783</b>                     |

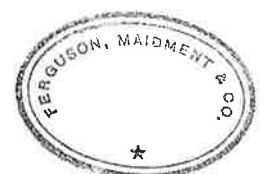


| BORELLI TEA HOLDINGS LIMITED                                                                                                                                                                                                        |                      |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Notes to Financial Statements (Contd.)                                                                                                                                                                                              |                      |                      |
|                                                                                                                                                                                                                                     | 31st March 2025<br>£ | 31st March 2024<br>£ |
| <b>28 REVENUE FROM OPERATIONS</b>                                                                                                                                                                                                   |                      |                      |
| Sale of Products - Tea                                                                                                                                                                                                              |                      |                      |
| Sale of Services - Consultancy Fees                                                                                                                                                                                                 |                      |                      |
| - Royalty                                                                                                                                                                                                                           |                      |                      |
| Other Operating Revenues                                                                                                                                                                                                            |                      |                      |
| Rebate of Excise Duty , VAT etc                                                                                                                                                                                                     |                      |                      |
| Others (specify nature)                                                                                                                                                                                                             |                      |                      |
| BTHL:License fee income from McLeod Russell Uganda Limited                                                                                                                                                                          | -                    | 372,005              |
|                                                                                                                                                                                                                                     | -                    | 372,005              |
| <b>Internal Notes:</b><br>1) In the above schedule, please specify against each line item the quantity and value of sales made to any group-company.<br>2) Please specify against each line item the income from any group company. |                      |                      |
| <b>29 OTHER INCOME</b>                                                                                                                                                                                                              |                      |                      |
| Interest Income (Gross)                                                                                                                                                                                                             |                      |                      |
| On Deposits                                                                                                                                                                                                                         |                      |                      |
| On Group Company Loans                                                                                                                                                                                                              |                      |                      |
| BTHL : Interest Receivable from MRAL Apr - Dec                                                                                                                                                                                      | 57,322               | 62,995               |
| BTHL : Interest Receivable from MRAL Jan- Mar                                                                                                                                                                                       | 16,822               | 20,484               |
| 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                                                                                                                                                                        |                      |                      |
| Gain on financial assets at Fair value through P&L account                                                                                                                                                                          | -                    | -                    |
| Net Gain on Foreign Currency Transaction and Translation                                                                                                                                                                            |                      |                      |
| - Actually Received                                                                                                                                                                                                                 |                      |                      |
| - Translation Gain / (loss)                                                                                                                                                                                                         |                      |                      |
| Changes in fair value of biological asset (i.e. unharvested leaf lying on tea-bushes) ( Refer Note 10)                                                                                                                              |                      |                      |
| Others (specify nature)                                                                                                                                                                                                             |                      |                      |
| [(Gain)/loss on disposal of Pfunda and Gisovu                                                                                                                                                                                       |                      |                      |
| BTHL - Rental Income - Property in Gisovu                                                                                                                                                                                           | 26,792               | 27,362               |
|                                                                                                                                                                                                                                     | 100,936              | 110,841              |
| <b>Internal Note:</b><br>1) Exceptional/Non-recurring income should be shown separately with brief descriptions.<br>2) Please specify against each line item the income from any group company                                      |                      |                      |
| <b>30 DERECASE/(INCREASE ) IN INVENTORY OF GREEN LEAF (i.e. leaf plucked/purchased but not yet convrted to Tea)</b>                                                                                                                 |                      |                      |
| Stock of Green Leaf at beginning of the year                                                                                                                                                                                        |                      |                      |
| Less: Closing Stock of Green Leaf at end of the year                                                                                                                                                                                |                      |                      |
| (Increase)/Decrease                                                                                                                                                                                                                 | -                    | -                    |
| <b>Internal Note:</b><br>1) Please ensure that opening stock of current year agrees with closing stock of last year<br>2) The stock above must agree with the stock shown in Note-9                                                 |                      |                      |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|    |                                                                                                                                                                                     | 31st March 2025<br>£ | 31st March 2024<br>£ |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 31 | <b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>                                                                                                                                     |                      |                      |
|    | Stock of Tea at the beginning of the year                                                                                                                                           |                      |                      |
|    | Less: Stock of Tea at the end of the year                                                                                                                                           |                      |                      |
