

# Global Car Group Limited and its subsidiaries

Company Registration No:  
201509751E

Annual Financial Statements  
31 March 2025



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## Global Car Group Limited and its subsidiaries

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## **Global Car Group Limited and its subsidiaries**

### **Directors' statement For the financial year ended 31 March 2025**

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The directors present their statement to the members together with the audited consolidated financial statements of Global Car Group Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet of the Company for the financial year ended 31 March 2025.

#### **Opinion of the directors**

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date;
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

#### **Directors**

The directors of the Company in office at the date of this statement are:

Patrick Lee Hack Ee  
Vikram Chopra  
Mehul Agrawal  
Nael Karim Kassar  
Ruchit Agarwal  
Daniel Eugene Berce  
Shraeyansh Thakur  
Afonso Manuel Leao Da Costa Campos

#### **Arrangements to enable directors to acquire shares and debentures**

Neither at the end of year nor at any time during that financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

**Global Car Group Limited and its subsidiaries****Directors' statement  
For the financial year ended 31 March 2025****Directors' interests in shares and debentures**

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, 1967, an interest in shares of the ultimate holding company as stated below:

	Held in the name of directors			
	Direct interest		Deemed interest	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
<i>Ordinary shares of the Company</i>				
Mehul Agrawal	4,035,357	4,035,357	-	-
Vikram Chopra	4,428,716	4,428,716	-	-
Ruchit Agarwal	242,516	242,516	-	-
<i>Preference shares of the Company</i>				
Nael Karim Kassar	-	-	6,229,000	6,229,000
<i>Share granted under Employee Share Option Plan</i>				
Daniel Eugene Berce	41,248	41,248	-	-

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

**Auditor**

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:



Mehul Agrawal  
Director



Ruchit Agarwal  
Director

30 September 2025

## **Global Car Group Limited and its subsidiaries**

### **Independent Auditor's Report For the financial year ended 31 March 2025**

#### **Independent Auditor's Report to the members of Global Car Group Limited**

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### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Global Car Group Limited (formerly known as Global Car Group Pte. Limited) (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and Company as at 31 March 2025, the statement of changes in equity of the Group, and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

#### **Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

Management is responsible for other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Global Car Group Limited and its subsidiaries**

### **Independent Auditor's Report For the financial year ended 31 March 2025**

#### **Independent Auditor's Report to the members of Global Car Group Limited**

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#### **Responsibilities of management and directors for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**Global Car Group Limited and its subsidiaries**

**Independent Auditor's Report  
For the financial year ended 31 March 2025**

**Independent Auditor's Report to the members of Global Car Group Limited**

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**Auditor's responsibilities for the audit of the financial statements (cont'd)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
30 September 2025

**Global Car Group Limited and its subsidiaries****Consolidated Statement of Comprehensive Income****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

	Note	Group 2025	Group 2024
<b>Continued operations</b>			
Revenue from contracts with customers	4	934,937	1,004,870
Interest income	5	18,260	16,936
Other income	5	6,098	5,943
<b>Total income</b>		<b>959,295</b>	<b>1,027,749</b>
<b>Expenses</b>			
Purchase of traded goods	13	(809,187)	(872,710)
Changes in inventory of traded goods	13	(23,726)	(23,837)
Employee benefits expense	6	(88,842)	(84,026)
Finance costs	7	(12,934)	(17,659)
Other operating expenses	8	(80,884)	(83,850)
Depreciation of property, plant and equipment and right-of-use assets	10	(8,169)	(12,349)
Amortisation of intangible assets	11	(217)	(504)
<b>Loss before share of net profit of investment accounted for using equity method and tax</b>		<b>(64,664)</b>	<b>(67,186)</b>
Add: Share of net loss of investment accounted for using equity method		(232)	(35)
<b>Loss for the financial year</b>		<b>(64,896)</b>	<b>(67,221)</b>
Income tax credit	9	142	1,142
<b>Loss for the financial year from Continued Operations (a)</b>		<b>(64,754)</b>	<b>(66,079)</b>
<b>Discontinued Operations</b>			
Loss for the financial year from Discontinued Operations	29	(2,122)	(18,091)
Income tax expense	9	(5)	(3)
<b>Loss for the financial year from Discontinued Operations (b)</b>		<b>(2,127)</b>	<b>(18,094)</b>
<b>Total loss for the financial year (a) + (b)</b>		<b>(66,881)</b>	<b>(84,173)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of defined benefit plan		(18)	(159)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation		(6,427)	(3,809)
<b>Other comprehensive loss for the financial year (c)</b>		<b>(6,445)</b>	<b>(3,968)</b>
<b>Total comprehensive loss for the financial year (a)+(b)+(c)</b>		<b>(73,326)</b>	<b>(88,141)</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## Global Car Group Limited and its subsidiaries

### Balance Sheets

As at 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

	Note	Group		Company	
		2025	2024	2025	2024
<b>Non-current assets</b>					
Property, plant and equipment	10	5,757	6,347	–	–
Intangible assets	11	541	427	44	71
Goodwill	30	6,652	6,652	–	–
Rights-of-use assets	24	16,405	18,858	–	–
Investment in subsidiaries	12	–	–	846,067	729,686
Investment in associate	28	1,369	1,601	1,644	1,644
Loans and advances	15	94,598	104,628	–	2,097
Other receivables	16	4,009	4,602	–	–
Other bank deposits	17	62,683	7,221	–	–
Deferred tax assets	9	2,224	1,260	–	–
		<b>194,238</b>	<b>151,596</b>	<b>847,755</b>	<b>733,498</b>
<b>Current assets</b>					
Inventories	13	82,927	114,893	–	–
Other financial assets	14	25,534	16,538	–	–
Trade and other receivables	16	28,959	38,041	7,609	8,124
Prepaid operating expenses		2,314	1,516	18	25
Loans and advances	15	40,445	39,338	3,169	–
Cash and fixed deposits	17	182,370	303,682	70,917	182,496
Assets held for sale	10	–	804	–	–
		<b>362,549</b>	<b>514,812</b>	<b>81,713</b>	<b>190,645</b>
<b>Current liabilities</b>					
Trade and other payables	18	52,530	51,326	374	1,302
Loans and borrowings	19	61,617	73,139	–	–
Defined benefit obligations	20	417	392	–	–
		<b>114,564</b>	<b>124,857</b>	<b>374</b>	<b>1,302</b>
<b>Net current assets</b>		<b>247,985</b>	<b>389,955</b>	<b>81,339</b>	<b>189,343</b>
<b>Non-current liabilities</b>					
Loans and borrowings	19	65,773	95,689	–	–
Defined benefit obligations	20	1,546	1,518	–	–
Other payables		1,893	1,446	–	–
		<b>69,212</b>	<b>98,653</b>	<b>–</b>	<b>–</b>
<b>Net assets</b>		<b>373,011</b>	<b>442,898</b>	<b>929,094</b>	<b>922,841</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	21	1,081,089	1,081,089	1,081,089	1,081,089
Treasury shares	21	(2,396)	(2,396)	(2,396)	(2,396)
Accumulated losses		(686,544)	(616,175)	(173,347)	(172,673)
Foreign currency translation reserve	22	(42,732)	(36,305)	–	–
Share-based payment reserve	23	23,574	16,647	23,574	16,647
Remeasurement reserve		(154)	(136)	–	–
General reserve		174	174	174	174
<b>Total equity</b>		<b>373,011</b>	<b>442,898</b>	<b>929,094</b>	<b>922,841</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

**Global Car Group Limited and its subsidiaries**

**Consolidated statement of changes in equity  
For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

	Share capital (Note 21)	Treasury shares (Note 21)	Accumulated Losses	Foreign currency translation reserve (Note 22)	Share-based payment reserve (Note 23)	Remeasurement Reserve	General reserve	Total equity
At 1 April 2024	1,081,089	(2,396)	(616,175)	(36,305)	16,647	(136)	174	442,898
Loss for the financial year	–	–	(66,881)	–	–	–	–	(66,881)
Other comprehensive loss	–	–	–	(6,427)	–	(18)	–	(6,445)
Total comprehensive income for the financial year	–	–	(66,881)	(6,427)	–	(18)	–	(73,326)
Transfer from reserves	–	–	(3,488)	–	3,488	–	–	–
Issuance of employee shares options	–	–	–	–	4,762	–	–	4,762
Repurchase of employee share-based compensation	–	–	–	–	(1,323)	–	–	(1,323)
<b>Balance as at 31 March 2025</b>	<b>1,081,089</b>	<b>(2,396)</b>	<b>(686,544)</b>	<b>(42,732)</b>	<b>23,574</b>	<b>(154)</b>	<b>174</b>	<b>373,011</b>
At 1 April 2023	1,081,154	(2,396)	(532,067)	(32,496)	12,355	23	174	526,747
Loss for the financial year	–	–	(84,173)	–	–	–	–	(84,173)
Other comprehensive loss	–	–	–	(3,809)	–	(159)	–	(3,968)
Total comprehensive loss for the financial year	–	–	(84,173)	(3,809)	–	(159)	–	(88,141)
Transfer from share capital to accumulated losses	(65)	–	65	–	–	–	–	–
Issuance of employee shares options	–	–	–	–	4,361	–	–	4,361
Repurchase of employee share-based compensation	–	–	–	–	(69)	–	–	(69)
Balance as at 31 March 2024	1,081,089	(2,396)	(616,175)	(36,305)	16,647	(136)	174	442,898

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements*

**Global Car Group Limited and its subsidiaries****Consolidated Cash Flow Statement****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

