

**Report of Factual Findings in Connection with agreed-upon procedures assignment related to translated financials**

To,

**The Board of Directors**

Barbeque-Nation Hospitality Limited  
Survey No. 62, Site No. 13, 6<sup>th</sup> cross, NS Palaya,  
BTM Layout, Bengaluru – 560 076.

We have performed the procedures agreed with you and enumerated below with respect to the Translated Financial Information (referred to as 'INR Financial Information') of Barbeque Nation International LLC (Oman), ('Company' or 'Barbeque Oman') as at and for the year ended 31 March 2020, annexed to this report. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India. The procedures were performed solely to assist you in evaluating the validity of the INR Financial Information of the Company and are summarized as follows:

1. We obtained the standalone audited financials and the INR Financial Information of the Company as at and for the year ended 31 March 2020 and compared the AED balances considered for preparation of INR Financial Information with the standalone audited financials of the Company.
2. We compared the AED to INR exchange rates considered for translation of AED balances to INR with the sources data.
3. We verified the translation of AED balances to INR are in accordance with the Indian Accounting Standard 21 'The Effects of Changes in Foreign Exchange Rates' (Ind AS 21).

The management of the Barbeque-Nation Hospitality Limited, India ('Barbeque-Nation', the ultimate holding company) are responsible for preparation of the INR Financial Information in accordance with para 11(I)(A)(ii), Part A, Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 ('SECI ICDR 2018') and in accordance with Ind AS 21. Our responsibility is to perform above mentioned agreed upon procedures and to report our factual findings based on those procedures.

We report our finding below:

- (a) With respect to item 1 above, we found that the AED balances considered for preparation of INR Financial Information as at and for the year ended 31 March 2020 are in agreement with the standalone audited financials of the Company.
- (b) With respect to item 2 above, we found AED to INR exchange rates considered for translation of AED balances to INR are in agreement with the source data.
- (c) With respect to item 3, we found translation of AED balances to INR are in accordance with Ind AS 21.

Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the INR Financial Information of the Company. Had we performed additional procedures or had we performed an audit or review of the INR Financial Information in accordance with the generally accepted auditing standards in India, other matters might have come to our attention that would have been reported to you.

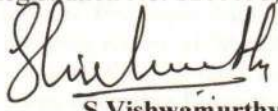


**S G M & Associates LLP**

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. These INR Financial Information is intended solely for the use of the management of Barbeque-Nation for uploading on their website in connection with the proposed Initial Public Offer of equity shares of Barbeque-Nation. Our report should not be used or referred to or distributed for any other purpose without our consent in writing.



For **S G M & Associates LLP**  
Chartered Accountants  
(LLP Registration No. S200058)

  
**S Vishwamurthy**  
Partner  
Membership No. 215675

**Bengaluru**, 28 January 2021  
UDIN: 21215675AAAAAD2909

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**Barbeque Nation International LLC - Oman**

Special Purpose Standalone Balance Sheet as at 31 March 2020

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars as at	Note No.	31-Mar-2020	31-Mar-2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	5,93,18,054	-
Right-to-Use assets	4	2,30,91,560	2,70,65,855
Capital work-in-progress	5	11,31,716	5,62,42,911
Financial assets			
Loans	6	19,51,607	25,24,813
<b>Total Non-current assets [A]</b>		<b>8,54,92,937</b>	<b>8,58,33,579</b>
<b>Current assets</b>			
Inventories	7	11,28,969	-
Financial assets			
Cash and cash equivalents	8	26,88,095	2,98,158
Other current assets	9	1,94,38,749	1,97,32,207
<b>Total current assets [B]</b>		<b>2,32,55,813</b>	<b>2,00,30,365</b>
<b>Total assets [A+B]</b>		<b>10,87,48,750</b>	<b>10,58,63,944</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	2,94,36,000	2,69,74,500
Other equity	11	(1,41,80,304)	(52,38,268)
<b>Equity attributable to owners of the Company [C]</b>		<b>1,52,55,696</b>	<b>2,17,36,232</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	12	5,79,87,154	4,70,58,454
Lease liabilities	4	1,87,71,338	2,25,50,323
<b>Total Non-current liabilities [D]</b>		<b>7,67,58,492</b>	<b>6,96,08,777</b>
<b>Current liabilities</b>			
Financial Liabilities			
Lease liabilities	4	86,06,301	76,63,455
Trade payables	13	81,28,261	68,55,480
<b>Total current liabilities [E]</b>		<b>1,67,34,562</b>	<b>1,45,18,935</b>
<b>Total liabilities [F= [D+E]]</b>		<b>9,34,93,054</b>	<b>8,41,27,712</b>
<b>Total equity and liabilities [F+C]</b>		<b>10,87,48,750</b>	<b>10,58,63,944</b>