|    | (Increase)/Decrease                                                                                                                                                                 |                      |                      |
|    |                                                                                                                                                                                     | -                    | -                    |
|    | <b>Internal Note:</b><br>1) Please ensure that opening stock of current year agrees with closing stock of last year<br>2) The stock above must agree with the stock shown in Note-9 |                      |                      |
| 32 | <b>EMPLOYEE BENEFITS EXPENSE</b>                                                                                                                                                    | 31st March 2025<br>£ | 31st March 2024<br>£ |
|    | Salaries and Wages                                                                                                                                                                  |                      |                      |
|    | Contribution to Provident and Other Funds                                                                                                                                           |                      |                      |
|    | Labour and Staff Welfare                                                                                                                                                            |                      |                      |
|    |                                                                                                                                                                                     | -                    | -                    |
|    | <b>Internal Note:</b><br>1) Exceptional/Non-recurring expenditure should be shown separately with full description.                                                                 |                      |                      |
| 33 | <b>FINANCE COSTS</b>                                                                                                                                                                | 31st March 2025<br>£ | 31st March 2024<br>£ |
|    | Interest Expense                                                                                                                                                                    |                      |                      |
|    | On Fixed Loans                                                                                                                                                                      |                      |                      |
|    | BTHL: Interest on Bank Loans                                                                                                                                                        | -                    | -                    |
|    |                                                                                                                                                                                     |                      |                      |
|    | On Intercompany group loans                                                                                                                                                         |                      |                      |
|    | BTHL:McLeod Russel Uganda Limited (Subsidiary company) Apr - Dec                                                                                                                    | 286,756              | 304,802              |
|    | BTHL:McLeod Russel Uganda Limited (Subsidiary company)Jan - Mar                                                                                                                     | 93,533               | 96,824               |
|    |                                                                                                                                                                                     |                      |                      |
|    | Other Borrowing Costs                                                                                                                                                               |                      |                      |
|    |                                                                                                                                                                                     | 380,289              | 578,543              |
|    | * Includes ----- on Leases<br><b>Internal Note:</b><br>Please specify against each line item, the interest to any group company                                                     |                      |                      |
| 34 | <b>DEPRECIATION AND AMORTISATION EXPENSE</b>                                                                                                                                        | 31st March 2025<br>£ | 31st March 2024<br>£ |
|    | Depreciation on Tangible Fixed Assets *                                                                                                                                             |                      |                      |
|    | Amortisation of Goodwill                                                                                                                                                            |                      |                      |
|    | Amortisation of Patents and Licences                                                                                                                                                | 58,218               | 58,218               |
|    |                                                                                                                                                                                     | 58,218               | 58,218               |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|           |                                                              | <b>31st March 2025</b> | <b>31st March 2024</b> |
|-----------|--------------------------------------------------------------|------------------------|------------------------|
|           |                                                              | <b>£</b>               | <b>£</b>               |
| <b>35</b> | <b>OTHER EXPENSES</b>                                        |                        |                        |
|           | Consumption of Stores and Spare Parts                        | -                      | -                      |
|           | Consumption of Packing Materials                             | -                      | -                      |
|           | Power and Fuel                                               | -                      | -                      |
|           | Rent                                                         | -                      | -                      |
|           | Lease Rent                                                   | -                      | -                      |
|           | Repairs - Buildings                                          | -                      | 1,351                  |
|           | - Plant & Machinery                                          | -                      | -                      |
|           | - Others                                                     | -                      | -                      |
|           | Insurance                                                    | -                      | -                      |
|           | Rates and Taxes                                              | -                      | -                      |
|           | Excise Cess on Tea manufactured                              | -                      | -                      |
|           | Cess on Green Leaf                                           | -                      | -                      |
|           | Travelling                                                   | -                      | -                      |
|           | Legal and Professional Fees                                  | 51,668                 | 68,311                 |
|           | Freight, Shipping and Selling Expenses                       | -                      | -                      |
|           | Brokerage on Sales                                           | -                      | -                      |
|           | Selling Agents' Commission                                   | -                      | -                      |
|           | Auditors' Remuneration                                       | 25,000                 | 5,000                  |
|           | Royalty Fee                                                  | -                      | -                      |
|           | Management Fee                                               | 60,000                 | 60,000                 |
|           | Loss (Net) on Disposal of Property, Plant & Equipment        | -                      | -                      |
|           | Bank charges                                                 | 648                    | 444                    |
|           | Gain on disposal of 100% shares of Phu Ben (subsidiary)      | -                      | (1,773,103)            |
|           | Provision (100%) against receivable from MRIL                | -                      | 1,773,103              |
|           | Any other Write Off (Specify)(net of pre-existing provision) | -                      | -                      |
|           | Provision for Doubtful Debts                                 | -                      | -                      |
|           | Any other Provision made (Specify)                           | -                      | -                      |
|           | Foreign currency losses/(gains) - Realised                   | (840)                  | 1,745                  |
|           | Retranslation of loan with group companies - Unrealised      | (155,754)              | (116,413)              |
|           | Net Loss on foreign exchange:-                               |                        |                        |
|           | - Actually Paid                                              | -                      | -                      |
|           | - Translation Loss (Mark to market)                          | -                      | -                      |
|           | Miscellaneous Expenses [see internal note - (a)]             | 3,366                  | 274                    |
|           |                                                              | <b>(15,912)</b>        | <b>20,712</b>          |