	Group	
	2025	2024
<b>Cash flows from operating activities</b>		
Loss before income tax - Continued Operations	(64,896)	(67,221)
Loss before income tax - Discontinued Operations	(2,122)	(18,091)
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	8,704	12,925
Amortisation of intangible assets	217	504
Impairment of property, plant and equipment	82	2075
Allowance for doubtful loans and receivables	4,095	3,198
Fair value gain on financial instruments	(386)	(9)
Adjustment of intangible assets	-	(35)
Finance costs	13,154	17,785
Interest income	(18,185)	(16,956)
Defined benefit expense	740	653
Provision/(write back) of inventories	1,891	(3,946)
Gain on derecognition of lease liability	(81)	(1,337)
Adjustment on lease liability and ROU asset	(260)	(428)
(Profit)/loss on disposal of property, plant and equipment	(84)	21
Profit on sale of mutual funds	(771)	(452)
Inventories written off	45	513
Write off of financial assets carried at amortised cost	2,700	2,236
Share of net loss of associate	232	35
Share-based payment expense	4,762	4,361
<b>Operating cash flow used before working capital changes</b>	<b>(50,163)</b>	<b>(64,169)</b>
<b>Changes in working capital</b>		
Decrease in inventories	30,038	38,170
Decrease in trade and other receivables	6,311	1,293
(Increase)/ decrease in prepaid operating expenses	(798)	2,307
Increase/(decrease) in loans and advances	6,223	(40,384)
Increase in trade and other payables	870	5,746
<b>Cash used in operations</b>	<b>(7,519)</b>	<b>(57,037)</b>
Income tax paid	(29)	(958)
Interest paid	(1,676)	(4,802)
Interest received	16,718	19,021
Currency realignment	(10,112)	(5,794)
<b>Net cash used in operating activities</b>	<b>(2,618)</b>	<b>(49,570)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including capital creditors)	(2,722)	(4,288)
Purchase of intangible assets	(391)	(157)
Proceeds from sale of property, plant and equipment	1,197	314
Proceeds from sale of Intangible assets	11	-
Net decrease in fixed deposits	53,963	52,724
Proceeds from redemption of mutual funds	2,129	1,642
(Investment)/redemption in other financial assets	(9,968)	4,512
<b>Net cash generated from investing activities</b>	<b>44,219</b>	<b>54,747</b>

**Global Car Group Limited and its subsidiaries****Consolidated Cash Flow Statement (cont'd)****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

	<b>2025</b>	<b>Group</b>	<b>2024</b>
<b>Cash flows from financing activities</b>			
Payment on buy-back of ESOPs	(1,323)		–
Repayment of principal portion of lease liabilities	(6,831)		(7,514)
Payment on buy-back of ordinary shares	–		(69)
Repayment of borrowings	(197,271)		(137,747)
Proceed from borrowings	151,683		134,664
<b>Net cash used in financing activities</b>	<b>(53,742)</b>		<b>(10,666)</b>
Net decrease in cash and cash equivalents	(12,141)		(5,489)
Effect of exchange rate differences on cash and cash equivalents	254		455
Cash and cash equivalents as at beginning of the financial year	22,292		27,326
<b>Cash and cash equivalents as at end of the financial year (Note 17)</b>	<b>10,405</b>		<b>22,292</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Global Car Group Limited and its subsidiaries**

**Notes to the Financial Statements**

**For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

**1. Corporate information**

Global Car Group Limited (the “Company”) is a public limited liability company incorporated and domiciled in Singapore.

The registered office and place of business of the Company is located at 1 Robinson Road, #18–00 AIA Tower, Singapore 048542.

The principal activity of the Company is that of investment holding company. The principal activity of the Company’s subsidiaries is disclosed in Note 12 to the financial statements.

**2. Material accounting policy information**

**2.1 Basis of preparation**

The consolidated financial statements of the Group and the balance sheet of the Company have been prepared in accordance with Singapore Financial Reporting Standards (FRS). The financial statements are prepared on a going concern basis.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in functional currency of the Group which is United States Dollars (US\$ or USD). All the numbers are presented in US\$ Thousands unless otherwise stated.

**2.2 Adoption of new and amended standards and interpretations**

The accounting policies adopted are consistent with those of the previous financial year.

**2.3 Standards issued but not yet effective**

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.3 Standards issued but not yet effective (cont'd)**

Except for the below, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

*FRS 118: Presentation and Disclosure in Financial Statements*

FRS 118 is a new standard that replaces FRS 1 Presentation of Financial Statements. FRS 118 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to FRS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of any items in the Company's financial statements.

*FRS 119 Subsidiaries without Public Accountability: Disclosures*

FRS 119 allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other FRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in FRS 110, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use.

FRS 119 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The Company is currently assessing the possible impact of FRS 119 on the Company's financial statements in the year of initial application.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.4 Basis of consolidation and business combination*****Basis of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiary is consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

***Business combination***

Business combinations are accounted for under the acquisition method. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standards. Excess of fair value of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. The accounting policy for goodwill is set out in Note 2.7(b). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the income statement on the acquisition date.

**2.5 Foreign currency**

The consolidated financial statements are presented in United States Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

**(a) Transactions and balances**

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiary and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

## 2. Material accounting policy information (cont'd)

### 2.5 Foreign currency (cont'd)

#### (b) Consolidated financial statements

For consolidation purposes, the assets and liabilities of foreign operation are translated into US\$ at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions/average exchange rate for the year. The exchange differences arising on the translation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss.

### 2.6 Property, plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful life of the asset as follows:

Furniture and fixtures	–	10 years
Office equipment	–	5 years
Computers	–	3 – 6 years
Leasehold improvements	–	Over lease period or the useful life of asset whichever is lower
Plant and machinery	–	5 – 8 years
Motor vehicles	–	5 – 8 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

### 2.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are capitalised carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.7 Intangible assets (cont'd)

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the Group amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

#### (a) Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised on a straight-line basis over the period of expected future benefit from the related project. Amortisation is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

A summary of amortisation policies applied to the Group's and Company's intangible assets is as below:

Computer software	–	5 years
Internally generated assets	–	3 years
Licenses	–	3 years

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.7 Intangible assets (cont'd)

#### (b) Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the goodwill, with the recoverable amount of the cash-generating unit (CGU).

Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in the income statement. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that cash-generating unit (or group of cash-generating units) is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit (or group of cash-generating units) retained.

### 2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.8 Impairment of non-financial assets (cont'd)**

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

**2.9 Subsidiaries and associates**

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investment in subsidiary is accounted for at cost less impairment losses.

*Investment in associate*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associate.

Under the equity method of accounting applicable for investments in an associate, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee, and the Group's share of other comprehensive income of the investee, other changes to the investees net assets and is further adjusted for impairment losses, if any. Dividend received or receivable from associate and joint ventures are recognised as a reduction in carrying amount of the investment.

The consolidated income statement and consolidated statement of comprehensive income include the Group's share of investee's results, except where the investee is generating losses, share of such losses in excess of the Group's interest in that investee are not recognised. If the Group's share of losses in an associate or joint venture equals or exceeds, its interests in the associate or joint venture, the Group discontinues the recognition of further losses. Accounting policies of equity accounted investees is changed where necessary to ensure consistency with the policies adopted by the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit after tax of associate' in the consolidated statement of comprehensive income.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.10 Financial instruments

#### (a) Financial assets

##### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group measures a financial asset at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

##### Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement category for classification of debt instruments is:

##### Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

##### Fair value through profit or loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

##### De-recognisation

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognisation of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.10 Financial instruments (cont'd)****(b) Financial liabilities****Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

**De-recognisation**

Financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognisation of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

**2.11 Impairment of financial assets**

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## **Global Car Group Limited and its subsidiaries**

### **Notes to the Financial Statements**

#### **For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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## **2. Material accounting policy information (cont'd)**

### **2.11 Impairment of financial assets (cont'd)**

The Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **2.12 Cash and cash equivalents**

Cash and cash equivalents comprise cash at the bank and on hand and deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

### **2.13 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Traded goods: The Group deals in used cars and each unit is separately identifiable and recorded separately at purchase cost.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

### **2.14 Employee benefits**

#### **(a) Defined contribution plans**

The Group participates in the national pension schemes in the form of retirement benefit as defined by the laws of the countries in which it has operations. The Group recognises contribution payable to the recognised provident fund scheme as expenditure, when an employee renders the related services.

#### **(b) Employee leaves entitlement**

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

The Group treats accumulated leave expected to be settled within twelve months. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet.

#### **(c) Defined benefit plans – gratuity**

The Group operates defined benefit plans for its employees. The costs of providing benefit under this plan are determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actual gains and losses for defined benefit plan is recognised in full in the period in which they occur in the statement of profit and loss.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.14 Employee benefits (cont'd)

#### (d) Employee Shares Options Scheme ("ESOS")

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted or such ESOS plan is approved. Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share based payment transaction.

### 2.15 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

#### (a) Sales of goods

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of discounts and adjusted for expected returns. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

#### (b) Sale of Services

Revenue from rendering of services, for instances, car delivery charges and parking fees are recognised when the services have been performed and rendered.

#### (c) Interest income on loans and advances

Interest income is recognised using the effective interest method over the period of time.

#### (d) Other operating revenue

Other operating revenue is recognised on accrual basis.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.15 Revenue (cont'd)****(e) Other financial services**

Other ancillary financial services are recognised when the services have been performed and rendered.

**2.16 Taxes****(a) Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**(b) Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investment in subsidiary, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**2. Material accounting policy information (cont'd)****2.16 Taxes (cont'd)****(b) Deferred tax (cont'd)**

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investment in subsidiary, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

**(c) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax except:

- Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of goods and services tax included.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.17 Leases

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

#### **As lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets

#### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Premises – 2 – 6 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful impairment. The right-of-use assets are also subject to impairment. Refer to Note 2.8.

#### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 2. Material accounting policy information (cont'd)

### 2.17 Leases (cont'd)

#### As lessee (cont'd)

##### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of assets (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). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

### 2.18 Employee share option reserve

Employee share option reserve represents the equity settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity settled share options, and is reduced by the exercise of the shares options.

### 2.19 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is possible asset that arises from past events and whose existence 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.

Contingent liabilities and assets are not recognised on the balance sheet of the Group.

### 2.20 Treasury Stocks

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

## **Global Car Group Limited and its subsidiaries**

### **Notes to the Financial Statements**

**For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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## **2. Material accounting policy information (cont'd)**

### **2.21 *Non-current assets held for sale and Discontinued Operations***

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

Discontinued Operations are excluded from the results of Continued Operations and are presented as a single amount as profit or loss after tax from Discontinued Operations in the statement of profit or loss.