See accompanying notes forming part of the special purpose standalone financial statements



**Barbeque Nation International LLC - Oman**

Special Purpose Standalone Statement of Profit and Loss for the year ended 31 March 2020

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars for the year ended	Note No.	31-Mar-2020	31-Mar-2019
<b>REVENUE</b>			
Revenue from operations	14	5,95,37,522	-
Other income	15	1,70,172	20,33,450
<b>Total (A)</b>		<b>5,97,07,694</b>	<b>20,33,450</b>
<b>Expenses</b>			
Cost of revenue		4,21,88,285	-
Other operating expenses	16	48,56,389	1,53,947
<b>Total (B)</b>		<b>4,70,44,674</b>	<b>1,53,947</b>
<b>Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)</b>		<b>1,26,63,020</b>	<b>18,79,503</b>
Finance costs (D)	17	48,47,166	23,11,325
Depreciation expense (E)	18	1,62,79,882	48,06,446
<b>Loss before tax and exceptional items (F) = (C-D-E)</b>		<b>(84,64,028)</b>	<b>(52,38,268)</b>
Exceptional items (G)		-	-
<b>Loss before tax (H) = (F-G)</b>		<b>(84,64,028)</b>	<b>(52,38,268)</b>
<b>Tax expense / (benefit):</b>			
Current tax		-	-
Deferred tax		-	-
<b>Net tax expense / (benefit) (I)</b>		<b>-</b>	<b>-</b>
<b>Net Loss for the year (J) = (H-I)</b>		<b>(84,64,028)</b>	<b>(52,38,268)</b>
<b>Other Comprehensive Income / (Losses) (K)</b>			
Items that will not be reclassified to Statement of Loss and loss			
Remeasurements of the defined benefit plans		-	-
Income tax on the above		-	-
<b>Total comprehensive income for the year (J + K)</b>		<b>(84,64,028)</b>	<b>(52,38,268)</b>

See accompanying notes forming part of the special purpose standalone financial statements



**Barbeque Nation International LLC - Oman**

Special Purpose Standalone Statement of changes in equity

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars as at	Share capital	Foreign currency translation	Retained earnings	Total
<b>As at 01 April 2018</b>	-	-	-	-
Effect of increase in share capital	2,69,74,500	-	-	2,69,74,500
Adjustment arising on account of change in accounting policy	-	-	-	-
Loss for the year	-	-	(52,38,268)	(52,38,268)
Exchange	-	-	-	-
<b>As at 31 March 2019</b>	<b>2,69,74,500</b>	-	<b>(52,38,268)</b>	<b>2,17,36,232</b>
Effect of increase in share capital	24,61,500	-	-	24,61,500
Loss for the year	-	-	(84,64,028)	(84,64,028)
Exchange	-	(4,78,008)	-	(4,78,008)
<b>As at 31 March 2020</b>	<b>2,94,36,000</b>	<b>(4,78,008)</b>	<b>(1,37,02,296)</b>	<b>1,52,55,696</b>

See accompanying notes forming part of the special purpose standalone financial statements



**Barbeque Nation International LLC - Oman**

Special Purpose Standalone Statement of Cashflow for the year year 31 March 2020

(Amount in Rupees, except for shares data or as otherwise stated)