**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



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

| 35B | Exceptional Item | 31st March 2025 |   | 31st March 2024 |   |
|-----|------------------|-----------------|---|-----------------|---|
|     |                  | £               | £ | £               | £ |
|     |                  |                 |   |                 |   |
|     |                  |                 |   |                 |   |
|     |                  |                 | - |                 | - |
|     |                  |                 |   |                 |   |
|     |                  |                 | - |                 | - |



**BORELLI TEA HOLDINGS LIMITED**  
**Notes to Financial Statements (Contd.)**

|                                                                   | Current Year<br>£ | Previous Year<br>£ |
|-------------------------------------------------------------------|-------------------|--------------------|
| <b>36 (a) Income tax Expense</b>                                  |                   |                    |
| <u>Current Tax</u>                                                |                   |                    |
| Current tax on profits for the year                               |                   |                    |
| Withholding tax suffered on Royalty, Management and Rental Income | 4,019             | 59,905             |
| Withholding tax suffered on Dividend and Interest Received        | 11,122            | 12,522             |
| Adjustments for current tax of prior periods                      | -                 | -                  |
| Tax suffered on disposal of investments in MRIL                   | -                 | -                  |
| Sub-Total                                                         | <b>15,141</b>     | <b>72,427</b>      |
| <u>Deferred Tax</u>                                               |                   |                    |
| Decrease / (increase) in deferred tax assets                      |                   |                    |
| (Decrease) / increase in deferred tax liabilities                 |                   |                    |
| Sub-Total                                                         | -                 | -                  |
| <b>Total</b>                                                      | <b>15,141</b>     | <b>72,427</b>      |

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:**

|                                                      | Current Year<br>£ | Previous Year<br>£ |
|------------------------------------------------------|-------------------|--------------------|
| Profit before income-tax                             | (64,916)          | 2,290              |
| Average rate of Income Tax                           | 25%               | 19%                |
| Tax at average rate                                  | (16,229)          | 435                |
| Effects of :-                                        |                   |                    |
| Withholding-tax suffered                             | -                 | -                  |
| Adjustment to tax-charge in respect of prior periods | -                 | -                  |
| Effect of expenses not deductible for tax-purposes   | -                 | -                  |
| Effect of non- taxable Gains                         | -                 | -                  |
| Effect of income not subject to tax                  | -                 | -                  |
| Adjustment for tax on losses                         | 16,229            | (435)              |
| Withholding-tax suffered                             | 15,141            | 72,427             |
| Any Other items (Please Specify)                     |                   |                    |
| Income Tax Expense Total ( See Internal Note Below)  | <b>15,141</b>     | <b>72,427</b>      |

