



Place of meeting	Barbeque Nation WLL (CR 160898-1)	Date of the Meeting	October 16, 2023	Start time of the Meeting	10:00 AM
Attendees (Partners)	1	Mansoor Mohmed Ismail Memon – Authorised Signatory of Barbeque Nation Mena Holding Limited (Shareholder)			
	2	Maher Alawi Sayed Khalaf Mahfoodh - Shareholder			
	3	Rohit Ram – Authorised signatory of Barbeque Nation WLL			

After due consideration, deliberation and discussion the attendees of the meeting have unanimously resolved that:

Meeting decisions	1	In accordance with Article 206(e) of the Commercial Companies Law, Decree 21 of 2001, the partners have decided to appoint external auditors to examine and audit the books of the Company. The details of the auditor and the assignment are as follows: <table border="1"><tr><td>Name of Auditor</td><td>Kreston Bahrain - Awael Public Accountants & Management Consultants</td></tr><tr><td>Auditor Registration Number</td><td>11</td></tr><tr><td>Commercial Registration Number</td><td>94056-1</td></tr><tr><td>Period of Audit</td><td>Year ended March 31, 2024</td></tr><tr><td>Auditor's Engagement Letter Reference</td><td>EA-23-207</td></tr></table>	Name of Auditor	Kreston Bahrain - Awael Public Accountants & Management Consultants	Auditor Registration Number	11	Commercial Registration Number	94056-1	Period of Audit	Year ended March 31, 2024	Auditor's Engagement Letter Reference	EA-23-207
	Name of Auditor	Kreston Bahrain - Awael Public Accountants & Management Consultants										
Auditor Registration Number	11											
Commercial Registration Number	94056-1											
Period of Audit	Year ended March 31, 2024											
Auditor's Engagement Letter Reference	EA-23-207											
2	The engagement letter provided by the auditor is hereby considered as approved and signed by the Shareholder/Director.											

The minutes of the meeting have been authorised by:

Mansoor Mohmed Ismail Memon	Maher Alawi Sayed Khalaf Mahfoodh	Rohit Ram

BARBEQUE NATION BAHRAIN W.L.L.

Registered Address: Shop No 1042, Building No 702, Road 5115, Manama/Al Suwayfiyah 351, Kingdom of Bahrain



Kreston Bahrain
Awael Public Accountants & Management Consultants
P.O. Box 18198
Office 184, 18th Floor, Business Bay, Reef Island
Manama, Kingdom of Bahrain

May 16, 2023

Dear Sirs,

In connection with your examination of the financial statements of Barbeque Nation Bahrain W.L.L. ("the Company), for the period ended March 31, 2024, we, the Shareholders of the Company, we hereby confirm that the accumulated losses exceeding 50% of the Share capital are due to the fact that this is the Company's first year of operation, and it benefits from strong support from its parent company. Additionally, the company has robust cash flow projections for the future. However, we anticipate a substantial improvement in the Company's performance during the subsequent year, which will consequently lead to a significant enhancement of the Company's equity.

Moreover, we express our willingness to provide the necessary financial and operational support to the Company to continue its normal business operations as well as settle the liabilities as and when they fall due.

Yours faithfully,

Mansoor Mohmed Ismail Memon
Managing Director

Rohit Ram
Authorised Signatory

BARBEQUE NATION BAHRAIN W.L.L.

Registered Address: Shop No 1042, Building No 702, Road 5115, Manama/Al Suwayfiyah 351, Kingdom of Bahrain

BARBEQUE NATION BAHRAIN W.L.L.

Financial statements and Independent Auditors'
Report for the period from January 4, 2023
(inception) to March 31, 2024

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General information

Commercial Registration Number	160898-1 dated January 4, 2023
Date of obtaining commercial registration with license	June 5, 2023
Shareholders	Barbeque Nation Mena Holding Limited Maher Alawi Sayed Khalaf Mahfoodh
Director	Mansoor Mohmed Ismail Memon
Authorised signatories	Maher Alawi Sayed Khalaf Mahfoodh Mansoor Mohmed Ismail Memon Rohit Ram
Registered Office	Shop 1042, Building 702, Road No. 5115, Block No. 351 Alsuwayfiah, Kingdom of Bahrain.
Bankers	State Bank of India
Auditors	Kreston Bahrain Awael Public Accountants & Management Consultants PO Box 18198 Manama, Kingdom of Bahrain



Board of Director's report

The Director of Barbeque Nation Bahrain W.L.L. ("the Company") has great pleasure in presenting the annual report and the financial statements of the Company for the period from January 4, 2023 (inception) to March 31, 2024.

Principal activities

The principal activities of the Company are food and beverage service activities.

Results

The results of the Company are given in Page 7 to the financial statements.