<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
<b>Cashflows from operating activities</b>		
Loss for the year	(84,64,028)	(52,38,268)
Adjustments for:		
Depreciation	1,62,79,882	48,06,446
Interest expenses	48,47,166	23,11,325
Payable written back	-	(18,89,799)
<b>Operating loss before working capital changes</b>	<b>1,26,63,020</b>	<b>(10,296)</b>
Changes in inventories	(10,81,765)	-
Changes in other receivables and prepayments	27,76,525	(82,50,219)
Changes in accruals and other payables	(34,44,028)	76,99,562
<b>Net cash used in operating activities</b>	<b>1,09,13,752</b>	<b>(5,60,953)</b>
<b>Cashflows from investing activities</b>		
Purchase of property, plant and equipments (including capital work-in-progress) (net)	(92,18,416)	(5,45,89,996)
<b>Net cash used in investing activities</b>	<b>(92,18,416)</b>	<b>(5,45,89,996)</b>
<b>Cashflow from financing activities</b>		
Proceeds from issue of shares	-	2,61,81,750
Proceeds from loan from shareholders	63,57,087	3,23,22,767
Process from long-term borrowings from banks (net)	-	-
Lease liabilities paid	(8,15,320)	(30,55,410)
Interest paid	(48,47,166)	-
<b>Net cash flow from financing activities</b>	<b>6,94,601</b>	<b>5,54,49,107</b>
<b>Net changes in cash and cash equivalents</b>	<b>23,89,937</b>	<b>2,98,158</b>
Cash and cash equivalents at beginning of the year	2,98,158	-
<b>Cash and cash equivalents at end of the year</b>	<b>26,88,095</b>	<b>2,98,158</b>

See accompanying notes forming part of the special purpose standalone financial statements



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements

(Amount in Rupees, except for shares data or as otherwise stated)

**Note**

No.

**1 Corporate information**

Barbeque Nation International LLC - Oman (Company) is a limited liability company registered under the Commercial Law of the Sultanate of Oman on 18 February 2018. The Company is engaged setting up and operating restaurant.

**2 Basis of preparation****(a) Statement of compliance**

The audited financials statements of the Company as at and for the year ended 31 March 2020 were prepared on historical cost convention and in accordance with International Financial Reporting Standards [IFRS] and the requirement of the Oman Commercial Company Law 1974, as amended.

The management of Barbeque-Nation Hospitality Limited ('BBQ-Nation', the ultimate holding company of the Company), have prepared these special purpose standalone financial statements in accordance with para 11(I)(A)(ii), Part A, Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 ('SECI ICDR 2018') and in accordance with Indian Accounting Standard 21 'The Effects of Changes in Foreign Exchange Rates' (Ind AS 21).

The Company's functional currency is Omani Rial (RO) and these special purpose standalone financial statements are presented in Indian Rupees (INR) ('INR Financials'). The results and financial position of the Company have been translated to INR using the following procedures:

- (i) assets and liabilities for each balance sheet presented (including comparatives) are translated at the closing rate at date of that balance sheet;
- (ii) income and expenses for each statement of profit and loss presented (including comparatives) are translated at average exchange rates for those periods; and
- (iii) all resulting exchange difference are recognised in 'Other comprehensive income'.

**RO / INR conversion rates considered for translation**

Exchange rates for*	31-Mar-2020	31-Mar-2019
- assets and liabilities	196.24	179.83
- income and expenses	188.04	174.55

\* exchange rates taken from the data available in the public domain

Refer the audited financials statement of the Company as on and for the year ended 31 March 2020 for accounting policy and other details.



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements  
(Amount in Rupees, except for shares data or as otherwise stated)

**Note**

No.

**3 Property, plant and equipment**

Particulars as at	Leasehold improvements	Kitchen equipments	Furniture, fixtures, & office equipments	Plant & machineries	Total
As at 01 April 2019	-	-	-	-	-
Additions	3,14,65,401	1,39,89,428	1,57,15,401	57,72,863	6,69,43,093
Deletions	-	-	-	-	-
Transalation adjustment	13,73,008	6,10,436	6,85,749	2,51,901	29,21,094
<b>Balance as at 31 March 2020</b>	<b>3,28,38,409</b>	<b>1,45,99,864</b>	<b>1,64,01,150</b>	<b>60,24,764</b>	<b>6,98,64,187</b>
Depreciation					
As at 01 April 2019	-	-	-	-	-
Charge for the year	42,45,642	23,57,583	29,02,320	5,99,644	1,01,05,189
Reversal relating to deletion	-	-	-	-	-
Transalation adjustment	1,85,261	1,02,874	1,26,644	26,165	4,40,944
<b>Balance as at 31 March 2020</b>	<b>44,30,903</b>	<b>24,60,457</b>	<b>30,28,964</b>	<b>6,25,809</b>	<b>1,05,46,133</b>
Net book value					
As at 31 March 2020	2,84,07,506	1,21,39,407	1,33,72,186	53,98,955	5,93,18,054

**5 Capital work-in-progress**

Particulars	31-Mar-2020	31-Mar-2019
Capital work-in-progress	11,31,716	5,62,42,911
<b>Total</b>	<b>11,31,716</b>	<b>5,62,42,911</b>





**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements

(Amount in Rupees, except for shares data or as otherwise stated)

Note

No.