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

|                                                                   | Current Year<br>£ | Previous Year<br>£ |
|-------------------------------------------------------------------|-------------------|--------------------|
| <b>37 OTHER COMPREHENSIVE INCOME (Net of Tax)</b>                 |                   |                    |
| <b>Gain or Loss on</b>                                            |                   |                    |
| <b>a) Items that will not be reclassified to Profit or Loss :</b> |                   |                    |
| (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>b) Items that will be reclassified to Profit or Loss :</b>     |                   |                    |
| (i) Exchange difference on translation of foreign operations      |                   |                    |
| Investment property fair value adjustment                         | 256,744           | -                  |
|                                                                   | <b>256,744</b>    |                    |



## **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).

#### **1.1.2 Classification of current and non-current**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the 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 Company 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.

### **1.2 Segment Reporting**

N/A

### **1.3 Foreign Currency Translation**

Foreign currency transactions are translated into British pounds (£) 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.



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

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 'Reserves & Surplus'.

**1.4 Revenue Recognition**

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

**1.5 Government Grants**

N/A

**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. The Company pays UK corporation tax at the rate of 19% of its assessable income.

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/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associate where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

temporary differences can be utilised and in case of liabilities the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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.

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**

N/A

**1.10 Biological Assets**

N/A

**1.11 Financial Instruments**

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



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

The company 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 company 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.

##### **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



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

(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 company 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 company 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.

**Derecognition**

The Company derecognizes a financial asset or a company 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**



## Notes to Stand Alone Financial Statements (Contd.)

(ii) at fair value through profit or loss (FVTPL).

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 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.

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

### Initial Recognition and Subsequent measurement

The Company 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 company. 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.

**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

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.

**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 Company 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 Company 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 company recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.

The company 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



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

**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 Company 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.

Where, The Company'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.



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

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.

Range of Life (years)

|                          |       |
|--------------------------|-------|
| • Tea Plantations        | :N/A  |
| • Buildings              | : N/A |
| • Plant and Equipment    | : N/A |
| • Bearer Plants          | : N/A |
| • Furniture and Fixtures | : N/A |
| • Vehicles               | : N/A |
| • Computer               | : N/A |
| • Office Equipment       | : N/A |

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).

**1.13 Intangible Assets**

**1.13.1 Trademark**

Separately acquired Trademark is shown at historical cost. It is amortised over expected useful life and is subsequently carried at cost less accumulated amortisation and impairment losses.

**1.13.2 Computer software**



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

**1.13.3 Amortisation methods and periods**

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

|                     | <u>Range of Life (years)</u> |
|---------------------|------------------------------|
| • Trademark         | 20                           |
| • Computer software | N/A                          |

**1.14 Leases**

N/A

**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.

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**

N/A

**1.16.2 Long-term Employee Benefits (Unfunded)**

N/A

**1.16.3 Post-employment Benefit Plans**

N/A

**1.16.4 Bonus plans**

N/A

**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 compared at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or company 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**

N/A

**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.



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

The preparation of the 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 Company'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:**

Since the company has only investment business, critical estimates and judgements are not involved for taxation.

**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.

**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:**

N/A

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.

**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**

N/A



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

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

| <u>Subject</u> | <u>Policy in last year</u><br><u>Impact</u> | <u>Policy in current year</u> | <u>Financial</u> |
|----------------|---------------------------------------------|-------------------------------|------------------|
|----------------|---------------------------------------------|-------------------------------|------------------|

N/A

**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:-

| <u>Name</u><br><u>of</u><br><u>Company</u> | <u>Country</u><br><u>of</u><br><u>Incorporation</u> | <u>Proportion of</u><br><u>ownership by</u><br><u>Holding Company</u> | <u>Reporting</u><br><u>Date of</u><br><u>Subsidiary</u> |
|--------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------|
|--------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------|