Director and Management

Mr. Mansoor Mohmed Ismail Memon was appointed as the Director of the Company during the period from January 4, 2023 (inception) to March 31, 2024.

Confirmation of compliance based on Ministerial Order No. 103 of 2021

We declare that we have not dealt in any manner with persons named in the list of United Nations Security Council Resolutions for the period from January 4, 2023 (inception) to March 31, 2024, and that we have complied with all the Obligations of Ministerial Order N. 103 of 2021 pertaining to the reporting of suspicious or unusual transactions.

Auditor

The financial statements have been audited by Kreston Bahrain - Awael Public Accountants & Management Consultants, who have expressed their willingness and considered themselves eligible for the re-appointment.

Staff

The Director takes this opportunity to place on record his appreciation to the staff for their loyalty and dedication, which has greatly helped to maintain the reputation and results of the Company.


Mansoor Mohmed Ismail Memon
Managing Director


Rohit Ram
Authorised Signatory

May 16, 2024
Manama, Kingdom of Bahrain

BARBEQUE NATION BAHRAIN W.L.L.

Registered Address: Shop No 1042, Building No 702, Road 5115, Manama/Al Suwayfiyah 351, Kingdom of Bahrain

Independent auditors' report

To
The Shareholders of
Barbeque Nation Bahrain W.L.L.
Manama, Kingdom of Bahrain.

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of Barbeque Nation Bahrain W.L.L. ("the Company"), which comprise the statement of financial position as of March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from January 4, 2023 (inception) to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly the financial position of the Company as of March 31, 2024, and of its financial performance and its cash flows for the period from January 4, 2023 (inception) to March 31, 2024 in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with the 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.

Emphasis of matter

Without qualifying our opinion in this regard, we draw attention to the Statement of Changes in Equity, indicating that the Company has a deficit in equity of BD13,045 resulting from accumulated losses amounting to BD18,045 as of March 31, 2024.

While the company lacks adequate liquid assets to cover its current liabilities totalling BD232,364, the financial statements are prepared on a going concern basis. This decision is supported by shareholders' commitment to providing the necessary support to meet obligations as of the date of this report.

Other information

Management is responsible for the other information. The other information comprises the Board of Director's report but does not include the financial statements and our auditor's report thereon. 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.

Responsibilities of management and those charged with governance for the financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

Those charged with governance are responsible for overseeing the Company'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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 Company'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 Company'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 Company to cease to continue as a going concern.
- 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.

We communicate with those charged with governance 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 Anti-Money Laundering and Terrorism Financing Requirements

We have examined the internal controls system of the Company as well as policies and procedures relevant to detecting and reporting of suspicious transactions, in addition to systems and procedures relevant for customer/client identification.

To the best of our knowledge and belief we report that:

1. The Company maintains proper internal control systems and procedures sufficient for monitoring and reporting of suspicious or extraordinary transactions.
2. The Company holds sufficient measures and internal procedures relevant to verifying the identity of its customers.

3. The Company had reported all suspicious or extraordinary transaction conducted during the period from January 4, 2023 (inception) to March 31, 2024.

For the period from January 4, 2023 (inception) to March 31, 2024, we are not aware of any violations to the Ministerial order (103) of 2021 concerning the obligations related to the procedures of the Prohibition of and Combating Money Laundering and Terrorism Finance in the Business of the Persons Registered in the Commercial Register and the Audit Registry in the Kingdom of Bahrain.

Report on other legal and regulatory requirements

As required by the Bahrain Commercial Companies Law, we report that:

- a) the Company has maintained proper accounting records, and the financial statements are in agreement therewith;
- b) The financial information contained in the Board of Director's report is consistent with the financial statements;
- c) We are not aware of any violations during the period of the Commercial Companies Law, or the terms of the Company's Memorandum and Articles of Association that would have had a material adverse effect on the business of the Company or on its financial position; except the Company is in violation of article 264 due to inadequacy of capital and
- d) satisfactory explanations and information have been provided to us by the management in response to all our requests.

Awael
Awael Public Accountants & Management Consultants
Audit register no: 11

May 16, 2024

Manama, Kingdom of Bahrain.