Additional disclosures are provided in Note 29. All other notes to the financial statements relating to the statement of profit and loss include amounts for Continued Operations, unless indicated otherwise.

## **3. Significant accounting judgments and estimates**

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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### 3. Significant accounting judgments and estimates (cont'd)

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (a) Impairment of investment in subsidiaries

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the forecasts for the next ten years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

#### (b) Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 26.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)*

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**3. Significant accounting judgments and estimates (cont'd)****Estimates and assumptions (cont'd)****(c) Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black Scholes Options Pricing Method at the valuation date. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 23.

**(d) Defined benefit obligations**

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about pension obligations are provided in Note 20.

**(e) Transfer of intellectual property ("IP") licenses and brand between the Company and its subsidiary**

During the previous financial year, due to changes in business strategy, the Company transferred IP licenses and brand to its subsidiary based on fair value as of transfer date and accordingly recorded a loss of US\$41,278 Thousands. The valuation was conducted by independent valuation specialist using discounted cash flow. Management had engaged an independent valuation specialist to assess and ensure all the assumptions including discount rates are comparable, acceptable in accordance with market acceptability. In deriving the projected cash flows, management has made assumptions regarding the expected future revenue and cash generation of next ten years from the foreign subsidiaries across the geographies (other than India). Other key assumptions applied in the valuation includes discount rates and the expected period of benefits to be generated from the intangible assets.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***4. Revenue from contracts with customers**

## (a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Sale of goods	865,345	939,768
Sale of services	14,521	12,660
Other financial services	4,793	4,835
Interest income on loans and advances	20,537	21,579
Other operating revenue	29,741	26,028
<b>Total revenue from contracts with customers</b>	<b>934,937</b>	<b>1,004,870</b>

**Timing of revenue recognition**

Transferred at a point in time	914,400	983,291
Transferred at a point over time	20,537	21,579
<b>Total revenue from contracts with customers</b>	<b>934,937</b>	<b>1,004,870</b>

**5. Interest and other income**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Interest income on bank deposits	16,931	16,775
Interest Income on security deposits	74	83
Interest income on debenture	1,162	78
Interest income on others	93	–
<b>Total non-operating interest income</b>	<b>18,260</b>	<b>16,936</b>
Fair value gain on financial instruments measured at FVTPL	386	9
Gain on derecognition of lease liability, net	81	1,337
Profit on sale of mutual funds	771	452
Profit on sale of property, plant and equipment	63	–
Others	4,797	4,145
<b>Total other income</b>	<b>6,098</b>	<b>5,943</b>
<b>Total</b>	<b>24,358</b>	<b>22,879</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 6. Employee benefits expense

	Group	
	2025	2024
Salaries and bonuses	80,331	75,663
Contribution to provident and other funds	2,199	2,055
Defined benefit obligation expense	740	653
Employee stock option scheme	4,762	4,361
Other short-term benefits	810	1,294
<b>Total</b>	<b>88,842</b>	<b>84,026</b>

#### 7. Finance costs

	Group	
	2025	2024
Interest on lease liabilities (Note 24)	1,859	2,172
Interest on borrowings	9,801	10,675
Other borrowing cost	1,274	4,812
<b>Total</b>	<b>12,934</b>	<b>17,659</b>

#### 8. Other operating expenses

	Group	
	2025	2024
Advertisement and sales promotion	20,633	27,761
IT repair and maintenance	9,347	9,026
Car handling expenses	9,278	5,780
Contractual manpower expenses	6,514	5,430
Legal and other professional fees	5,228	4,273
Allowance for doubtful other receivables	4,095	3,198
Short-term lease rentals	3,835	4,163
Travelling expenses	3,285	3,884
Power and fuel	2,029	2,971
Write off of financial assets carried at amortised cost	2,700	2,236
Collection charges	1,797	1,762
Customer care expenses	1,627	3,190
Communication costs	1,272	1,185
Office expenses	1,080	1,203
Impairment loss on property, plant and equipment for continued operations	82	1,889
Inventory written off	45	513
Loss on disposal of property, plant and equipment	-	21
Others	8,037	5,365
<b>Total</b>	<b>80,884</b>	<b>83,850</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 9. Income tax (credit)/expense

##### (a) Major components of income tax (credit)/expense

	2025	2024
Current tax expense – Continued Operations	952	334
Current tax expense – Discontinued Operations	5	3
Deferred tax – Continued Operations	(1001)	(1,268)
Over provision in respect of previous year	(93)	(208)
<b>Total income tax credit</b>	<b>(137)</b>	<b>(1,139)</b>

##### (b) Relationship between tax expense and accounting loss

A reconciliation between the tax expense and the product of loss before income tax multiplied by the applicable tax rate for the financial year ended 31 March 2025 and 31 March 2024 are as follow:

	2025	Group 2024
Loss before income tax	(67,018)	(85,312)
Tax expense @17%	(11,393)	(14,503)
Tax effects of:		
Expenses not deductible for tax/disallowed expense (Net)	763	699
Tax effect of different tax rate in other countries*	(5,442)	(9,043)
Deferred tax assets not recognised	15,989	21,910
Share of loss of after tax of associate	39	6
Over provision in respect of previous year	(93)	(208)
<b>Income tax expense recognised in profit and loss</b>	<b>(137)</b>	<b>(1,139)</b>

\*Tax Rates in different countries

India – 25.17% (2024: 25.17%)

Australia – 30% (2024: 30%)

Turkey – 23% (2024: 23%)

Indonesia – 22% (2024: 22%)

Thailand – 20% (2024: 20%)

Saudi Arabia – 20% (2024: 20%)

At the end of the reporting year, the Group has tax losses of approximately US\$ 410,649 thousand (31 March 2024: US\$ 302,600 thousand) that are available for offset against future taxable profits of the Group, for which no deferred tax asset is recognised due to uncertainty of its recoverability by its subsidiary company.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***9. Income tax expense (cont'd)****(b) Relationship between tax expense and accounting loss (cont'd)**

Out of the total tax losses of US\$ 410,649 thousands,

- losses of US\$ 257,094 thousand can be carried forward for a period of 8 years from the end of the respective financial year in which the losses originated
- losses of US\$ 45,559 thousand can be carried forward for a period of 5 years and
- losses of US\$ 107,996 thousand (includes unabsorbed depreciation of US\$ 30,940 thousand in India) can be carried forward indefinitely.

The use of those tax losses is subjected to the agreement of tax authority and compliance with certain provisions of the tax's legislation.

**(c) Deferred tax**

Reconciliation of deferred tax assets are as below:-

<b>Particulars</b>	<b>Opening balance</b>	<b>Recognised in profit and loss account</b>	<b>Foreign exchange translation reserve</b>	<b>Closing balance</b>
Expected credit loss	1,022	781	(33)	1,770
Provision for employee benefits	25	5	(1)	29
Intangible assets	(5)	(125)	2	(128)
Unamortised borrowing cost	(11)	(11)	0	(22)
Unamortised processing fee	242	(63)	(5)	174
Unrealised gain on mutual fund	(2)	1	0	(1)
EIS receivable *	(11)	5	0	(6)
Losses Carry Forward	0	408	0	408
<b>Total</b>	<b>1,260</b>	<b>1,001</b>	<b>(37)</b>	<b>2,224</b>

\*Refers to Excess Interest Spread (EIS) recoverable, arising from Direct Assignment agreements, has been recognised as other receivables within the balance sheet. EIS represents the present value of expected future excess cash flows after meeting contractual obligations to the assignee.

**Global Car Group Limited and its subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

**10. Property, plant and equipment**

<b>Group</b>	<b>Furniture and fixture</b>	<b>Office equipment</b>	<b>Computers</b>	<b>Leasehold improvements</b>	<b>Plant and Machinery</b>	<b>Motor Vehicles</b>	<b>Capital work- in-progress</b>	<b>Total</b>
Cost								
<b>At 1 April 2023</b>	<b>1,918</b>	<b>3,631</b>	<b>3,403</b>	<b>6,274</b>	<b>3,637</b>	<b>840</b>	<b>62</b>	<b>19,765</b>
Additions	324	564	1,834	561	299	222	225	4,029
Disposal	(119)	(510)	(821)	(316)	(57)	(70)	(40)	(1,933)
Classified as asset held for sale #	(804)	–	–	–	(3,217)	–	–	(4,021)
Exchange differences	(27)	(62)	(51)	(91)	(58)	(18)	–	(307)
<b>At 31 March 2024</b>	<b>1,292</b>	<b>3,623</b>	<b>4,365</b>	<b>6,428</b>	<b>604</b>	<b>974</b>	<b>247</b>	<b>17,533</b>
Additions	172	342	1,333	465	209	172	28	2,721
Transfer from asset held for sale	43	–	–	–	137	–	–	180
Disposal	(113)	(647)	(950)	(3,501)	(141)	(215)	–	(5,567)
Asset write off	(47)	(143)	(122)	(2)	(8)	–	–	(322)
Transfer	18	–	–	222	–	(13)	(246)	(19)
Exchange differences	(22)	(64)	(104)	(97)	(17)	(21)	(1)	(326)
<b>At 31 March 2025</b>	<b>1,343</b>	<b>3,111</b>	<b>4,522</b>	<b>3,515</b>	<b>784</b>	<b>897</b>	<b>28</b>	<b>14,200</b>

