

Crytel Mauritius Limited
Republic of Mauritius

Unaudited Consolidated Financial Statements
Period from 1 January 2024 to 31 March 2024

Crytel Mauritius Limited

Unaudited Consolidated Financial Statements Period from 1 January 2024 to 31 March 2024

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Crytel Mauritius Limited

Director's report Period from 1 January 2024 to 31 March 2024

We submit our report of Crytel Mauritius Limited (the **Company**) for 3 Months ended 31 March 2024.

Review of business and its performance

The Company holds investments fully in its subsidiary companies Metallurgy International Limited in Seychelles and PP Metal Recycling Limited in Marshall Islands. Its objective is to trade in ferrous and non ferrous metals in international market.

During the 3 month period, the Company achieved a consolidated revenue of USD 909.44 million and earned a consolidated profit of USD 8.77 million in the period.

No dividend is proposed for the current period.

Events since the end of the reporting period

There are no significant events since the end of the reporting period.

Management responsibilities

We confirm that we are responsible for these financial statements, which have been prepared in conformity with the statutory requirements and the International Financial Reporting Standards, including selecting the accounting policies and making the judgements underlying them. We further confirm that we have made available all relevant accounting records and information for compilation of these financial statements and that all transactions have been recorded and are reflected in the financial statements.



Director

14-Apr-2024

Crytel Mauritius Limited

Unaudited Consolidated Statement of profit or loss and other comprehensive income 3 Month ended 31 March 2024

| | | For the period from 1st Jan 2024 to 31st Mar 2024 | For the period from 1st Oct 2023 to 31st Dec 2023 |
|---|------|--|--|
| | Note | USD | USD |
| Revenue | 5 | 909,438,269 | 657,925,645 |
| Cost of revenue | 6 | <u>(893,159,324)</u> | <u>(651,655,232)</u> |
| Gross profit | | 16,278,945 | 6,270,413 |
| Administrative expenses | 7 | (5,003,829) | (3,371,626) |
| Fair value gain / (loss) - investments in equity shares | | (2,291,466) | 3,467,240 |
| Finance cost | | (211,320) | (232,766) |
| Profit for the period | | 8,772,330 | 6,133,261 |
| Other comprehensive income | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the period | | <u>8,772,330</u> | <u>6,133,261</u> |

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Unaudited Consolidated Statement of financial position As at 31 March 2024

| | Note | 31 Mar 2024 USD | 31 Dec 2023 USD |
|--|------|--------------------|--------------------|
| Non-current assets | | | |
| Fixed assets | 8 | 1,086,588 | 1,114,449 |
| Goodwill | 9 | 69,940,085 | 69,940,085 |
| Advance to suppliers | 10 | 6,225,000 | 6,225,000 |
| Investment available for sale | 11 | 3,471,005 | 5,762,471 |
| | | 80,722,678 | 83,042,005 |
| Current assets | | | |
| Trade and other receivables | 12 | 295,168,312 | 639,154,043 |
| Cash and cash equivalents | 13 | 1,107,587 | 1,628,181 |
| | | 296,275,899 | 640,782,224 |
| | | 376,998,577 | 723,824,229 |
| Total assets | | | |
| Shareholders' funds | | | |
| Share capital | 14 | 112,635,002 | 112,635,002 |
| Security premium | | 112,625,002 | 112,625,002 |
| Retained earnings | | 72,589,786 | 63,817,456 |
| Equity funds | | 297,849,790 | 289,077,460 |
| Current liabilities | | | |
| Loans payable | 15 | 10,632,455 | 10,632,455 |
| Trade and other payables | 16 | 68,516,332 | 424,114,314 |
| | | 79,148,787 | 434,746,769 |
| | | 376,998,577 | 723,824,229 |
| Total Shareholders' funds and liabilities | | | |

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Unaudited Consolidated Statement of changes in equity As at 31 March 2024

| | Share capital (Including premium) USD | Retained earnings USD | Total USD |
|--|---|-----------------------------|--------------------|
| As at 1st Oct 2023 | 225,260,004 | 57,684,195 | 282,944,199 |
| Profit for the period 1st Oct 2023 to 31st Dec 2023 | - | 6,133,261 | 6,133,261 |
| As at 31 Dec 2023 | 225,260,004 | 63,817,456 | 289,077,460 |
| Profit for the period 1st Jan 2024 to 31st March 2024 | - | 8,772,330 | 8,772,330 |
| As at 31 March 2024 | 225,260,004 | 72,589,786 | 297,849,790 |