N/A for stand-alone accounts

**39. Detail of Employee Benefits:**

**39.1 Post Employment Defined Contribution Plans:**

N/A

**39.2 Post Employment Defined Benefit Plans:**

N/A

**40. Contingent Liabilities:**

|                                                                                                                                                                                         | <b>Current Year</b><br><b>Ended March-25</b><br><b>Amount</b> | <b>Previous Year</b><br><b>Ended March-25</b><br><b>Amount</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------|
| <b>i) Claims not acknowledged as debts</b><br>(Specify each item separately)<br>All claims must be quantified. In case some<br>Claim is not quantifiable, please specifically write so. | £Nil                                                          | £Nil                                                           |
| <b>ii) Guarantees given on behalf of other companies</b><br>to banks etc. and year-end utilisation                                                                                      | £Nil                                                          | £Nil                                                           |
| <b>iii) Bank Guarantees Outstanding</b>                                                                                                                                                 | £Nil                                                          | £Nil                                                           |
| <b>iv) Any other (please specify)</b>                                                                                                                                                   | £Nil                                                          | £Nil                                                           |

**41. Advances include:**



BORELLI TEA HOLDINGS LIMITED  
Year Ended 31<sup>st</sup> March 2025  
Notes to Stand Alone Financial Statements (Contd.)

(a) Loan to director at year-end: Current Year Ended March-25 £Nil (Previous Year Ended March-24 £Nil)

(b) Maximum amount of loan to directors : (i) Nil Current Year Ended March-25 (Previous Year Ended March-24 £Nil)

**42. Assets of the Company charged against Loan/Guarantee availed by Company companies**

**(including subsidiaries):**

**Please specify, if any.**

N/A

**43. Capital Commitment & Advances:**

N/A

**44. Revenue Expenditure on Research and Development:**

N/A

**45. Related parties:**

- i) Please mention the names of key management personnel.**
- ii) Please specify the transactions with the key management personnel and balances with them at the end of the year.**
- iii) Please specify the transactions with relatives of key management personnel (in case of transactions, please mention the names of such persons and amounts.)**

**For guidance, we are giving an indicative format herewith:**

**(A) List of Related Parties**

Key Management Personnel

A Khaitan  
B J Ruck  
S Knight  
D Sen  
P Bhar

- Relatives of Key Management Personnel with whom transactions took place during the year.  
N/A

**(B) Transactions / Balances with Key Management Personnel**



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

| Year       | Remuneration for<br>the period                                                                                                |               | Loan outstanding at<br>year ended |          |
|------------|-------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------|----------|
|            | Current Year                                                                                                                  | Previous Year | Current Year                      | Previous |
|            | £Nil                                                                                                                          | £Nil          | £Nil                              | £Nil     |
| <b>(C)</b> | i) Transactions with relatives of Key Management Personnel<br>N/A                                                             |               |                                   |          |
|            | ii) Balances with relatives of Key Management Personnel<br>N/A                                                                |               |                                   |          |
| <b>(D)</b> | i) Transactions with Holding Co./Subsidiary<br>ii) Closing Balances with Holding Co./Subsidiary<br>(give nature-wise summary) |               |                                   |          |

| Name of Holding Co<br>/subsidiary | Nature of<br>Transactions/Balances                          | Y/E 31 <sup>st</sup> March 2025<br>(£) | Y/E 31 <sup>st</sup> March 2024<br>(£) |
|-----------------------------------|-------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>McLeod Russel India Ltd</b>    | <b>Loan balance B/F</b>                                     | Nil                                    | Nil                                    |
|                                   | Loan Received by BTHL including foreign exchange adjustment | Nil                                    | Nil                                    |
|                                   | Loan Repaid by BTHL including foreign exchange adjustment   | Nil                                    | Nil                                    |
|                                   | <b>Loan balance C/F</b>                                     | Nil                                    | Nil                                    |
|                                   |                                                             |                                        |                                        |
|                                   | Interest Expenditure (Gross – before tax)                   | Nil                                    | Nil                                    |
|                                   | Interest accrued but not paid at the yearend (Gross)        | Nil                                    | Nil                                    |
|                                   | Subscription received for Share capital & premium           | Nil                                    | Nil                                    |
|                                   | Royalty income (Gross-before tax)                           | Nil                                    | Nil                                    |
|                                   | Royalty accrued but not received at the yearend             | Nil                                    | Nil                                    |