BARBEQUE NATION BAHRAIN W.L.L.**STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024**
(In Bahraini Dinars)

	<u>Notes</u>	<u>March 31,</u> <u>2024</u>
ASSETS		
<i>Non-current assets</i>		
Plant and equipment	5	99,854
Right-of-use asset	6	369,382
Total non-current assets		<u>469,236</u>
<i>Current assets</i>		
Inventories	7	5,547
Trade and other receivables	8	21,568
Due from a related party	9	50
Cash and cash equivalents	10	78,521
Total current assets		<u>105,686</u>
Total assets		<u>574,922</u>
EQUITY AND LIABILITIES		
<i>Equity</i>		
Share capital	11	5,000
Accumulated losses		(18,045)
Total deficit		<u>(13,045)</u>
<i>Liabilities</i>		
<i>Non-current liabilities</i>		
Provision for employees' end-of-service benefits	13	772
Non-current portion of lease liability	14	354,831
Total non-current liabilities		<u>355,603</u>
<i>Current liabilities</i>		
Current portion of lease liability	14	28,162
Trade and other payables	15	45,154
Due to a related party	9	159,048
Total current liabilities		<u>232,364</u>
Total liabilities		<u>587,967</u>
Total equity and liabilities		<u>574,922</u>

The financial statements were approved and authorized for issue on May 16, 2024, and signed by:


Mansoor Mohamed Ismail Memon
Managing Director


Rohit Ram
Authorised Signatory

Notes on pages 10 to 25 form an integral part of these financial statements

BARBEQUE NATION BAHRAIN W.L.L.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024
(In Bahraini Dinars)**

	<u>Notes</u>	<u>For the period from January 4, 2023 (inception) to March 31, 2024</u>
Revenue	16	270,875
Cost of revenue	17	<u>(88,943)</u>
Gross profit		181,932
Other income	18	800
Staff costs	19	(54,715)
Finance cost	20	(38,959)
General and administrative expenses	21	(56,048)
Depreciation on plant and equipment	5	(10,674)
Depreciation on right-to-use asset	6	<u>(40,381)</u>
Loss for the period		(18,045)
Other comprehensive income		<u>-</u>
Total comprehensive loss for the period		(18,045)

The financial statements were approved and authorized for issue on May 16, 2024, and signed by:


Mansoor Mohmed Ismail Memon
Managing Director


Rohit Ram
Authorised Signatory

Notes on pages 10 to 25 form an integral part of these financial statement

BARBEQUE NATION BAHRAIN W.L.L.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024

(In Bahraini Dinars)

	<u>Share capital</u>	<u>Accumulated loss</u>	<u>Total</u>
Share capital introduction	5,000	-	5,000
Total comprehensive loss for the period	-	(18,045)	(18,045)
Balance at March 31, 2024	<u>5,000</u>	<u>(18,045)</u>	<u>(13,045)</u>

Notes pages 10 to 25 form an integral part of these financial statements

BARBEQUE NATION BAHRAIN W.L.L.**STATEMENT OF CASH FLOWS****FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024**(In Bahraini Dinars)

	<u>For the period</u> <u>from January 4,</u> <u>2023</u> <u>(inception) to</u> <u>March 31, 2024</u>
Cash flows from operating activities:	
Loss for the period	(18,045)
Adjustments for:	
Interest on lease liabilities (Note 14)	33,547
Depreciation on plant and equipment	10,674
Depreciation on right-of-use asset	40,381
Provision for employees' end-of-service benefits	772
	<u>67,329</u>
Changes in operating assets and liabilities:	
Inventories	(5,547)
Trade and other receivables	(21,568)
Due from a related party	(50)
Trade and other payables	45,154
Due to a related party	159,048
Net cash generated from operating activities	<u>244,366</u>
Cash flows used in investing activities:	
Right to use asset addition	(409,763)
Additions to plant and equipment	(110,528)
Net cash used in investing activities	<u>(520,291)</u>
Cash flows from financing activities:	
Share capital introduced	5,000
Lease liability paid	(50,000)
Movement in lease liability	399,446
Net cash generated from financing activities	<u>354,446</u>
Net increase in cash and cash equivalents during the period	78,521
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u>78,521</u>
Represented by:	
Cash	1,138
Bank balance	<u>77,383</u>
	<u>78,521</u>

Notes pages 10 to 25 form an integral part of these financial statement

BARBEQUE NATION BAHRAIN W.L.L.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024

(In Bahraini Dinars)

1. STATUS AND ACTIVITIES:

Barbeque Nation Bahrain W.L.L. ("the Company") is a with limited liability company registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain under commercial registration number 160898-1, dated January 4, 2023. The registered office of the Company is shop 1042, building 702, road 5115, block 351, Manama, Kingdom of Bahrain.

The principal activities of the Company are food and beverage service activities.

2. ADOPTION OF NEW AND REVISED STANDARDS:

a. New and amended IFRS Accounting Standards that are effective for the current period

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 1 Presentation of Financial Statements and Making Materiality Judgements— Disclosure of Accounting Policies

The Company has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events, or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events, or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events, or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors— Definition of Accounting Estimates

The Company has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." The definition of a change in accounting estimates was deleted.

BARBEQUE NATION BAHRAIN W.L.L.

NOTES TO THE FINANCIAL STATEMENTS **FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024** (In Bahraini Dinars)

2. ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED):

b. New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback
- Lack of Exchangeability – Amendments to IAS 21
- IFRS 18 Presentation and Disclosure in Financial Statements
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The management do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods, except if indicated below.