**Global Car Group Limited and its subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

**10. Property, plant and equipment (cont'd)**

	<b>Furniture and fixture</b>	<b>Office equipment</b>	<b>Computers</b>	<b>Leasehold improvements</b>	<b>Plant and Machinery</b>	<b>Motor Vehicles</b>	<b>Capital work- in-progress</b>	<b>Total</b>
<b>Group Accumulated depreciation and impairment</b>								
At 1 April 2023	691	1,626	2,003	2,619	849	137	–	7,925
Depreciation charge for the year	247	769	1,050	3,181	608	186	–	6,041
Disposal	(63)	(408)	(635)	(313)	(16)	(2)	–	(1,437)
Impairment	469	75	–	1	1,485	45	–	2,075
Adjustments	–	–	–	–	2	(23)	–	(21)
Classified as asset held for sale #	(621)	–	–	–	(2,615)	–	–	(3,236)
Exchange differences	(10)	(31)	(28)	(58)	(14)	(20)	–	(161)
<b>At 31 March 2024</b>	<b>713</b>	<b>2,031</b>	<b>2,390</b>	<b>5,430</b>	<b>299</b>	<b>323</b>	<b>–</b>	<b>11,186</b>
Depreciation charge for the year	156	569	1,028	637	142	145	–	2,677
Disposal	(70)	(508)	(798)	(3,497)	(107)	(98)	–	(5,078)
Asset write off	(21)	(107)	(82)	–	(3)	–	–	(213)
Impairment	23	30	16	–	13	–	–	82
Transfers to inventories	–	–	–	–	–	(11)	–	(11)
Exchange differences	(14)	(32)	(56)	(86)	(7)	(5)	–	(200)
<b>At 31 March 2025</b>	<b>787</b>	<b>1,983</b>	<b>2,498</b>	<b>2,484</b>	<b>337</b>	<b>354</b>	<b>–</b>	<b>8,443</b>
<b>Net carrying amount</b>								
At 31 March 2025	<b>556</b>	<b>1,128</b>	<b>2,024</b>	<b>1,031</b>	<b>447</b>	<b>543</b>	<b>28</b>	<b>5,757</b>
At 31 March 2024	<b>579</b>	<b>1,592</b>	<b>1,975</b>	<b>998</b>	<b>305</b>	<b>651</b>	<b>247</b>	<b>6,347</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***10. Property, plant and equipment (cont'd)**

# Resulting from the change in operational strategy for Mega refurbishment labs, the net carrying value of US\$ 785 Thousands was classified as asset held for sale as the Group no longer expected to recover the carrying value of such assets through continuing use at the Mega refurbishment labs.

**Note: Depreciation of property, plant and equipment and right-of-use assets**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Depreciation of property, plant and equipment	2,677	6,041
Depreciation of right-of-use assets	6,027	6,884
Less: Allocated to cost of revenue pertaining to Continued Operations	(522)	(407)
Less: Pertaining to Discontinued Operations	(13)	(169)
	<b>8,169</b>	<b>12,349</b>
	<b>8,169</b>	<b>12,349</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***11. Intangible assets****Group**

	<b>Licenses and Computer software</b>	<b>Internally generated assets</b>	<b>Intangible assets under development</b>	<b>Total</b>
<b>Cost</b>				
At 1 April 2023	763	5,337	–	6,100
Additions	136	–	21	157
Disposals	(4)	(83)	–	(87)
Exchange differences	(145)	180	–	35
At 31 March 2024	<b>750</b>	<b>5,434</b>	<b>21</b>	<b>6,205</b>
Additions	358	–	33	391
Disposals	(15)	–	–	(15)
Asset written off	(26)	–	–	(26)
Exchange differences	9	(197)	(1)	(189)
At 31 March 2025	<b>1,076</b>	<b>5,237</b>	<b>53</b>	<b>6,366</b>
<b>Accumulated amortisation</b>				
At 1 April 2023	384	4,968	–	5,352
Amortisation charge for the financial year	91	413	–	504
Exchange differences	(1)	(77)	–	(78)
At 31 March 2024	<b>474</b>	<b>5,304</b>	<b>–</b>	<b>5,778</b>
Amortisation charge for the financial year	140	77	–	217
Disposals	(4)	–	–	(4)
Asset written off	(15)	–	–	(15)
Exchange differences	(7)	(144)	–	(151)
At 31 March 2025	<b>588</b>	<b>5,237</b>	<b>–</b>	<b>5,825</b>
<b>Net carrying amount</b>				
<b>At 31 March 2025</b>	<b>488</b>	<b>–</b>	<b>53</b>	<b>541</b>
At 31 March 2024	<b>276</b>	<b>130</b>	<b>21</b>	<b>427</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***11. Intangible assets (cont'd)****Company**

	<b>Licenses</b>	<b>Internally generated assets</b>	<b>Intangible assets under development</b>	<b>Total</b>
<b>Cost</b>				
At 1 April 2023	142	–	–	142
At 31 March 2024 and 31 March 2025	142	–	–	142
<b>Accumulated amortisation</b>				
At 1 April 2023	43	–	–	43
Amortisation for the year	28	–	–	28
At 31 March 2024	71	–	–	71
Amortisation for the year	27	–	–	27
At 31 March 2025	99	–	–	98
<b>Net carrying amount</b>				
At 31 March 2025	44	–	–	44
At 31 March 2024	71	–	–	71

**12. Investment in subsidiaries**

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
Investment in equity shares, at cost	915,422	798,813
Accumulated impairment	(69,355)	(69,127)
Net investment in subsidiaries	846,067	729,686

During the year,

- The Company has injected an additional US\$125,000 Thousands into its 100% wholly owned subsidiaries based in India;
- One of its subsidiary in Thailand has made a capital reduction of US\$8,311 Thousands; of which US\$ 6,000 Thousands have been received and remaining has been impaired.
- One of its subsidiary in Arabia has made a capital reduction of US\$79 Thousands;
- The Company has recognised impairment amounting to US\$230 Thousands over those subsidiaries that have been discontinued. The impairment charge was calculated based on the difference between net carrying value of the investment and the net realisable values of these subsidiaries.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***12. Investment in subsidiaries (cont'd)**

The subsidiaries as at 31 March 2025 are:

Name of company (Country of incorporation)	Principal activities	Proportion of ownership interest	
		2025 %	2024 %
<b><u>Held by Company:</u></b>			
CARS24 Services Private Limited (India)	Trading of used cars and bikes	100	100
Global Cars Aus Pty Ltd. (Australia)	Trading of used cars	100	100
Global Cars Thai Holding 1 Co. Ltd (Thailand)	Trading of used cars	100	100
Global Cars Thai Holding 2 Co., Ltd. (Thailand)	Trading of used cars	100	100
Global Cars Thai Co., Ltd. (Thailand)	Trading of used cars	100	100
Cars24 Group (Thailand) Co., Ltd. (Thailand)	Trading of used cars	100	100
Global Cars Holding Limited (United Arab Emirates)	Holding company	100	100
Global Car Group Turkey Automotive Joint-Stock Company (Turkey)*	Trading of used cars	–	100
PT. Global Cars Indonesia (Indonesia)	Trading of used cars	100	100
Global Cars Aus Holdings Pty Ltd. (Australia)	Holding company	100	100
Cars24 Arabia Automotive Company (Saudi Arabia)	Trading of automobiles	100	100

\*During the reporting period, the Group liquidated its subsidiary, Global Car Group Turkey Automotive Joint-Stock Company, in Turkey. The subsidiary's financial results have been consolidated up to the date of liquidation. The liquidation did not have a material impact on the Group's consolidated financial statements

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***12. Investment in subsidiaries (cont'd)**

The subsidiaries as at 31 March 2025 are: (cont'd)

Name of company (Country of incorporation)	Principal Activities	Proportion of ownership interest	
		2025 %	2024 %
<b><u>Held through subsidiaries:</u></b>			
CARS24 Financial Services Private Limited (India)	Providing loans and advances to used car dealers and consumers	100	100
Global Car Auto General Repairing One Person Company LLC ( <i>erstwhile Global Car Surveying &amp; Evaluating Services LLC</i> ) (United Arab Emirates)	Business of surveying and appraisal services	100	100
Global Cars Trading FZ LLC (United Arab Emirates)	Trading of used cars	100	100
Global Access Cars Automobile Trading LLC ('LLC2') (United Arab Emirates)	Trading of used cars	100	100
Global Cars Aus Financing Pty Ltd. (Australia)	Financing entity	100	100
Global Cars Aus Credit Pty Ltd. (Australia)	Providing loans and advances to used car dealers and consumers	100	100
CARS24 Wholesale Services Private Limited (India)	Trading of Cars and automobile products	100	–
CARS24 Financial Services Holding Private Limited (India)	Providing software, application and other solutions to facilitate information flow	100	–

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***13. Inventories (at lower of cost or net realisable value)**

	<b>2025</b>	<b>Group 2024</b>
<b>Balance sheet:</b>		
Traded goods – used cars	<b>82,927</b>	<b>114,893</b>
<b>Statement of comprehensive income:</b>		
Purchase of traded goods as an expense (Continued Operations)	809,187	872,710
Changes in inventory of traded goods (Continued Operations):		
Opening inventory	106,653	130,490
Closing inventory	82,927	106,653
	<b>23,726</b>	<b>23,837</b>
Purchase of traded goods as an expense (Discontinued Operations)	–	43,299
Changes in inventory of traded goods (Discontinued Operations):		
Opening inventory	8,240	19,139
Closing inventory	–	8,240
	<b>8,240</b>	<b>10,899</b>
Inclusive of the following:		
– Inventories written down	<b>(5,837)</b>	<b>(3,946)</b>

**14. Other financial assets**

	<b>2025</b>	<b>Group 2024</b>
<b>Current:</b>		
Investment in unquoted debentures carried at amortised cost	17,532	7,564
Investment in quoted mutual funds carried at FVTPL	8,002	8,974
	<b>25,534</b>	<b>16,538</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 15. Loans and advances

	Group		Company	
	2025	2024	2025	2024
<b>Current:</b>				
Secured	20,489	16,451	–	–
Unsecured	5,171	3,931	3,169	–
FLDG receivables	16,606	19,985	–	–
Less: Provision for doubtful loans and advances	(1,821)	(1,029)	–	–
	<b>40,445</b>	<b>39,338</b>	<b>3,169</b>	<b>–</b>
<b>Non-current:</b>				
Secured	59,730	45,390	–	–
Less: provision for doubtful debts and advances	(5,152)	(3,021)	–	–
Unsecured	–	–	–	2,097
FLDG receivables	40,020	62,259	–	–
	<b>94,598</b>	<b>104,628</b>	<b>–</b>	<b>2,097</b>
<b>Total loans and advances</b>	<b>135,043</b>	<b>143,966</b>	<b>3,169</b>	<b>2,097</b>

The Group's loan portfolio is pre-dominantly to finance vehicle loans in India. All the secured loans are secured by hypothecation of Cars financed by Group.