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Unaudited Consolidated Statement of cash flows 3 Month ended 31 March 2024

| | 31 Mar 2024 | 31 Dec 2023 |
|---|-------------------------|-------------------------|
| | USD | USD |
| Cash flows from operating activities | | |
| Profit for the period | 8,772,330 | 6,133,261 |
| Fair value (gain)/ loss - investment in equity shares | 2,291,466 | (3,467,240) |
| Interest (net) | 211,320 | 232,766 |
| Depreciation on property and equipment | 27,861 | 30,957 |
| | <u>11,302,977</u> | <u>2,929,744</u> |
| Changes in operating assets and liabilities | | |
| (Increase)/Decrease in trade and other receivables | 343,985,731 | (330,488,884) |
| (Increase)/Decrease in other assets | - | 344,994 |
| Increase/(Decrease) in trade and other payables | <u>(355,597,982)</u> | <u>336,568,791</u> |
| Cash generated from operating activities | <u>(309,274)</u> | <u>9,354,645</u> |
| Cash flows from Investing Activity activities | | |
| Loan Repaid (net) | - | (8,923,217) |
| Interest (net) | (211,320) | (232,766) |
| | <u>(211,320)</u> | <u>(9,155,983)</u> |
| Cash generated from investing activities | <u>(211,320)</u> | <u>(9,155,983)</u> |
| Net increase in cash and cash equivalents | (520,594) | 198,662 |
| Cash and cash equivalents at beginning of the period | 1,628,181 | 1,429,519 |
| Cash and cash equivalents at end of the period | <u><u>1,107,587</u></u> | <u><u>1,628,181</u></u> |

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Notes to the Unaudited consolidated financial statements 3 Month ended 31 March 2024

1 Legal status and business activity

- a) **Crytel Mauritius Limited** (the **Company**), was incorporated on 16 September 2020 under section 24 of Companies Act in Mauritius and operates under Registration No. 175076. The registered office of the Company is located at 6th Floor, Tower A, 1 CyberCity, Ebene, Republic of Mauritius.
- b) The Company holds investments fully in its subsidiary companies Metallurgy International Limited in Seychelles and PP Metal Recycling Limited in Marshall Islands. Its objective is to trade in ferrous and non ferrous metals in international market.

2 Basis of preparation

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and improvement/amendments to IFRS issued by International Financial Reporting Interpretations Committee (IFRIC).

b) Going concern basis of accounting

The financial statements have been prepared on a going concern basis on the assumption that the Company will be able to meet its payment obligations as and when they fall due for payment, the financial support of the Shareholders and related parties would be available on a continuing basis. The Company's operations are profitable and it has sound financial position.

c) Accrual basis of accounting

The Company prepares the financial statements, except for cash flows information, using the accrual basis of accounting i.e. all items of assets, liabilities, equity, income and expenses are recognised as they arise.

d) Use of significant estimates, assumptions and judgements

In preparing the financial statements, based on the historical experience and reasonable expectations of future events, the management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingencies and commitments. These relate to provision for doubtful trade receivables and loans & advances.

Impairment of assets

Financial assets are assessed at each reporting date to determine whether there is any evidence of impairment which is judged by default or delinquency by a debtor, the age of the debts, management experience and assessed creditworthiness of the debtor.

In the case of non-financial assets a review is made to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss, if the carrying amount of the asset exceeds its recoverable amount.

3 Summary of significant accounting policies

The significant accounting policies adopted and which have been consistently applied are as follows:

a) Revenue

Revenue represents the amounts invoiced goods sold & delivered during the period, net of discounts and returns. Sale of goods is recognised when significant risks and rewards relating to the ownership of goods concerned are transferred to the customers.

b) Cost of revenue recognition

Cost of revenue includes costs of goods purchased and costs which are directly identifiable with the costs of goods sold.

Crytel Mauritius Limited

Notes to the Unaudited consolidated financial statements 3 Month ended 31 March 2024

d) Foreign currency transactions

Transactions in foreign currencies are translated into US Dollars at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into US Dollars at the rate of exchange ruling at end of the reporting period.

Gains or losses resulting from settlement of foreign currency transactions are taken to the statement of profit or loss on net basis as either foreign exchange gains or foreign exchange losses and included in finance income or finance costs respectively.

e) Cash and cash equivalents

Cash and cash equivalents comprise of cash, balances in current accounts with a bank and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit.

f) Trade payables, provisions and accruals

Liabilities for trade payables and accruals are recognised for amounts to be paid in future for goods and services availed, whether or not billed to the Company.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

g) Statement of cash flows

Statement of cash flows is prepared segregating the cash flows from operating, investing and financing activities based on the nature of items. Cash flows under the operating activities are reported using the indirect method, whereby profit/(loss) is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future of cash receipts and payments and for items of income and expenses which are reflected in investing or financial activities.

h) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

4 Risk management

The Company's management focuses on the unpredictability of financial markets and continually seeks to identify its risks and minimize their impact by conducting and operating the business in a prudent manner. The Company's current activities are exposed to financial risks such as credit, market and liquidity risks.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's customers, related parties and banks.