**4 Leases**

The Company has adopted IFRS 16 Leases issued in January 2016 with the date of initial application of 01 April 2019. IFRS 16 introduces significant changes to lease accounting. It removes the distinction between operating and finance lease under IAS 17 and requires a lease to recognize a Right-of-Use Asset [RoU] and a Lease Liability [OLL] at lease commencement for all leases, except for short term leases and leases of low value assets. The Company has applied IFRS 16 using the retrospective approach.

The Company initially measures the RoU at cost and subsequently measured at cost less accumulated depreciation and impairment losses, adjusted for any remeasurement of the OLL.

The Company initially measures the OLL at the present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the OLL is adjusted for profit and lease payments, as well as the impact of lease modification, amongst others.

The Company has elected to apply the expedient allowed by IFRS 16 on its general requirements to short-term leases (i.e one that does not include a purchase option and has a lease term at commencement date of 12 months or less) and leases of low value assets. For this the Company recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term or another systematic basis if that basis is representative of the pattern of the lessee's benefits, similar to the current accounting for operating leases.

The following table summarise the impacts of adopting IFRS 16 on the Company's financial statements.

**Disclosure on RoU**

Particulars	31-Mar-2020	31-Mar-2019
<b>At Cost</b>		
Opening balance	3,20,33,298	3,01,50,453
Translation adjustment	29,23,129	18,82,845
<b>Closing balance</b>	<b>3,49,56,427</b>	<b>3,20,33,298</b>
<b>Depreciation</b>		
Opening balance	49,67,443	15,465
Charge for the year	61,74,693	48,06,446
Translation adjustment	7,22,731	1,45,532
<b>Closing balance</b>	<b>1,18,64,867</b>	<b>49,67,443</b>
<b>Net block</b>	<b>2,30,91,560</b>	<b>2,70,65,855</b>

**Disclosure on OLL**

Particulars	31-Mar-2020	31-Mar-2019
<b>At Cost</b>		
Opening balance	3,02,13,778	2,61,98,571
<b>Closing balance</b>	<b>2,73,77,639</b>	<b>3,02,13,778</b>
Current portion	86,06,301	76,63,455
Non-current portion	1,87,71,338	2,25,50,323



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements  
(Amount in Rupees, except for shares data or as otherwise stated)

Note

No.

**6 Loans**

Particulars as at	31-Mar-2020	31-Mar-2019
<b>Non-current</b>		
Security deposit	19,51,607	25,24,813
<b>Total</b>	<b>19,51,607</b>	<b>25,24,813</b>

**7 Inventories**

Particulars as at	31-Mar-2020	31-Mar-2019
Food and beverages	11,28,969	-
<b>Total</b>	<b>11,28,969</b>	<b>-</b>

**8 Cash and cash equivalents**

Particulars as at	31-Mar-2020	31-Mar-2019
Cash-in-hand	90,859	-
In current account	25,97,236	2,98,158
<b>Total</b>	<b>26,88,095</b>	<b>2,98,158</b>

**9 Other current assets**

Particulars as at	31-Mar-2020	31-Mar-2019
Prepaid expenses	34,54,609	-
Advance to suppliers	7,19,808	59,70,716
Employee advance	13,933	4,496
Due from related parties	1,50,12,360	1,37,56,995
Other receivables	2,38,039	-
<b>Total</b>	<b>1,94,38,749</b>	<b>1,97,32,207</b>

**10 Equity share capital**

Particulars as at	31-Mar-2020	31-Mar-2019
<b>Authorised capital</b>		
150,000 shares of AED 100 each	2,94,36,000	2,69,74,500
<b>Issued, subscribed and paid-up capital</b>		
150,000 shares of AED 100 each	2,94,36,000	2,69,74,500
<b>Total</b>	<b>2,94,36,000</b>	<b>2,69,74,500</b>



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements  
(Amount in Rupees, except for shares data or as otherwise stated)

**Note**

No.