#### **First Loss Default Guarantee (FLDG) receivables**

The amount represents loans covered by service provider agreements executed with banks which require the Group to place mutually agreed cash collateral with banks and be liable for repayment of customer dues to banks considering the fact that the risk and rewards on such loans remains with the Group.

For credit risk ageing profile, please refer Note 26.

Loans and advances denominated in foreign currencies are as follows:

	Group		Company	
	2025	2024	2025	2024
Indian Rupee	135,043	143,962	–	–
UAE Dirhams	–	5	–	–

The table below shows the movement of provision for doubtful loans and advances:

	Group	
	2025	2024
Opening balance	4,050	1,408
Charge during the year	4,095	3,198
Released/collected during the year	(1,172)	(556)
Closing balance	<b>6,973</b>	<b>4,050</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 16. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
<b>Trade and other receivables (current)</b>				
Trade receivables	5,634	4,241	–	–
Amounts due from subsidiaries and associate	4,922	9,800	4,838	4,875
Other receivables:				
– Security deposits	1,162	2,483	–	–
– Interest receivables	5,522	5,015	2,771	3,249
– Advance to supplier/dealers	2,316	2,425	–	–
– GST input tax credit	5,606	8,305	–	–
– Other receivables	3,797	5,772	–	–
<b>Total trade and other receivables (current)</b>	<b>28,959</b>	<b>38,041</b>	<b>7,609</b>	<b>8,124</b>
Margin money deposit	332	1,628	–	–
Security deposits	1,103	741	–	–
Interest accrued on fixed deposits with banks	971	10	–	–
Tax recoverable	1,057	1,856	–	–
Capital advances	3	6	–	–
Other receivables	543	361	–	–
<b>Total other receivables (non-current)</b>	<b>4,009</b>	<b>4,602</b>	<b>–</b>	<b>–</b>
<b>Total trade and other receivables (current and non-current)</b>	<b>32,968</b>	<b>42,643</b>	<b>7,609</b>	<b>8,124</b>
Less:				
GST input tax credit	(5,606)	(8,305)	–	–
Tax recoverable	(1,057)	(1,856)	–	–
Advances	(2,320)	(2,431)	–	–
Add:				
Cash and fixed deposits (Note 17)	182,370	303,682	70,917	182,496
Other bank deposits (Note 17)	62,683	7,221	–	–
Other financial assets (Note 14)	17,532	7,564	–	–
Loans and advances (Note 15)	135,043	143,966	3,169	2,097
<b>Financial assets at amortised costs</b>	<b>421,613</b>	<b>492,484</b>	<b>81,695</b>	<b>192,717</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

## 16. Trade and other receivables (cont'd)

### Trade receivables

Trade receivables are generally repayable within 30 to 180 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### Amounts due from subsidiaries and associate

Amounts due from subsidiaries and associate are unsecured, non-interest bearing and repayable upon demand.

### Other receivables

Other receivables are unsecured, non-interest bearing and to be settled in cash.

At the end of reporting period, trade and other receivables denominated in foreign currencies are as follows:

	Group		Company	
	2025	2024	2025	2024
Thai Baht	133	2,815	–	–
Australians Dollars	3,711	3,738	–	–
United Arab Emirates Dirham	4,509	5,669	–	–
Indian Rupee	20,108	34,643	–	–
Saudi Riyal	1,578	1,183	–	–

## 17. Cash and fixed deposits

	Group		Company	
	2025	2024	2025	2024
Cash at banks and on hand	10,405	22,292	917	1,243
Short-term fixed deposits	171,965	275,037	70,000	181,253
Margin money deposit*	–	6,353	–	–
Cash and fixed deposits	182,370	303,682	70,917	182,496
Less: Short-term fixed deposits	(171,965)	(281,390)	(70,000)	(181,253)
Total cash and cash equivalents for the purpose of cash flow statement	10,405	22,292	917	1,243
Other bank deposits	62,683	7,221	–	–

\* Margin money deposits include deposits under lien with government authorities in the normal course of business.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***17. Cash and fixed deposits (cont'd)**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between three and twelve months, depending on the immediate cash requirements of the Group, and earns interest at floating rate based on bank deposit rates varying from 0.25% to 8.25% (2024: 0.25% to 8%) per annum.

There are long-term deposits amounting to US\$ 62,683 thousands (2024: US\$ 7,221 thousands). Long-term deposits were made for varying periods of between thirteen and twenty six months and earned interest at 7.00% to 8.00 % (2024: 7.00% to 8.00 %) per annum.

At the end of reporting period, cash and fixed deposits denominated in foreign currencies are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Singapore Dollar	–	25	–	25
Australian Dollar	1,931	6,569	–	471
United Arab Emirates Dirham	8,909	11,232	–	–
Thai Baht	633	5,322	–	–
Indian Rupee	99,670	96,131	–	–
Indonesian Rupiah	192	235	–	–
Saudi Riyal	40	203	–	–

**18. Trade and other payables**

<b>Current</b>	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Trade payables*	14,884	15,798	374	1,302
Amounts due to associate	1,864	1,085	–	–
Other payables:				
Advances from dealers	5,438	4,565	–	–
Deposits from dealers	8,153	7,679	–	–
Accrual for unutilised leave	247	367	–	–
Accrued operating expenses	6,620	5,166	–	–
Accrued interest	4	44	–	–
Others	15,320	16,622	–	–
<b>Total trade and other payables</b>	<b>52,530</b>	<b>51,326</b>	<b>374</b>	<b>1,302</b>
Less: Advance from dealers	(5,438)	(4,565)	–	–
Add: Loan and borrowings (Note 19)	127,390	168,828	–	–
<b>Total financial liabilities at amortised cost</b>	<b>174,482</b>	<b>215,589</b>	<b>374</b>	<b>1,302</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***18. Trade and other payables (cont'd)**

\* During the current year, the Group has reclassified certain payable balances as of 31 March 2024 amounted to US\$ 3,209 thousands from "Trade payable" to "Others" in order to present the financial statements more appropriately and to ensure better comparability. These reclassifications have been carried out for improved presentation and do not have any impact on the reported profit or total equity of the previous year.

Deposits from dealers are deposits placed by dealers to register and participate in the bidding process for the sale of cars.

At the end of reporting period, trade and other payables denominated in foreign currencies are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Singapore Dollar	–	693	–	1,302
Indian Rupee	38,057	33,737	–	–
Thai Baht	24	4,827	–	–
United Arab Emirates Dirham	7,547	6,659	–	–
Australian Dollar	7,608	4,987	–	–
Indonesian Rupiah	141	183	–	–
Saudi Riyal	459	101	–	–

**Terms and conditions of the above financial liabilities:**

- Trade payables are non-interest bearing and are normally settled on 30 to 60 days terms
- Other payables are non-interest bearing and have an average term of six months
- Interest payable is normally settled monthly throughout the financial year

Terms and conditions with related parties are disclosed in Note 25.

Explanations on the Group's liquidity risk management processes is disclosed in Note 26(c).

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***19. Loans and borrowings**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
<b>Current:</b>		
Lease liabilities (Note 24)	5,786	5,091
Term loans from banks and financial institutions	15,020	11,251
Loan from others	15,905	18,191
Working capital demand loan	15,133	29,199
Borrowings against securitised assets	9,773	9,407
	<b>61,617</b>	<b>73,139</b>
<b>Non-current:</b>		
Lease liabilities (Note 24)	11,852	14,318
Term loans from bank and financial institutions	2,850	3,565
Borrowings against securitised assets	12,179	13,148
Loan from others	38,892	64,658
	<b>65,773</b>	<b>95,689</b>
<b>Total loans and borrowings</b>	<b>127,390</b>	<b>168,828</b>

**Term loans from banks and financial institutions**

<b>Country</b>	<b>Carrying value (March 25)</b>	<b>Carrying value (March 24)</b>	<b>Interest Rate (March 25)</b>	<b>Interest Rate (March24)</b>	<b>Terms of Repayment</b>	<b>Due Dates</b>
India (NBFC)	\$10,470 thousands	\$8,913 thousands	5%-10.33%	9.15% - 12.00 %	Up to 24 months	Multiple dates, in which majority with expiry of 90 days
Australia	\$2,810 thousands	–	2.15%+ BBSY	–	Minimum 7 days to Maximum 90 days	
UAE	\$4,590 thousands	\$5,903 thousands	3 months EIBOR + 3.5%	3 months EIBOR + 3.5%	On expiry of 6 months	On expiry of 6 months

**India**

Term loans from Banks and Financial Institutions of subsidiary are secured by exclusive charges on receivables under loan contracts and corporate guarantee given by wholly owned subsidiary of the Company. These borrowings include first pari pasu charge on all the movable fixed assets and current assets.

**Global Car Group Limited and its subsidiaries**

**Notes to the Financial Statements**

**For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

**19. Loans and borrowings (cont'd)**

**Term loans from banks and financial institutions (cont'd)**

Australia

The unsecured advance facility was taken from CITI bank amounting to AUD \$5,800,000 out of which AUD \$4,500,000 was utilised as at 31 March 2025.

United Arab Emirates

Bank facilities and loans are secured by:

- First pari pasu charge on vehicles fleet insurance policy for an amount of AED 125,000 thousands.
- Corporate guarantee of Company
- Corporate guarantee of M/s Global Cars Holding Limited.

The bank facilities and loans are subject to maintenance of gearing ratio not exceeding 1.25:1 of UAE Subsidiary. As at the reporting date, the covenant has been duly complied with.

**Loan from others**

These borrowings mainly pertain to First Loss Default Guarantee liability (FLDG) as described in Note 15.

Country	Carrying Value (March 25)	Carrying Value (March 24)	Interest Rate (March 25)	Interest Rate (March 24)	Terms of Repayment	Due Dates
India	\$54,755 thousands	\$82,749 thousands	9.25% – 12.75%	9.25% – 12.75%	More than 5 years	Multiple dates less than 1 year to more than 5 years

- It is secured by way of charge on designated loan contracts and exclusive charges on bank deposits held as margin money.