Credit risk, where relevant is explained in notes on related account balances i.e. trade and other receivables and cash and bank

Crytel Mauritius Limited

Notes to the Unaudited consolidated financial statements 3 Month ended 31 March 2024

b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company buys & sells goods, renders & pays for services in US Dollar, thereby exposure to currency risk is minimized in the day to day operations being carried out by the Company.

At end of the reporting period, there are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in US Dollar. The currency risk, where relevant is explained in the notes on the related account balances, namely trade and other receivables, cash and bank and trade payables

Interest rate risk

The Company does not face interest rate risk except for the interest to be received on loans and advances which is at a fixed rate of interest hence is exposed to fair value interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management continuously monitors its cash flows to determine its cash requirements and makes comparison with its funded and un-funded facilities with banks and also arranges funds from its Shareholder or related parties, if required to ensure that adequate funds are available to meet its payment obligations on time.

Crytel Mauritius Limited

Notes to the Unaudited consolidated financial statements 3 Month ended 31 March 2024

| | | For the period from 1st Jan 2024 to 31st Mar 2024 USD | For the period from 1st Oct 2023 to 31st Dec 2023 USD |
|-----|---|---|---|
| 5 | Revenue | | |
| | Commodity trading | 909,438,269 | 657,925,645 |
| | | 909,438,269 | 657,925,645 |
| 6 | Cost of revenue | | |
| | Cost of purchase | 893,159,324 | 651,655,232 |
| | | 893,159,324 | 651,655,232 |
| 7 | Administrative expenses | | |
| | Salaries and benefits | 2,552,058 | 2,083,761 |
| | Communication & utilities | 52,791 | 32,868 |
| | Commission & brokerage | 636,451 | (54,317) |
| | Depreciation | 27,861 | 30,957 |
| | Other expenses | 1,734,668 | 1,278,357 |
| | | 5,003,829 | 3,371,626 |
| 8 | Property, plant & equipments | | |
| 8.1 | Cost | | USD |
| | As on 01-01-2024 | | |
| | Office equipment , Furniture & Fixtures | | 2,097,033 |
| | Addition during the period | | - |
| | As on 31-03-2024 | | 2,097,033 |
| 8.2 | Accumulated Depreciation | | USD |
| | As on 01-01-2024 | | 982,584 |
| | Depreciation during the period | | 27,861 |
| | As on 31-03-2024 | | 1,010,445 |
| 8.3 | Net Book Value | | USD |
| | As on 01-01-2024 | | 1,114,449 |
| | As on 31-03-2024 | | 1,086,588 |
| | | As on 31st Mar 2024 | As on 31st Dec 2023 |
| 9 | Goodwill | | |
| | Goodwill | 69,940,085 | 69,940,085 |
| | | 69,940,085 | 69,940,085 |
| 10 | Advance to suppliers | | |
| | Advance to suppliers | 6,225,000 | 6,225,000 |
| | | 6,225,000 | 6,225,000 |

Crytel Mauritius Limited

Notes to the Unaudited consolidated financial statements 3 Month ended 31 March 2024

| | As on 31st Mar 2024 | As on 31st Dec 2023 |
|---|------------------------|------------------------|
| 11 Investment available for sale | | |
| Investment | 3,471,005 | 5,762,471 |
| | 3,471,005 | 5,762,471 |
| 12 Trade and other receivables | | |
| Trade receivables | 295,640,319 | 639,626,050 |
| Less: Allowance for expected credit loss | (472,007) | (472,007) |
| | 295,168,312 | 639,154,043 |
| 13 Cash and cash equivalents | | |
| Cash & cash equivalents | 1,107,587 | 1,628,181 |
| | 1,107,587 | 1,628,181 |
| a) Credit risk | | |
| i) As per the credit policy of the Company, customers are extended credit periods ranging upto 180 days on the basis of assessment of their creditworthiness, judged by their conduct in the past and management's trade experience, their reputation of financial standing, market information and the market in which they operate. The outstanding amounts are monitored and follow up for recovery is done by periodic calls and visits to the customers. | | |
| ii) Having regard to the regularity of dealing with the customers, recoveries being made and review of conduct of the individual accounts, in the opinion of the management, no provision for doubtful debts is required as at the end of the reporting period. | | |
| b) Currency risk | | |
| The Company's receivables are primarily designated in the US Dollar, hence there is no currency exchange risk with respect to trade receivables. | | |
| 14 Share capital | | |
| i) Authorized, issued and paid up capital of the Company is USD 112,635,002 divided in to 112,635,002 shares of USD 1 each. | | |
| 15 Loan Payable | | |
| Third party - unsecured | 10,632,455 | 10,632,455 |
| | 10,632,455 | 10,632,455 |
| 16 Trade and other payables | | |
| Trade and other payables | 68,516,332 | 424,114,314 |
| | 68,516,332 | 424,114,314 |

For Crytel Mauritius Limited

M. V. S. S.

Director