**11 Other equity**

Particulars as at	31-Mar-2020	31-Mar-2019
<b>Retained earnings</b>		
Opening balance	(52,38,268)	-
Total comprehensive loss for the year	(84,64,028)	(52,38,268)
Foreign currency translation	(4,78,008)	-
<b>Closing balance</b>	<b>(1,41,80,304)</b>	<b>(52,38,268)</b>

**12 Borrowings**

Particulars as at	31-Mar-2020	31-Mar-2019
<b>Non-current</b>		
Long-term loan from related parties	5,79,87,154	4,70,58,454
<b>Total</b>	<b>5,79,87,154</b>	<b>4,70,58,454</b>

**13 Trade payables**

Particulars as at	31-Mar-2020	31-Mar-2019
Trade payables	81,28,261	68,55,480
<b>Total</b>	<b>81,28,261</b>	<b>68,55,480</b>



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements

(Amount in Rupees, except for shares data or as otherwise stated)

Note

No.

<b>14 Revenue from operations</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Sale of food & beverages	5,95,37,522	-
<b>Total</b>	<b>5,95,37,522</b>	<b>-</b>
<b>15 Other income</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Payable written back	-	18,89,799
Foreign exchange gain	1,70,172	1,43,651
<b>Total</b>	<b>1,70,172</b>	<b>20,33,450</b>
<b>16 Other expenses</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Other expenses	48,56,389	1,53,947
<b>Total</b>	<b>48,56,389</b>	<b>1,53,947</b>
<b>17 Finance costs</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Interest on lease liabilities	26,53,738	23,09,230
Interest on loan from related parties	21,93,428	2,095
<b>Total</b>	<b>48,47,166</b>	<b>23,11,325</b>
<b>18 Depreciaton and amortisation</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Depreciaton on property, plant and equipments	1,01,05,189	-
Amortisation of RoU	61,74,693	48,06,446
<b>Total</b>	<b>1,62,79,882</b>	<b>48,06,446</b>
<b>18 Contingent liability and capital commitment</b>		
<b>Particulars for the year ended</b>	<b>31-Mar-2020</b>	<b>31-Mar-2019</b>
Contingent liability	-	-
Capital commitment	-	-



**Barbeque Nation International LLC - Oman**

Notes forming part of special purpose standalone financial statements  
(Amount in Rupees, except for shares data or as otherwise stated)

**Note****No.****19 Related party transactions****A List of related parties**

Ultimated holding company	Barbeque-Nation Hospitality Limited, India
Holding company	Barbeque Nation Mena Holding Limited, U.A.E

**B Transactions with related parties**

Particulars for the period ended	Holding company	Ultimated holding company	31-Mar-2020	31-Mar-2019
<b>Expenses</b>				
Interest on loan from related parties	21,93,428	-	21,93,428	2,095

**C Balances with related parties as at**

	Holding company		31-Mar-2020	31-Mar-2019
Loan from shareholder (non-current)	5,79,87,154	-	5,79,87,154	4,70,58,454



**BARBEQUE NATION  
INTERNATIONAL L.L.C. - OMAN  
FINANCIAL STATEMENTS  
31 MARCH 2020**

# H. C. Shah



# شاه لاند قىبىق اتش. سى شاه

Chartered Accountants

A member of Kreston International  
A global network of independent accounting firms

محاسبون قانونيون

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Ref: 8696

Date: 20 December 2020

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN which comprise the statement of financial position as at 31 MARCH 2020 and the statements of comprehensive income, changes in equity and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 2 to 12.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 MARCH 2020, and its financial performance and its cash flows for the period then ended in accordance with the International Financial Reporting Standards.

#### Basis for opinion

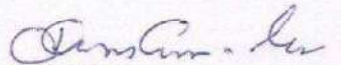
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of the Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the disclosure requirements of the Oman Companies Law 1974, as amended, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibility

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 ISAs 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.