**Working capital demand loan**

India

Working capital demand loan have first pari pasu charge on all the movable fixed assets and current assets (except cash and cash equivalent) and carries interest rate of 8.00% to 10.00% (31 March 2024 : 8.10% to 9.65%). The loans are having tenure of 1 days to 63 days from the date of disbursement.

## **Global Car Group Limited and its subsidiaries**

### **Notes to the Financial Statements**

**For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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#### **19. Loans and borrowings (cont'd)**

##### **Borrowings against securitised assets**

India

Liability against securitised assets US\$21,952 thousands (2024: US\$22,555 thousands), represents funds received from banks against the securitization of 'loans and advances' pool of a subsidiary of the Group and carries interest rate of 11%.

##### **Loan Covenants**

India

Bank loans contain certain debt covenants relating to limitation on indebtedness, debt–equity ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the subsidiary meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorization of the financial statements. The subsidiary has also satisfied all other debt covenants prescribed in the terms of bank loan.

##### **Undrawn borrowing commitments**

As at 31 March 2025, the Group had available US\$ 50,550 thousands (31 March 2024: US\$ 54,200 thousands) of undrawn borrowing facilities.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***19. Loans and borrowings (cont'd)**

A reconciliation of liabilities arising from Group's financing activities is as follows:

Particulars	1 April 2024	Cash flows	Non Cash Changes				31 March 2025
			Additions	De- recognition	Interest expenses	Foreign exchange movements	
Lease liabilities (Note 24)	19,409	(6,831)	4,428	(652)	1,859	(575)	<b>17,638</b>
Term loans from banks and financial institutions	14,816	2,833	–	–	917	(696)	<b>17,870</b>
Loan from others	82,849	(32,135)	–	–	5,997	(1,914)	<b>54,797</b>
Other loans and borrowings from banks	29,199	(14,043)	–	–	552	(575)	<b>15,133</b>
Borrowings against securitised assets	22,555	(2,243)	–	–	2,193	(553)	<b>21,952</b>
<b>Total loans and borrowings</b>	<b>168,828</b>	<b>(52,419)</b>	<b>4,428</b>	<b>(652)</b>	<b>11,518</b>	<b>(4,313)</b>	<b>127,390</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***19. Loans and borrowings (cont'd)**

A reconciliation of liabilities arising from Group's financing activities is as follows: (cont'd)

Particulars	1 April 2023	Cash flows	Non Cash Changes				31 March 2024
			Additions	De- recognition	Interest expenses	Foreign exchange movements	
Lease liabilities (Note 24)	19,337	(7,514)	16,804	(10,864)	2,300	(654)	<b>19,409</b>
Non-convertible debentures	8,452	(8,388)	–	–	–	(64)	–
Term loans from banks and financial institutions	31,574	(17,255)	–	–	893	(396)	<b>14,816</b>
Loan from others	54,402	21,535	–	–	7,250	(338)	<b>82,849</b>
Other loans and borrowings from banks	21,295	8,253	–	–	–	(349)	<b>29,199</b>
Borrowings against securitised assets	27,604	(7,228)	–	–	2,532	(353)	<b>22,555</b>
<b>Total loans and borrowings</b>	<b>162,664</b>	<b>(10,597)</b>	<b>16,804</b>	<b>(10,864)</b>	<b>12,975</b>	<b>(2,154)</b>	<b>168,828</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***19. Loans and borrowings (cont'd)**

Loans and borrowings denominated in foreign currencies are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Indian Rupee	113,532	155,285	–	–
Australian Dollar	4,480	1,641	–	–
United Arab Emirates Dirham	9,378	11,902	–	–

**20. Defined benefit obligations**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
As at 1 April	1,910	1,484
Current service cost, net	581	404
Interest cost	128	86
Actuarial gains on obligation	18	159
Past service cost	31	-
Benefit paid	(688)	(204)
Exchange differences	(17)	(19)
	<b>1,963</b>	<b>1,910</b>
Current	417	392
Non-current	1,546	1,518
<b>Total</b>	<b>1,963</b>	<b>1,910</b>

**India**

The Gratuity plan is governed by the payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

**UAE**

The Group's subsidiaries in UAE operate an approved unfunded employees' end of service benefits ("EOSB") for its employees as required by the UAE Labour Law.

**Global Car Group Limited and its subsidiaries**

**Notes to the Financial Statements**

**For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

**20. Defined benefit obligations (cont'd)**

The principal assumptions used in determining the defined benefit obligations for India and UAE plans are shown below:

	India		UAE	
	2025	2024	2025	2024
<b>Actuarial assumptions:</b>				
Discount rate	6.45%	7.09%	4.40%	3.50%
Employee turnover	48%	39%	17.93%/33.84%	17.93%/33.84%
Salary escalation rate	8%	8%	2.00%	2.00%
Mortality table	IALM (2012–14) Ult*	IALM (2012–14) Ult*	–	–
Average remaining working lives of the employees (in years)	30.57	30.57	25.98	26.83
Normal retirement age (in years)	60	60	60	60

\*Indian Assured Lives Mortality issued by the Institute of Actuaries of India.

The following payments are expected contributions to the defined benefit plan in future years:

	India		UAE	
	2025	2024	2025	2024
Expected benefits for year 1	399	401	117	116
Expected benefits for year 2 to 5	1,824	1,704	219	196
Expected benefits for year 6 and above	1,186	1,246	38	51
<b>Total</b>	<b>3,409</b>	<b>3,351</b>	<b>374</b>	<b>363</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***20. Defined benefit obligations (cont'd)**

The following table demonstrates the sensitivity to a reasonably possible change in discount rate and salary escalation rate, with all other variables held constant. The increase/(decrease) in these would result in an increase/(decrease) in the Group's loss before tax, as follows:

	<b>India</b>		<b>UAE</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Discount rate + 100 basis points	(38.6)	(39.1)	(5.3)	(4.7)
Discount rate – 100 basis points	39.8	41.6	5.4	4.9
Salary escalation Rate + 100 basis points	42.1	41.9	5.5	5.1
Salary escalation Rate – 100 basis points	(38.6)	(40.6)	(5.4)	(4.9)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The average duration of the defined benefit plan obligation at the end of the reporting period is:

	<b>India</b>		<b>UAE</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Years	4.36	4.64	5/2.37	5/2.39

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***21. Share capital**

	<b>Group and Company</b>			
	<b>2025</b>			<b>2024</b>
	Number of shares	US\$	Number of shares	US\$
<b>Ordinary share issued and fully paid:</b>				
Balance at 1 April	14,392	14,648	14,392	14,713
Transfer from share capital to accumulated losses	–	–	–	(65)
Balance at 31 March	14,392	14,648	14,392	14,648
<b>Preferences share issued and fully paid:</b>				
Balance at 1 April	62,403	1,066,441	62,403	1,066,441
Balance at 31 March	62,403	1,066,441	62,403	1,066,441
Total share capital	<b>76,795</b>	<b>1,081,089</b>	<b>76,795</b>	<b>1,081,089</b>

**Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

**Preferences shares (non–redeemable and non–cancellable)**

Except for liquidation preference, the holder of preferences shares is entitled to the same rights attached to each ordinary share. Holders of preferences share are entitled to preferential distribution over the ordinary shareholders.

**22. Foreign currency translation reserve**

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from those of the Group's presentation currency.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 23. Employee share-based payment reserve

##### Employee Share Option Plan "GCG Share Option Plan"

The Group provides share-based payment schemes to the employees of subsidiary companies (Company's direct and indirect subsidiaries) and associate as approved in GCG Share Option Plan. During the year ended 31 March 2025, an Employee Stock Option Plan ("ESOP") was in existence. The relevant details of the scheme and the grant are as below:

On 3 July 2018, the board of directors approved the GCG Share Option Plan for issue of stock options to the selected employees of the Company, its subsidiary subject to the satisfaction of prescribed vesting conditions as per scheme. The contractual life comprises the vesting period of 0–4 years and the exercise period as per the GCG Share Option Plan.

The other relevant terms of the grant are as below:

Vesting period	0 – 4 years
Exercise period	As per GCG Share Option Plan
Exercise price	NIL
Method of settlement (cash/equity)	Equity

The fair value of the grants has been determined based on the current fair value of the equity share of the Company as of the grant date since the exercise price is Nil.

##### Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

(Number of share options)	2025	2024
Outstanding as at 1 April	1,791,534	1,691,637
– Granted	311,130	274,954
– Forfeited/Surrendered	(312,109)	(175,058)
Outstanding as at 31 March	1,790,555	1,791,533
Vested as at 31 March	1,461,516	1,287,835

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

### 23. Employee share-based payment reserve (cont'd)

#### Movement of share options during the financial year (cont'd)

The following tables list the inputs to the models used for GCG Share Option Plan for the years ended 31 March 2025 and 31 March 2024 respectively:

(Number of share options)	2025	2024
Expected Volatility (%)	50%	45%
Risk free interest rate (%)	3.82%	4.31%
Expected life of Share Options	2.24	2.96
Model Used	Black Scholes Options Pricing Model	Black Scholes Options Pricing Model

The weighted average fair value of options granted during the year was US\$ 27.53 (31 March 2024: US\$23.26).

The weighted average fair value of options exercised during the year was US\$ Nil (31 March 2024: US\$ Nil)

#### Fair value of share options granted

The fair value of the share options granted under the **GCG Share Option Plan** is estimated at the grant date. The fair value has been determined using the Black Scholes Options Pricing Method at the respective valuation dates.

