

Crytel Mauritius Limited
Republic of Mauritius

Consolidated Financial Statements
Period from 1 April 2022 to 30 June 2022

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Contents	Page
Director's report	1
Consolidated statement of profit or loss and other comprehensive income	2
Consolidated statement of financial position	3
Consolidated statement of changes in equity	4
Consolidated statement of cash flows	5
Notes to the consolidated financial statements	6 - 10

Crytel Mauritius Limited

Director's report Period from 1 April 2022 to 30 June 2022

We submit our report of Crytel Mauritius Limited (the **Company**) for 3 Months ended 30 June 2022.

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 572.15 million and earned a consolidated profit of USD 4.68 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

5-Sep-2022

Crytel Mauritius Limited

Consolidated Statement of profit or loss and other comprehensive income 3 Month ended 30 June 2022

		For the period from 1st April 2022 to 30th June 2022	For the period from 1st Jan 2022 to 31st March 2022
	Note	USD	USD
Revenue	5	572,150,164	556,142,518
Cost of revenue	6	<u>(562,821,333)</u>	<u>(543,436,130)</u>
Gross profit		9,328,831	12,706,388
Administrative expenses	7	(3,389,278)	(3,331,217)
Fair value gain / (loss) - investments in equity shares		(846,689)	(1,093,639)
Finance cost		(412,056)	(400,460)
Profit for the period		4,680,808	7,881,072
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>4,680,808</u>	<u>7,881,072</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

Consolidated Statement of financial position As at 30 June 2022

	Note	30 June 2022 USD	31 March 2022 USD
Non-current assets			
Fixed assets	8	1,307,071	1,341,467
Goodwill	9	69,940,085	69,940,085
Advance to suppliers	10	6,700,000	6,700,000
Investment	11	3,316,197	4,162,886
		81,263,353	82,144,438
Current assets			
Loan receivable	12	2,091,233	2,091,233
Trade and other receivables	13	243,819,354	257,584,268
Cash and cash equivalents	14	1,541,526	1,509,857
		247,452,113	261,185,358
Total assets		328,715,466	343,329,796
Shareholders' funds			
Share capital	14	112,635,002	112,635,002
Security premium		112,625,002	112,625,002
Retained earnings		22,266,305	17,585,497
Equity funds		247,526,309	242,845,501
Current liabilities			
Trade and other payables	15	81,128,324	100,408,462
Due to related party	16	60,833	75,833
		81,189,157	100,484,295
Total Shareholders' funds and liabilities		328,715,466	343,329,796

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

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Consolidated Statement of cash flows 3 Month ended 30 June 2022

	30 June 2022	31 March 2022
	USD	USD
Cash flows from operating activities		
Profit for the period	4,680,808	7,881,072
Fair value (gain)/ loss - investment in equity shares	846,689	1,093,639
Depreciation on property and equipment	34,396	34,396
	<u>5,561,893</u>	<u>9,009,107</u>
Changes in operating assets and liabilities		
Increase in trade and other receivables	13,764,914	61,867,776
Increase in trade and other payables	(19,280,138)	(70,883,068)
Increase in due to related party	(15,000)	22,801
Cash generated from operating activities	<u>31,669</u>	<u>16,616</u>
Net increase in cash and cash equivalents	31,669	16,616
Cash and cash equivalents at beginning of the period	1,509,857	1,493,241
Cash and cash equivalents at end of the period	<u>1,541,526</u>	<u>1,509,857</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

Consolidated Statement of changes in equity As at 30 June 2022

	Share capital (Including premium) USD	Retained earnings USD	Total USD
As at 1 January 2022	225,260,004	9,704,425	234,964,429
Profit for the period 1st Jan 2022 to 31st Mar 2022	-	7,881,072	7,881,072
As at 31 March 2021	225,260,004	17,585,497	242,845,501
Profit for the period 1st April 2022 to 30th June 2022	-	4,680,808	4,680,808
As at 30 June 2022	225,260,004	22,266,305	247,526,309

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 consolidated financial statements 3 Month ended 30 June 2022

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 &

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 consolidated financial statements 3 Month ended 30 June 2022

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 consolidated financial statements

3 Month ended 30 June 2022

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 consolidated financial statements 3 Month ended 30 June 2022

	For the period from 1st Apr 2022 to 30th June 2022 USD	For the period from 1st Jan 2022 to 31st March 2022 USD
5 Revenue		
Commodity trading	572,150,164	556,142,518
	572,150,164	556,142,518
6 Cost of revenue		
Cost of purchase	562,821,333	543,436,130
	562,821,333	543,436,130
7 Administrative expenses		
Salaries and benefits	1,871,416	1,848,562
Communication & utilities	38,452	31,529
Commission & brokerage	819,857	801,248
Depreciation	34,396	34,396
Other expenses	625,157	615,482
	3,389,278	3,331,217
8 Property, plant & equipments		
8.1 Cost		
As on 01-04-2022		
Office equipment , Furniture & Fixtures		2,097,033
Addition during the period		-
As on 30-06-2022		2,097,033
8.2 Accumulated Depreciation		
As on 01-04-2022		755,566
Depreciation during the period		34,396
As on 30-06-2022		789,962
8.3 Net Book Value		
As on 30-06-2022		1,307,071
As on 01-04-2022		1,341,467
	As on 30th June 2022	As on 31st Marc 2022
9 Goodwill		
Goodwill	69,940,085	69,940,085
	69,940,085	69,940,085
10 Advance to suppliers		
Advance to suppliers	6,700,000	6,700,000
	6,700,000	6,700,000

Crytel Mauritius Limited

Notes to the consolidated financial statements 3 Month ended 30 June 2022

	As on 30th June 2022	As on 31st Marc 2022
11 Investment		
Investment	3,316,197	4,162,886
	<u>3,316,197</u>	<u>4,162,886</u>
12 Loan receivable	2,091,233	2,091,233
	<u>2,091,233</u>	<u>2,091,233</u>
13 Trade and other receivables		
Trade receivables	244,108,210	257,873,124
Less: Allowance for expected credit loss	-288,856	-288,856
	<u>243,819,354</u>	<u>257,584,268</u>
14 Cash and cash equivalents		
Cash & cash equivalents	1,541,526	1,509,857
	<u>1,541,526</u>	<u>1,509,857</u>
b) 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.		
c) 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 Trade and other payables		
Trade and other payables	81,128,324	100,408,462
	<u>81,128,324</u>	<u>100,408,462</u>
16 Due to related party		
Due to PP Metallix Limited	23,750	38,750
Due to Crytel Limited	37,083	37,083
	<u>60,833</u>	<u>75,833</u>
17	Comparative figures for quarter ended 31 March 2022 has been reclassified on the basis of the workings done by the auditor related to goodwill computation and pre acquisition profit.	

For Crytel Mauritius Limited



Director