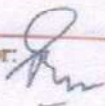
  
H. C. SHAH  
CHARTERED ACCOUNTANTS

**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**
**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2020**

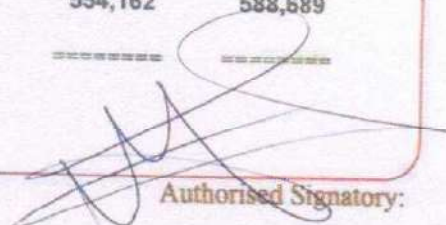
	NOTE	31-03-2020 R.O.	31-03-2019 R.O.
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant & Equipment	3.	302,273	-
Capital Work-in-Progress		5,767	312,756
Right of Use Assets - Lease	4.	<u>117,670</u>	<u>150,508</u>
		<u>425,710</u>	<u>463,264</u>
<b>Current Assets</b>			
Inventories		5,753	-
Due from Member		76,500	76,500
Accounts Receivable	5.	32,501	47,267
Bank Balances and Cash	6.	<u>13,698</u>	<u>1,658</u>
		<u>128,452</u>	<u>125,425</u>
<b>TOTAL ASSETS</b>	<b>R.O.</b>	<b>554,162</b>	<b>588,689</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Members' Equity</b>			
Share Capital	7.	150,000	150,000
Accumulated Losses		(72,260)	(29,129)
Members' Accounts		<u>295,491</u>	<u>261,683</u>
		<u>373,231</u>	<u>382,554</u>
<b>Non Current Liabilities</b>			
Lease Liability		95,655	125,398
		<u>95,655</u>	<u>125,398</u>
<b>Current Liabilities</b>			
Accounts Payable and Provisions	8.	41,420	38,122
Lease Liability		43,856	42,615
		<u>85,276</u>	<u>80,737</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>R.O.</b>	<b>554,162</b>	<b>588,689</b>

The notes on pages 6 to 12 form part of these financial statements

Auditor:




Authorized Signatory:





## BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR FROM 1 APRIL 2019 TO 31 MARCH 2020

	NOTE	01-04-2019 TO 31-03-2020 R.O.	18-02-2018 TO 31-03-2019 R.O.
Revenue		316,630	-
Cost of Sales		<u>224,364</u>	-
Gross Profit		92,266	-
Other Income		<u>905</u>	<u>823</u>
Total Income		93,171	823
Administrative & General Expenses	9.	<u>(49,723)</u>	<u>(2,415)</u>
Profit before Depreciation		43,448	(1,592)
Depreciation		(53,741)	-
Amortisation of Right of Use Assets		<u>(32,838)</u>	<u>(27,537)</u>
Net (Loss) for the Year/Period	R.O.	<u>(43,131)</u>	<u>(29,129)</u>



The notes on pages 6 to 12 form part of these financial statements

Auditor:



Authorised Signatory:

**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

	Share Capital R.O.	Retained Earnings R.O.	Members' Current A/cs R.O.	Total R.O.
<b>Period to 31 March 2019</b>				
Capital Introduced	150,000	—	—	150,000
Net Movement in Current A/cs	—	—	261,683	261,683
Net (Loss) for the period	—	(29,129)	—	(29,129)
<b>At 31 March 2019 R.O.</b>	<b>150,000</b>	<b>(29,129)</b>	<b>261,683</b>	<b>382,554</b>
<b>Year to 31 March 2020</b>				
At 31 March 2019	150,000	(29,129)	261,683	382,554
Net Movement in Current A/cs	—	—	33,808	33,808
Net (Loss) for the year	—	(43,131)	—	(43,131)
<b>At 31 March 2020 R.O.</b>	<b>150,000</b>	<b>(72,260)</b>	<b>295,491</b>	<b>373,231</b>



Contd.....5

Auditor:



Authorised Signatory:

**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020**

	31-03-2020 R.O.	31-03-2019 R.O.
<b>1. Cash Flow from Operating Activities</b>		
a) Net Profit/(Loss) for the year / period	(43,131)	(29,129)
Add: Non - Cash charges - Depreciation	53,741	-
Operating (Loss) / Profit before changes in Working Capital	<u>10,610</u>	<u>(29,129)</u>
b) Changes in Working Capital		
Decrease / (Increase) in Inventories	(5,753)	-
Decrease / (Increase) in Accounts Receivable	14,766	(47,267)
Increase / (Decrease) in Accounts Payable	3,298	38,122
Increase / (Decrease) in Lease Liability	1,241	42,615
Due from Member	-	(76,500)
Net Changes in Working Capital	<u>13,552</u>	<u>(43,030)</u>
Net Cash Flow (used in) / from Operating Activities (A)	1a - 1b <u>24,162</u>	<u>(72,159)</u>
<b>2. Cash Flow from Investing Activities</b>		
a) Property, Plant & Equipment	(356,014)	-
b) Capital Work-in-Progress	306,989	(312,756)
c) Right to Use assets	32,838	(150,508)
Net Cash (used in) / from Investing Activities (B)	2a - 2c <u>(16,187)</u>	<u>(463,264)</u>
<b>3. Cash Flow from Financing Activities</b>		
a) Share Capital Introduced	0	150,000
b) Members' Current Account	33,808	261,683
c) Lease Liability	(29,743)	125,398
Net Cash (used in) / from Financing Activities (C)	3a - 3c <u>4,065</u>	<u>537,081</u>
<b>Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)</b>	12,040	1,658
<b>Cash and Cash equivalents at the beginning of the year</b>	1,658	-
<b>Cash and Cash equivalents at the end of the year</b>	R.O. <u>13,698</u>	<u>1,658</u>
<b>COMPRISING OF:</b>		
1. Bank Balances	13,698	1,658
	R.O. <u>13,698</u>	<u>1,658</u>
	Contd.....6	