The expected life of the share options is based on the estimated occurrence of a liquidity event. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

#### Repurchase of share options

During the year, the group has repurchased 43,776 equity options granted under the share-based payment scheme for consideration of USD 1,323 thousand in accordance with the ESOP policy and shareholders agreement of the Group. The Group has accounted for the repurchase as cancellation of the vested shares. The excess amount paid over the options fair value at the repurchase date is recognized as an expense in the Statement of Profit and Loss.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***24. Leases****As a lessee**

The Group has lease contracts for premises.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

<b>Premises</b>	<b>Group</b>
At 1 April 2023	<b>18,237</b>
Additions	17,219
Depreciation	(6,884)
Derecognition of right-of-use assets	(9,271)
Modification	182
Adjustment relating to assets written off	(425)
Exchange differences	(200)
	<hr/>
At 31 March 2024	<b>18,858</b>
Additions	4,708
Depreciation	(6,027)
Derecognition of right-of-use assets	(786)
Modification	195
Exchange differences	(543)
	<hr/>
At 31 March 2025	<b>16,405</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	<b>Group</b>
At 1 April 2023	<b>19,337</b>
Additions	16,804
Accretion of interest (Note 7)	2,300
Payments	(7,514)
Derecognition	(11,045)
Modifications	181
Exchange differences	(654)
	<hr/>
At 31 March 2024	<b>19,409</b>
Additions	4,428
Accretion of interest (Note 7)	1,859
Payments	(6,831)
Derecognition	(847)
Modifications	195
Exchange differences	(575)
	<hr/>
At 31 March 2025	<b>17,638</b>

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***24. Leases (cont'd)****As a lessee (cont'd)**

Lease liabilities	2025	2024
Current	5,786	5,091
Non-current	11,852	14,318
Total lease liabilities	<b>17,638</b>	<b>19,409</b>

**Maturity profile of Lease liabilities (undiscounted):**

Group	2025	2024
Less than one year	7,172	6,288
One to five year	13,619	16,726
More than five year	–	964
Total lease liabilities undiscounted	<b>20,791</b>	<b>23,978</b>

The following are the amounts recognised in profit or loss:

Group	2025	2024
Depreciation expense of right-of-use assets	6,027	6,884
Interest expense on lease liabilities	1,859	2,300
Gain on de-recognition of leased premises	(81)	(1,337)
<i>Lease expense not capitalised in lease liabilities:</i>		
Expense relating to short-term leases (included in other operating expenses) (Note 8)	3,835	4,163
Total amount recognised in profit or loss <b>(Continued Operations)</b>	<b>11,640</b>	<b>12,010</b>

Short term lease/ lease of low value assets–

The Group also has lease contracts for premises, stores, parking areas with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 25. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

##### Company

##### Purchases of services

	2025	2024
Subsidiaries		
– ESOP recharge	4,762	4,361
	<u>4,762</u>	<u>4,361</u>

##### Group

##### Compensation of key management personnel

	2025	2024
Salaries and wages	807	341
<i>Comprise of amounts paid to:</i>		
Directors of the Company	807	341
	<u>807</u>	<u>341</u>

Transactions during the year with associate (Note 28):

	2025	2024
Revenue from operations	199,547	282,363
Support service income	6,138	10,460
Support service expense	1,612	553
Reimbursement of insurance expenses	1,497	1,323
	<u>199,547</u>	<u>282,363</u>

Balances with Associate (Note 28):

	2025	2024
Investment in equity share capital	1,381	1,644
Trade and other receivables	4,922	9,800
Trade and other payables	1,864	2,280
	<u>1,381</u>	<u>1,644</u>

##### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 26. Financial risk management objectives and policies

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency, interest rate risk, liquidity risks and credit risk. The board of directors of the subsidiary and representatives of the corporate shareholders review and agree policies and procedures for the management of these risks, which are executed by the management. It is, and has been throughout the current period, the Group's policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

##### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their cash and fixed deposits and floating rate borrowings.

##### Interest rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the group's statement of profit and loss:

Particulars	2025		2024	
	Basis Points	Effect on profit before Tax	Basis Points	Effect on profit before tax
Increase in Basis Points	+100	(521)	+100	(666)
Decrease in Basis Points	-100	521	-100	666

##### (b) Foreign currency risk

The Group has investments in foreign subsidiaries, where net assets are exposed to currency translation risk. There was significant change in the exchange rate of INR and AUD in the current year as compared to previous year, due to which the group has recorded foreign currency translation reserve in other comprehensive income amounting to US\$ 43,188 Thousands (2024: US\$ 36,306 Thousands). The group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

The Group has transactional currency exposures arising from purchases that are denominated in a currency other than the functional currency of the Group, primarily Indian Rupee (INR), United States Dollar (USD), Australian Dollar (AUD) and Thai Bhat (THB), therefore is exposed to foreign exchange risk. The Group also has transactions in United Arab Emirates Dirham (AED), however the Group is not exposed to any foreign currency risk with respect to AED, as AED is pegged to the US Dollar (USD).

The Group's trade receivables and trade payable balances at the balance sheet date have similar exposures.

The Group and Company do not expect the foreign currency risks to be material.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***26. Financial risk management objectives and policies (cont'd)****(c) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operation and to mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Group's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments:

	<b>One year or less</b>	<b>One year to five years</b>	<b>More than five years</b>	<b>Total</b>
<b>Group</b>				
<b>2025</b>				
<b>Financial assets:</b>				
Trade and other receivables	21,037	2,948	–	23,985
Loans and advances	40,445	94,598	–	135,043
Other Deposits	–	62,683	–	62,683
Cash and fixed deposits	182,370	–	–	182,370
Investment in other financial asset	25,534	–	–	25,534
<b>Total undiscounted financial assets</b>	<b>269,386</b>	<b>160,229</b>	<b>–</b>	<b>429,615</b>
<b>Financial liabilities:</b>				
Trade and other payables	52,530	1,893	–	54,423
Loans and borrowings	63,003	67,540	–	130,543
<b>Total undiscounted financial liabilities</b>	<b>115,533</b>	<b>69,433</b>	<b>–</b>	<b>184,966</b>
<b>Total net</b>	<b>153,853</b>	<b>90,796</b>	<b>–</b>	<b>244,649</b>

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

## 26. Financial risk management objectives and policies (cont'd)

### (c) Liquidity risk (cont'd)

Group	One year or less	One year to five years	More than five years	Total
<b>2024</b>				
<b>Financial assets:</b>				
Trade and other receivables	27,311	2,741	–	30,052
Loans and advances	39,338	104,628	–	143,966
Other bank deposits	–	7,221	–	7,221
Cash and fixed deposits	303,682	–	–	303,682
Investment in other financial asset	16,538	–	–	16,538
<b>Total undiscounted financial assets</b>	<b>386,869</b>	<b>114,590</b>	<b>–</b>	<b>501,459</b>
<b>Financial liabilities:</b>				
Trade and other payables	51,326	1,446	–	52,772
Loan and borrowings	74,337	99,060	–	173,397
<b>Total undiscounted financial liabilities</b>	<b>125,663</b>	<b>100,506</b>	<b>–</b>	<b>226,169</b>
<b>Total net</b>	<b>261,206</b>	<b>14,084</b>	<b>–</b>	<b>275,290</b>
<b>Company</b>				
<b>2025</b>				
<b>Financial assets:</b>				
Trade and other receivables		7,609	–	7,609
Cash and cash equivalents		70,917	–	70,917
Loans and advances		3,169	–	3,169
Total undiscounted financial assets		81,695	–	81,695
<b>Financial liabilities:</b>				
Trade and other payables		374	–	374
Total undiscounted financial liabilities		374	–	374
Total net undiscounted		81,321	–	81,321

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***26. Financial risk management objectives and policies (cont'd)****(c) Liquidity risk (cont'd)**

	<b>One year or less</b>	<b>One year to five years</b>	<b>Total</b>
<b>Company</b>			
<b>2024</b>			
<b>Financial assets:</b>			
Trade and other receivables	8,124	–	8,124
Cash and cash equivalents	182,496	–	182,496
Loans and advances	2,097		2,097
Total undiscounted financial assets	<u>192,717</u>	–	<u>192,717</u>
<b>Financial liabilities:</b>			
Trade and other payables	1,302	–	1,302
Total undiscounted financial liabilities	<u>1,302</u>	–	<u>1,302</u>
Total net undiscounted	<u>191,415</u>	–	<u>191,415</u>

**(d) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, financial institutions and other parties, trade and other receivables, and loans and advances.

The Group adopts a prudent criterion in its policy, where the main objectives of which are to reduce the credit risk associated with products and the counterparty risk associated with financial institutions. The Group considers the solvency, liquidity, asset quality and management prudence of the counter parties, as well as the performance potential for the counter parties in stressed conditions. In relation to credit risk arising from commercial transactions, impairment losses are recognised for trade receivables when objective evidence exists that the Group will be unable to recover all the outstanding amounts in accordance with the original contractual conditions of the receivables.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 26. Financial risk management objectives and policies (cont'd)

### (d) Credit risk (cont'd)

#### Credit risk from balances with banks and financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Credit risk from trade and other receivables

The Group assessed credit risk arising from trade and other receivables based on credit quality of counter-parties based on past trends, and impairment analysis is performed at each reporting date. Based on the assessment, the risk associated with receivable is low and not material to the financial statements. The Group also invests in quoted debt securities with very low credit risk. The Group's debt instrument at fair value through profit and loss account comprised solely of quoted bonds that are considered to be low credit risk.

#### Credit risk from loans and advances

The ECL allowance over loans and advances is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or "LTECL"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss ("12mECL"). The Group considers an exposure to have significantly increased in credit risk when contractual payments are more than 1 days past due.

Both LTECLs and 12mECLs are calculated on collective basis, depending on the nature of the underlying portfolio of financial instruments.

Based on the above process, the Group classifies its loans into Stage 1, Stage 2, and Stage 3, as described below:

#### - **Stage 1 ECL:**

The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to Exposure at Default ("EAD") and multiplied by the expected Loss Given Default ("LGD").

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

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## 26. Financial risk management objectives and policies (cont'd)

### (d) Credit risk (cont'd)

Expected Credit Loss ("ECL") model: (cont'd)

#### - **Stage 2 ECL:**

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are like those explained above, but Probability of Default ("PD") are estimated over the lifetime of the instrument.

#### - **Stage 3 ECL:**

For loans considered as credit-impaired, the group recognises the lifetime expected credit losses for these loans. The method is like that for Stage 2 assets, with the PD set at 100%.

FRS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Group uses three main components to measure ECL. These are EAD, PD and LGD.