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

|  |                                                                         |     |     |
|--|-------------------------------------------------------------------------|-----|-----|
|  | (Gross)                                                                 |     |     |
|  | Guarantee Commission Income (Gross)                                     | Nil | Nil |
|  | Guarantee Commission Income accrued but not paid at the yearend (Gross) | Nil | Nil |
|  | Dividend received (Gross)                                               | Nil | Nil |
|  | Dividend Paid by BTHL: Final Dividend                                   | Nil | Nil |
|  | Royalty Receivable w/off                                                | Nil | Nil |

| Name of Holding Co /subsidiary  | Nature of Transactions/Balances                             | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|---------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Mcleod Russel Uganda Ltd</b> | <b>Loan Liability balance B/F</b>                           | 5,547,996                           | 6,033,715                           |
|                                 | Loan Received by BTHL including foreign exchange adjustment | Nil                                 | Nil                                 |
|                                 | Loan Repaid by BTHL                                         | Nil                                 | (394,944)                           |
|                                 | Foreign exchange adjustment                                 | (129,023)                           | (90,775)                            |
|                                 | <b>Loan Liability balance C/F</b>                           | 5,418,973                           | 5,547,996                           |
|                                 | Interest Income (Gross – before tax)                        | Nil                                 | Nil                                 |
|                                 | Interest accrued but not received at the yearend (Gross)    | Nil                                 | Nil                                 |
|                                 | Interest Expense (Gross – before tax)                       | 380,289                             | 401,626                             |
|                                 | Interest accrued but not Paid at the yearend (Gross)        | 2,687,994                           | 2,475,543                           |
|                                 | Subscription received for Share capital & premium           | Nil                                 | Nil                                 |
|                                 | Royalty income (Gross-before tax)                           | Nil                                 | Nil                                 |
|                                 | License Fees                                                | Nil                                 | 372,005                             |
|                                 | Interest Paid                                               | Nil                                 | Nil                                 |
|                                 | Dividend Received (Gross)                                   | Nil                                 | Nil                                 |



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

| Name of Holding Co /subsidiary   | Nature of Transactions/Balances                            | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|----------------------------------|------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel Middle East</b> | <b>Loan Asset balance B/F</b>                              | Nil                                 | Nil                                 |
|                                  | Loan Given including foreign exchange adjustment           | Nil                                 | Nil                                 |
|                                  | Loan Refund received including foreign exchange adjustment | Nil                                 | Nil                                 |
|                                  | <b>Loan Asset balance C/F</b>                              | Nil                                 | Nil                                 |
|                                  |                                                            |                                     |                                     |
|                                  | Interest Income (Gross – before tax)                       | Nil                                 | Nil                                 |
|                                  | Interest accrued but not received at the yearend (Gross)   | 152,492                             | 176,742                             |
|                                  | Interest Received                                          | Nil                                 | Nil                                 |
|                                  | Other transactions                                         | Nil                                 | Nil                                 |

| Name of Holding Co /subsidiary      | Nature of Transactions/Balances                          | Y/E 31 <sup>st</sup> March 2025 (£) | Y/E 31 <sup>st</sup> March 2024 (£) |
|-------------------------------------|----------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>McLeod Russel Africa Limited</b> | <b>Loan Asset balance B/F</b>                            | 1,071,428                           | 1,206,138                           |
|                                     | Loan Given including foreign exchange adjustment         | Nil                                 | Nil                                 |
|                                     | Loan Refund received                                     | Nil                                 | (117,428)                           |
|                                     | Foreign exchange adjustment                              | (24,917)                            | (17,282)                            |
|                                     | <b>Loan Asset balance C/F</b>                            | 1,046,512                           | 1,071,428                           |
|                                     |                                                          |                                     |                                     |
|                                     | Interest Income (Gross – before tax)                     | 74,144                              | 83,479                              |
|                                     | Interest accrued but not received at the yearend (Gross) | £22,069                             | £35,033                             |
|                                     | Other transactions                                       | Nil                                 | Nil                                 |