Auditor:



Authorised Signatory:

## BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

#### 1. LEGAL STATUS AND ACTIVITIES:

Barbeque Nation International LLC. - Oman is a Limited Liability Company with CR NO.1313912 registered under the Commercial Law of the Sultanate of Oman on 18 February 2018. The company is engaged in the setting up and operating of Restaurants business.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to each of the years presented in the financial statements, unless otherwise stated.

#### 2.1 BASIS OF PREPARATION:

a. These financial statements are prepared on the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Oman Commercial Companies Law 1974, as amended. The financial statements have been presented in Omani Rial ("R.O.").

b. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas where accounting assumptions and estimates are significant to the financial statements are disclosed in the accounting policies and notes to the financial statements.

c. *Standards and Amendments effective in 2019 and relevant for the company's operation :*  
For the period ended 30 June 2019, the company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the periods beginning from on 1 April 2019.

d. *Standards, Amendments and Interpretations to existing standards that are not yet effective and have not been early adopted by the company:*  
The following Standards, Amendments & Interpretations to the existing Standards have been published and are mandatory for the companies accounting period beginning on or after 01 January 2019 or later periods, but the company has not early adopted them and the impact of these standards and interpretations can not be reasonably estimated as at 31 March 2020.

IFRS 17 - Insurance Contracts (effective on or after 1 January 2021)

#### 2.2 INVENTORIES:

Inventories are valued at the lower of cost and net realisable value with due allowance for slow-moving items. Cost is determined on the weighted average cost basis and includes expenditure incurred in acquiring inventory and bringing them to their existing location and condition. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

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## BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

#### 2.3 IFRS 16 - LEASES

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 - Determining whether an Arrangement contains a Lease, SIC-15 - Operating Leases - Incentives and SIC-27 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17.

The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will also be required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

#### Change in accounting policies

The Company adopted IFRS 16 using the full retrospective method of adoption with the date of initial application as on 7 May 2018.

Upon adoption of IFRS 16, for all leases, the Company:

- Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments;
- Recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income;
- Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

#### 2.4 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged on a straight line basis to the income statement over the expected useful lives of the assets as follows:

Leasehold Improvement	8 years
Furniture & Fixtures	8 years
Plant & Machinery	8 years
Office Equipment	8 years

The depreciation method and useful lives, as well as residual values if not insignificant are reassessed annually. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods

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## BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

#### 2.5 ACCOUNTS RECEIVABLE:

Accounts receivable are stated at original invoice amounts less a provision for any uncollectible amounts. An estimation for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

#### 2.6 ACCOUNTS PAYABLE AND PROVISIONS:

Liabilities are recognised for amounts to be paid for goods and services rendered during the year ended 31 March 2020, whether or not billed to the company.

Provisions are recognised when the company has an obligation arising from past events, and the cost to settle the obligation are both probable and able to be reliably measured.

#### 2.7 FAIR VALUE OF FINANCIAL INSTRUMENTS:

Financial instruments comprise of financial assets and liabilities. Financial assets consist of bank balances related party dues and receivables. Financial liabilities consist of payables. The fair value of financial instruments is not significantly different from their carrying values.

#### 2.8 FINANCIAL INSTRUMENTS:

##### **Classification of financial assets**

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories of financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity and amortised cost have been replaced by:

Financial assets carried at amortised cost;

Financial assets carried at fair value through other comprehensive income (FVOCI); and

Financial assets carried at fair value through profit or loss (FVTPL)

##### **Impairment of financial assets**

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience as adjusted for forward-looking factors.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

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**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN****NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)****2.9 CAPITAL WORK-IN-PROGRESS:**

Capital work-in-progress is carried at cost, less any recognised impairment losses, if any. When commissioned, capital work-in-progress is transferred to the appropriate categories of property, plant and equipment and depreciated in accordance with depreciation policies

**2.10 FOREIGN CURRENCY:**

Foreign currency transactions are translated into Rials Omani at the exchange rates prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rates prevailing at the statement of financial position date. Differences on exchange are dealt with in the statement of comprehensive income as they arise.