- The PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously de-recognised and is still in the portfolio. The PD for stage 3 contracts is considered at 100%. Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.
- The EAD represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.
- LGD is an estimated of the loss arising in the case where a default occurs at a given time. It is based on difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

## 26. Financial risk management objectives and policies (cont'd)

### (d) Credit risk (cont'd)

Following tables provide an overview of the gross carrying amount and credit loss allowance broken down into stages:

figures in US\$	Gross carrying amount					
	31 March 2025			31 March 2024		
Stage	1	2	3	1	2	3
As at 1 April	141,529	3,827	2,660	103,837	2,433	1,303
Net business– net of recovery	4,247	(2,271)	(1,679)	44,892	(1,463)	600
Net transfer between stages						
Transfer to stage 1	375	(300)	(75)	252	(242)	(11)
Transfer to stage 2	(3,999)	4,000	(1)	(3,450)	3,450	–
Transfer to stage 3	(7,061)	(947)	8,008	(2,303)	(347)	2,650
Write off	–	–	(3,178)	–	–	(1,855)
Exchange differences	(3,736)	(147)	(101)	(1,699)	(4)	(27)
<b>As at 31 March</b>	<b>131,355</b>	<b>4,162</b>	<b>5,634</b>	<b>141,529</b>	<b>3,827</b>	<b>2,660</b>

figures in US\$	Expected credit loss					
	31 March 2025			31 March 2024		
Stage	1	2	3	1	2	3
As at 1 April	1,975	772	1,303	890	58	458
New business–net of recovery	–	–	–	2330	429	773
Net transfer between stages	–	–	–	–	–	–
Transfer to stage 1	27	(24)	(3)	11	(11)	–
Transfer to stage 2	(1,118)	1,118	–	(460)	460	–
Transfer to stage 3	(2,334)	(515)	2,849	(776)	(160)	936
ECL measurements due to changes in EAD/Credit Risk/Assumptions (net)	3,830	63	(840)	–	–	–
Assets derecognised or collected	–	–	–	–	–	(852)
Exchange difference	(51)	(28)	(53)	(20)	(4)	(12)
<b>As at 31 March</b>	<b>2,329</b>	<b>1,386</b>	<b>3,256</b>	<b>1,975</b>	<b>772</b>	<b>1,303</b>

## 27. Fair value of financial instruments

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1– Quoted prices (unadjusted), in active markets for identical asset or liabilities that the Group can access at the measurement date
- Level 2– Inputs other than the quoted prices including within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3– Unobservable inputs for the asset or liability

## Global Car Group Limited and its subsidiaries

### Notes to the Financial Statements

#### For the financial year ended 31 March 2025

(All Amounts in US\$ Thousands, unless otherwise stated)

#### 27. Fair value of financial instruments (cont'd)

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

As on 31 March 2025, the Group had made investments in mutual funds measured at fair value amounting to US\$ 8,002 Thousands (31 March 2024: US\$ 8,974 Thousands) which is classified as level 2 category of investment.

#### 28. Investment in Associate

As on 31 March 2025, the group has investment in following associate entity:

Name	Relationship	Country of incorporation/ operation	Principal activities	Group interest (%)	
				31 March 2025	31 March 2024
Accelane Private Limited ('Accelane')	Associate	India	Customer support and outsourcing services	25	25

The investment in Accelane is measured using equity method.

Investment movement

	2025	2024
Opening Investment	1,601	1,636
Share of (loss)/profit of associate	(224)	7
Elimination of margin on unsold inventory sold	(8)	(42)
Closing Investment	<b>1,369</b>	<b>1,601</b>

Summary financial statement of Accelane as on 31 March 2025, on a 100% basis:

	2025	2024
<b>Post-acquisition profit or loss statement:</b>		
Revenue	226,417	303,294
Depreciation and amortisation	335	231
Finance cost	181	119
Profit from Continued Operations/ total comprehensive income	(893)	26

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***28. Investment in Associate (cont'd)**

	<b>2025</b>	<b>2024</b>
Non-current assets	<b>1,868</b>	<b>2,075</b>
Cash and Cash equivalents	3,549	4,159
Other current assets	11,104	13,287
<b>Current assets</b>	<b>14,653</b>	<b>17,446</b>
Current liabilities	(10,141)	(11,300)
Non-current liabilities	(1,441)	(1,553)
<b>Net assets</b>	<b>4,939</b>	<b>6,668</b>
Group's share of net assets	1,235	1,667
Adjustments on account of downstream transactions with associate	134	(66)
<b>Group's carrying amount of investment*</b>	<b>1,369</b>	<b>1,601</b>

The Company and Rocket Kars LLP have entered into a Shareholders Agreement which governs their relationship as the shareholders of Accelane. Accelane is majority owned and controlled by RK Group and the Company is the minority shareholder in Accelane.

**29. Discontinued operations and events occurring after balance sheet date****Background**

The Group performs annual assessment of its performance across the Group along with preparation / finalisation of next year operating plans and budgets.

At the time of review of performance of the Group entities, it was observed that the business operations in Indonesia, Saudi Arabia and Thailand were significantly lesser than the projections prepared during last financial year.

The management of the Group have decided to discontinue the operations in the below entities.

**Global Car Group Limited and its subsidiaries****Notes to the Financial Statements****For the financial year ended 31 March 2025***(All Amounts in US\$ Thousands, unless otherwise stated)***29. Discontinued operations and events occurring after balance sheet date (cont'd)****Background (cont'd)**

<b>Sr. No.</b>	<b>Geography</b>	<b>Name of the entity</b>	<b>Subsidiary or associate</b>	<b>Effective month of discontinuance of operations</b>
1	Indonesia	PT Global Cars Indonesia	Subsidiary	May, 2024
2	Saudi Arabia	Cars24 Arabia Automotive Company	Subsidiary	May, 2024
3	Thailand	Cars24 Group (Thailand) Co Ltd	Subsidiary	March, 2024
4	Thailand	Global Cars Thai Holding 2 Co., Ltd.	Subsidiary	March, 2024
5	Thailand	Global Cars Thai Co., Ltd.	Subsidiary	March, 2024
6	Thailand	Global Cars Thai Holding 1 Co., Ltd.	Subsidiary	March, 2024

**Results of Discontinued Operations**

<b>Particulars</b>	<b>Group</b>	
	<b>Mar'25</b>	<b>Mar'24</b>
Revenue	10,820	57,714
Other Income	108	472
Expenses	(13,068)	(76,297)
Finance income	18	20
<b>Loss before tax</b>	<b>(2,122)</b>	<b>(18,091)</b>
Tax expense	(5)	(3)
<b>Loss after tax</b>	<b>(2,127)</b>	<b>(18,094)</b>

**Statement of cash flows associated with Discontinued Operations**

The statement of cash flows includes the following amounts relating to Discontinued Operations:

<b>Particulars</b>	<b>Group</b>	
	<b>Mar'25</b>	<b>Mar'24</b>
Operating activities	1,085	(5,402)
Investing activities	101	(124)
Financing activities *	(6,080)	6,600

\* Includes investment made by Group or repayment made to Group

## **Global Car Group Limited and its subsidiaries**

### **Notes to the Financial Statements**

#### **For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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### **30. Goodwill**

The Group performs its annual impairment test at the end of each financial year, or more frequently if there are indications that goodwill may be impaired.

Carrying amount of goodwill is allocated to the CGU of Global Access Cars Automobile Trading LLC ('LLC2'). LLC2 was acquired during the financial year ended 31 March 2022 with total purchase consideration of US\$40,849 (AED150,000), settled in cash. Pursuant to the transaction, LLC2 became a wholly-owned subsidiary of the Group.

The recoverable amount of a CGU is determined based on value in use computation derived from cash flow projections approved by senior management covering a six-year period. The valuation was performed by a third-party consultant. Key assumptions applied in the value in use computation include discount rate of 15.40% (2024: 19.61%) and terminal growth rate of 4% (2024: 5%). As at 31 March 2025, the Group concluded no impairment of goodwill.

### **31. Business Combination After the Reporting Date**

Subsequent to 31 March 2025, the Group entered into a definitive assignment agreement and a trademark assignment agreement with Mr. Rushabh Parekh ("Assignor 1"), M/s BHP Racing ("Assignor 2") and Team BHP Community Private Limited ("Assignor 3") (together referred to as the "Assignors").

Assignor 1 is the owner of the web platform and various trademarks associated with the Team BHP business. Assignor 2 and Assignor 3 are engaged in content development and platform maintenance activities. Under the agreements, the Group has acquired the web platform, trademarks and related content for a total consideration of USD 2,926 thousands, payable to the Assignors. Of this, USD 1,990 thousands has been paid upfront, with the remaining USD 936 thousands payable as deferred consideration in two equal tranches, due 6 months and 12 months from the closing date.

In addition, the Group has offered employment to Assignor 1 and certain key employees of Assignor 2 and Assignor 3 to ensure continuity and integration of operations. The acquisition is expected to strengthen the Group's platform capabilities, enhance user experience, and enable the introduction of new features to help members make more informed automotive decisions.

As per the terms of the agreement, the Group has obtained ownership of the Team BHP platform and related social media accounts, thereby becoming entitled to all associated economic benefits. Management has evaluated the transaction in accordance with FRS 103 Business Combinations and concluded that it constitutes a business combination, resulting in the Company obtaining 100% equity interest in Team BHP.

In line with paragraph 45 of FRS 103, the Group is in the process of identifying and measuring the intangible assets acquired as part of the transaction. This exercise is expected to be completed within 12 months from the acquisition date.

## **Global Car Group Limited and its subsidiaries**

### **Notes to the Financial Statements**

#### **For the financial year ended 31 March 2025**

*(All Amounts in US\$ Thousands, unless otherwise stated)*

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#### **32. Constitution of Trust**

During the year, the Group constituted a trust named Vision Zero trust. This trust has been incorporated on 21st February 2025 for the purposes of creating awareness on road and pedestrian safety with the objective of reducing road accidents. No transactions have occurred in the current financial year.

The trust is structured in a manner that the Group exercises control over its relevant activities as defined under FRS 110 – Consolidated Financial Statements.

#### **33. Capital management**

The primary objective of the Group's capital management is to maximise shareholders' value.

The Group manages the capital and makes adjustments to it in the light of changes to the working capital requirements and business performance. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2025 and 2024.

The Group is not subject to any externally imposed capital requirements.

#### **34. Authorisation of financial statements**

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 30 September 2025.