

Crytel Mauritius Limited
Republic of Mauritius

Consolidated Financial Statements
Period ended 31 Dec 2021

Crytel Mauritius Limited

Consolidated Financial Statements Period ended 31 Dec 2021

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Crytel Mauritius Limited

Director's report Period ended 31 Dec 2021

We submit our report of Crytel Mauritius Limited (the **Company**) for 3 Months ended 31 Dec 2021.

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 442.07 million and earned a consolidated profit of USD 4.3 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

9-Feb-2022

Crytel Mauritius Limited

Consolidated Statement of profit or loss and other comprehensive income 3 Month ended 31 Dec 2021

	Note	For the period from 1st Oct 2021 to 31st Dec 2021 USD
Revenue	5	442,077,874
Cost of revenue	6	<u>(434,847,782)</u>
Gross profit		7,230,092
Administrative expenses	7	(2,318,534)
Finance cost		(406,020)
Profit for the period		4,505,538
Other comprehensive income		<u>-</u>
Total comprehensive income for the period		<u><u>4,505,538</u></u>

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

Approved by the Director and authorised for issue on 29 January 2022

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Consolidated Statement of financial position As at 31 Dec 2021

	Note	31 Dec 2021 USD
Non-current assets		
Fixed assets	8	1,375,863
Goodwill	9	112,625,001
Advance to suppliers	10	6,700,000
Investment available for sale	11	1,747,200
		<u>122,448,064</u>
Current assets		
Trade and other receivables	12	319,407,419
Cash and cash equivalents	13	1,493,241
		<u>320,900,660</u>
Total assets		<u>443,348,724</u>
Shareholders' funds		
Share capital	14	112,635,002
Security premium		112,625,002
Retained earnings		46,744,158
Equity funds		<u>272,004,162</u>
Current liabilities		
Trade and other payables	15	171,291,530
Due to related party	16	53,032
		<u>171,344,562</u>
Total Shareholders' funds and liabilities		<u>443,348,724</u>

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

Approved by the Director and authorised for issue on 29 January 2022.

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Consolidated Statement of changes in equity Period ended 31 Dec 2021

	Share capital (Including premium) USD	Retained earnings USD	Total USD
As at 1 October 2021	225,260,004	42,238,620	267,498,624
Profit for the period	-	4,505,538	4,505,538
As at 31 Dec 2021	225,260,004	46,744,158	272,004,162

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

Approved by the Director and authorised for issue on 29 January 2022

For **Crytel Mauritius Limited**



Director

Crytel Mauritius Limited

Consolidated Statement of cash flows Period ended 31 Dec 2021

31 Dec 2021

USD

Cash flows from operating activities

Profit for the period

4,505,538

Depreciation on property and equipment

38,219

4,543,757

Changes in operating assets and liabilities

Increase in trade and other receivables

(26,014,528)

Increase in trade and other payables

21,510,232

Increase in due to related party

53,032

Cash generated from operating activities

92,493

Net increase in cash and cash equivalents

92,493

Cash and cash equivalents at beginning of the period

1,400,748

Cash and cash equivalents at end of the period

1,493,241

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

Approved by the Director and authorised for issue on 29 January 2022

For Crytel Mauritius Limited



Director

Crytel Mauritius Limited

Notes to the consolidated financial statements

3 Month ended 31 Dec 2021

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 31 Dec 2021

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 31 Dec 2021

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 31 Dec 2021

**For the period
from 1st Oct
2021 to 31st
Dec 2021
USD**

5	Revenue		
	Commodity trading	442,077,874	
		<u>442,077,874</u>	
6	Cost of revenue		
	Cost of purchase	434,847,782	
		<u>434,847,782</u>	
7	Administrative expenses		
	Salaries and benefits	1,307,371	
	Communication & utilities	27,590	
	Commission & brokerage	724,710	
	Depreciation	38,218	
	Other expenses	220,645	
		<u>2,318,534</u>	
		As on 31 Dec 2021	
8	Property, plant & equipments		
8.1	Cost		
	Office equipment , Furniture & Fixtures	2,097,033	
		<u>2,097,033</u>	
8.2	Accumulated Depreciation		
	Office equipment , Furniture & Fixtures	721,170	
		<u>721,170</u>	
8.3	Net Book Value		
	Office equipment , Furniture & Fixtures	1,375,863	
		<u>1,375,863</u>	
9	Goodwill		
	Goodwill	112,625,001	
		<u>112,625,001</u>	
10	Advance to suppliers		
	Advance to suppliers	6,700,000	
		<u>6,700,000</u>	
11	Investment available for sale		
	Investment in listed entity shares	1,747,200	
		<u>1,747,200</u>	
12	Trade and other receivables		
	Trade receivables	319,696,275	
	Less: Allowance for expected credit loss	-288,856	
		<u>319,407,419</u>	

Crytel Mauritius Limited
Notes to the consolidated financial statements
3 Month ended 31 Dec 2021

13 Cash and cash equivalents

Cash & cash equivalents	1,493,241
	1,493,241

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.

31 Dec 2021
USD

15 Trade and other payables

Trade and other payables	171,291,530
	171,291,530

16 Due to related party

Due to PP Metallix Limited	30,000
Due to Crytel Limited	23,032
	53,032

For **Crytel Mauritius Limited**



Director