**2.11 REVENUE RECOGNITION:**

IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue guidance, which is found currently across several Standards and Interpretations within IFRS. It established a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

**Income from operations**

Income from operations represents sale of goods in normal course of business and is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Income from operations is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

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**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN****NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)****2.12 RISK MANAGEMENT:**

The Company has exposure to credit risk, liquidity risk and market risk in its normal course of business.

- a. Credit risk: Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial contract fails to meet the contractual obligations. The exposure to credit risk is monitored on an ongoing basis by the management and these amounts are considered recoverable by the Company's management.
- b. Liquidity risk: Liquidity risk is the risk that the Company can default in meeting the obligations associated with its financial liabilities. The Company assures that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
- c. Market risk: Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

**2.13 PREVIOUS YEARS'S FIGURES:**

Previous period's figures have not been incorporated as it is the first financial period of the company.

**3. PROPERTY, PLANT & EQUIPMENT**

	LEASEHOLD IMPROVEMENT R.O.	FURNITURE & FIXTURES R.O.	PLANT & MACHINERY R.O.	SERVICE EQUIPMENT R.O.	TOTAL R.O.
<b>COST:</b>					
Additions during the period	167,338	83,577	30,701	74,398	356,014
At 31 March 2020	<u>167,338</u>	<u>83,577</u>	<u>30,701</u>	<u>74,398</u>	<u>356,014</u>
<b>DEPRECIATION:</b>					
Charge for the period	22,579	15,435	3,189	12,538	53,741
At 31 March 2020	<u>22,579</u>	<u>15,435</u>	<u>3,189</u>	<u>12,538</u>	<u>53,741</u>
<b>NET BOOK VALUE AT 31 MARCH 2020 R.O.</b>	<b>144,759</b> =====	<b>68,142</b> =====	<b>27,512</b> =====	<b>61,860</b> =====	<b>302,273</b> =====

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## BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

	31-03-2020	31-03-2019
	R.O.	R.O.
<b>4. RIGHT OF USE ASSETS - LEASE</b>		
Right of Use Assets - Lease	178,131	178,131
Amortised during the previous year	(27,623)	(86)
Amortised during the period	(32,838)	(27,537)
	<b>R.O. 117,670</b>	<b>150,508</b>

The Company has entered into a Lease agreement with Oman Avenues Mall for operation of its Restaurant, which is valid for 3 years from the date of agreement.

<b>5. ACCOUNTS RECEIVABLE</b>		
Accounts Receivables	1,213	--
Deposits	9,945	14,040
Staff Advances	71	25
Advance to Vendors	3,668	33,202
Prepaid Expenses	17,604	--
	<b>R.O. 32,501</b>	<b>47,267</b>

<b>6. BANK BALANCES AND CASH</b>		
Current Accounts	13,235	1,658
Cash Balances	463	--
	<b>R.O. 13,698</b>	<b>1,658</b>

#### 7. SHARE CAPITAL

The Company's Registered Share Capital comprises of 150,000 Ordinary Shares of R.O. 1/- each. The shareholders at 31 March 2020 are as follows:

Name of the Shareholders	Holding %		
Greenland Development Trading	51	76,500	76,500
Barbeque Nation Mena Holdings Ltd.	49	73,500	73,500
		<b>R.O. 150,000</b>	<b>150,000</b>

#### 8. ACCOUNTS PAYABLE AND PROVISIONS

Sundry Creditors for Supplies	32,618	36,981
Accrued Expenses	4,440	1,141
Other Current Liabilities	326	--
Creditors for Capital Goods	4,036	--
	<b>R.O. 41,420</b>	<b>38,122</b>

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**BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN****NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)**

	31-03-2020	31-03-2019
	R.O.	R.O.
<b>9. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Rent	(2,726)	(12,500)
Communication Expenses	2,729	--
Visa & Immigration Expenses	7,169	0
Travelling & Conveyance	2,267	540
Legal & Professional Fees	2,045	400
Establishment Expenses	1,686	315
Business Promotion Expenses	1,461	--
Printing & Stationery	471	--
Bank & Finance Charges	25,778	13,242
Insurance	4,215	--
Miscellaneous Expenses	4,628	418
	<b>R.O. <u>49,723</u></b>	<b><u>2,415</u></b>