**46. Quantitative details of Tea**

N/A

**47. Quantitative detail of Green Leaf Consumed**

N/A

**48. Derivative Instruments and Unhedged Foreign Currency Exposure:**

**a) Derivatives outstanding as at the reporting date:-**

|  |  | Name of | 31 <sup>st</sup> March | 31 <sup>st</sup> March |
|--|--|---------|------------------------|------------------------|
|--|--|---------|------------------------|------------------------|



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
Notes to Stand Alone Financial Statements (Contd.)

| Particulars                      | Purpose                                           | Foreign Currency | 2025                       | 2024                       |
|----------------------------------|---------------------------------------------------|------------------|----------------------------|----------------------------|
|                                  |                                                   |                  | Amount in Foreign Currency | Amount in Foreign Currency |
| Forward Contracts                | Hedging of foreign currency receivables           | N/A              | Nil                        | Nil                        |
| Currency swap for loan-principal | Shifting repayment-obligation to another currency | N/A              | Nil                        | Nil                        |
| Interest-rate swap               | Hedging of floating interest-rate (Note-1)        | US\$             | Nil                        | Nil                        |
|                                  |                                                   |                  |                            |                            |

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

| Particulars                                                                                      | Purpose                                                     | Name of Foreign Currency                | 31 <sup>st</sup> March 2025 | 31 <sup>st</sup> March 2024 |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------|-----------------------------|
|                                                                                                  |                                                             |                                         | Amount in Foreign Currency  | Amount in Foreign Currency  |
| Financial Assets:-<br><b>MRIL</b><br>Royalty income due from MRIL                                | Income receivable                                           | Not applicable as invoice raised in GBP | Not applicable              | Not applicable              |
| Financial Assets:-<br><b>PBTCL</b><br>Loan due from PBTCL rd)<br>Interest on loan due from PBTCL | Intercompany loan<br>Income receivable<br>Intercompany loan | USD<br>USD<br>USD                       | Nil<br>Nil<br>Nil           | Nil<br>Nil<br>Nil           |
| Financial Assets:-<br><b>MRME</b><br>Loan due from MRME<br>Interest on loan due from MRME        | Intercompany loan<br>Intercompany loan                      | USD<br>USD                              | Nil<br>160,118              | Nil<br>220,188              |
| Financial Assets:-<br><b>MRAL</b>                                                                |                                                             |                                         |                             |                             |



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

|                                        |                    |      |           |           |
|----------------------------------------|--------------------|------|-----------|-----------|
| Loan due from MRAL                     | Intercompany Loan  | USD  | 1,350,000 | 1,350,000 |
|                                        |                    |      |           |           |
| Financial Liabilities:-<br><b>MRIL</b> |                    |      |           |           |
| Loan due to MRIL                       | Intercompany Loan  | InRs | Nil       | Nil       |
| Commission payable due to MRIL         | Commission payable | InRs | Nil       | Nil       |
| Financial Liabilities:-<br><b>MRUL</b> |                    |      |           |           |
| Loan due to MRUL                       | Intercompany Loan  | USD  | 6,990,476 | 6,990,476 |

Last Year BTHL should have received the consideration from the sale of PBT, however due to the fact that PBT shares were pledged by BTHL in favour of a company that provided loan to its parent company. BTHL did not receive anything and all the sale proceeds went to that Company. As MRIL still owed this money to BTHL we have recognised this amount as loan due from MRIL amounting to US\$2,150,000 (£1,773,103) as amount receivable and also provided full bad debt provision against it as MRIL is unable to pay it in the near future.

**c) Mark to market Losses Provided for**

| Particulars                     | Purpose and Detail | <b>31<sup>st</sup> March 2025 (£)</b> | <b>31<sup>st</sup> March 2024 (£)</b> |
|---------------------------------|--------------------|---------------------------------------|---------------------------------------|
|                                 |                    | Amount                                | Amount                                |
| Loans                           |                    | Nil                                   | Nil                                   |
|                                 |                    |                                       |                                       |
| Total (See Internal Note Below) |                    | Nil                                   | Nil                                   |

**Internal Note:**

**49. Assets pledged /hypothecated/mortgaged as security**

Please see note below

| Particulars                             | <b>Current Balance Sheet</b> | <b>Last Balance Sheet</b> |
|-----------------------------------------|------------------------------|---------------------------|
|                                         | Amount                       | Amount                    |
| <b><u>Current Assets:</u></b>           |                              |                           |
| <b>Financial Assets</b>                 |                              |                           |
| Trade Receivables                       |                              |                           |
| Cash and Cash Equivalents               |                              |                           |
| Loans                                   |                              |                           |
| Current Tax Assets (Net)                |                              |                           |
| Other Financial Assets (Please Specify) |                              |                           |



BORELLI TEA HOLDINGS LIMITED  
Year Ended 31<sup>st</sup> March 2025  
Notes to Stand Alone Financial Statements (Contd.)

|                                                     |                  |  |  |
|-----------------------------------------------------|------------------|--|--|
|                                                     | <b>Sub Total</b> |  |  |
| <b>Non-financial Assets</b>                         |                  |  |  |
| Inventories                                         |                  |  |  |
| Biological Assets                                   |                  |  |  |
| Other Current Assets (Please Specify)               |                  |  |  |
| <b>Sub Total</b>                                    |                  |  |  |
| <b>Total Current assets pledged as security (a)</b> |                  |  |  |
| <b>Non-current Assets</b>                           |                  |  |  |
| Property, Plant and Equipment                       |                  |  |  |
| Capital Work-in-Progress                            |                  |  |  |
| Other Non-Current Assets (Please Specify)           |                  |  |  |
|                                                     | <b>(b)</b>       |  |  |
| <b>Total Assets pledged as security</b>             | <b>(a+b)</b>     |  |  |

**50. Contractual obligation of payment of Principal and Interest on Long-term borrowings:-**

N/A

**51. Borrowings at Floating Interest-rate:**

N/A

**52. Maturity Analysis of Financial Liabilities:-**

N/A

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



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

| <b>Particulars</b>          | <b>Fair Value through Profit and Loss Account (£)</b> | <b>Fair Value through Other Comprehensive Income (£)</b> | <b>Financial Assets-At amortised cost (£)</b> | <b>Fair Valuation Hierarchy (£)</b> |
|-----------------------------|-------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------|-------------------------------------|
|                             |                                                       |                                                          |                                               |                                     |
| Loans Receivable            |                                                       |                                                          | 1,046,512                                     |                                     |
| Other Financial Assets      |                                                       |                                                          | 991                                           |                                     |
| Trade Receivables           |                                                       |                                                          | Nil                                           |                                     |
| Cash and Cash Equivalents   |                                                       |                                                          | 59,114                                        |                                     |
| Borrowings                  |                                                       |                                                          | 5,418,973                                     |                                     |
| Trade Payables              |                                                       |                                                          | Nil                                           |                                     |
| Other Financial Liabilities |                                                       |                                                          | 3,365,590                                     |                                     |
|                             |                                                       |                                                          |                                               |                                     |

**54. Significant events/transactions taken place between the date of financial year end of subsidiaries (31<sup>st</sup> December 2024) and the date of financial year end of holding company Borelli (31<sup>st</sup> March, 2025)**

**McLeod Russel Uganda Ltd**  
None Noted

**McLeod Russel Middle East**  
None Noted

**McLeod Russel Africa**  
None Noted

**McLeod Russel India Limited**  
None Noted

**55. Lease Disclosure:**



**BORELLI TEA HOLDINGS LIMITED**  
**Year Ended 31<sup>st</sup> March 2025**  
**Notes to Stand Alone Financial Statements (Contd.)**

N/A

**56. Currency:**

All amounts mentioned in above notes are in home-currency (i.e. GBP Sterling),  
unless stated in specific foreign-currency.

**57. Previous Year's figures:**

N/A

**58. Exceptional Items**

None

  
Director

22/5/25