3. SIGNIFICANT ACCOUNTING POLICIES:

Basis of preparation

The Company's financial statements have been prepared on basis of historical cost. The Company's financial statements are presented in Bahrain Dinars which is the functional currency of the Company. All amounts are rounded to the nearest Bahrain Dinar.

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Bahrain Commercial Companies Law.

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

BARBEQUE NATION BAHRAIN W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024

(In Bahraini Dinars)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Going concern

The Company has reported an accumulated losses amounting to BD18,045 for the period from January 4, 2023 (inception) to on March 31, 2024 resulting in a deficit in equity of BD13,045. While the company currently lacks adequate liquid assets to cover its current liabilities totalling BD232,364, the financial statements are prepared on a going concern basis. The Shareholders have agreed to provide necessary financial support to the Company as and when needed. On this basis and considering that this is the first year of operations of the Company, the Director has maintained the going concern assumption in the preparation of these financial statements.

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

Plant and equipment

Plant, machinery, fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives as below, using the straight-line method.

	<u>Useful life</u> <u>in years</u>
Leasehold improvements	6
Equipment, plant and machinery	3 - 8

Cash and cash equivalents

In the statement of financial position, cash and cash equivalents comprise cash (i.e. cash on hand) and bank balances. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances for which use by the Company is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024

(In Bahraini Dinars)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety using amortised cost of the financial assets.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

On initial recognition, the Company classifies its financial assets into the following categories, those measured at

- amortised cost
- fair value through other comprehensive income – equity instrument (FVOCI – equity); and
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables, due from a related party, cash and cash equivalents in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024**

(In Bahraini Dinars)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Amortised cost (continued)

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through fair value through the profit or loss

Financial assets are initially recognised at fair value, including transaction costs that are directly attributable to the acquisition of the financial asset except transaction costs on financial instruments measured at FVTPL are not included in the amount at which the instrument is initially measured; instead, they are immediately recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Company does not have any strategic investments in listed and unlisted entities.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost; and
- contract assets.

Impairment of trade receivables and contract assets have been determined using the simplified approach in IFRS 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in IFRS 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024

(In Bahraini Dinars)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Financial instruments (continued)

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise of trade and other payables, due to related party, provision for employees' end-of-service benefits and lease liabilities.

Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for goodwill, the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Revenue recognition

The Company is in the business of sale of food and beverages.

Revenue from sale of food and beverages to customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Related party transactions

These represent transactions with related parties, as defined in International Accounting Standard 24: Related Party Disclosures, which include the Director, Shareholders, their close family members and entities in which they are principal owners. Related party balances are unsecured, interest free and have no fixed maturity.

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Leases

The Company assesses whether a contract is, or contains, a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Leases (continued)

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognised amounts and the Company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a present obligation (legal) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATES:

In the application of the Company's accounting policies, which are described in Note 3, the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Critical judgments in applying the Company's accounting policies:

In the process of applying the Company's accounting policies, which are described in Note 3, and due to the nature of operations, the management did not have to make judgements that may have significant effect on the amounts recognized in the financial statements.

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 period are discussed below:

Useful lives of plant and equipment

The management determines the useful lives of plant and equipment and the related depreciation charge. The depreciation charge for the period will change significantly if the actual life is different from the estimated useful life of the asset.

Impairment of tangible assets

The management tests regularly whether tangible assets have suffered impairment in accordance with the accounting policies stated in Note 3. The recoverable amount of an asset is determined based on value-in-use method. This method uses estimated cash flow projections over the estimated useful life of the asset discounted using market rates.

Impairment provision for receivables

The management tests, regularly, whether any receivables have suffered impairment in accordance with accounting policies stated in Note 3. The recoverable amount of the receivable is determined based on estimated collectability.

BARBEQUE NATION BAHRAIN W.L.L.

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5. PLANT AND EQUIPMENT:

	<u>Leasehold improvements</u>	<u>Equipment, plant and machinery</u>	<u>Total</u>
<u>Cost</u>			
Purchases as at January 4, 2023	98,750	11,778	110,528
Balance as at March 31, 2024	<u>98,750</u>	<u>11,778</u>	<u>110,528</u>
<u>Depreciation</u>			
Depreciation as at January 4, 2023	10,152	522	10,674
Balance as at March 31, 2024	<u>10,152</u>	<u>522</u>	<u>10,674</u>
<u>Net book amount</u>			
Balance as at March 31, 2024	<u>88,598</u>	<u>11,256</u>	<u>99,854</u>

6. RIGHT-OF-USE ASSET:

	<u>Restaurant outlet</u>	<u>Total</u>
<u>Cost:</u>		
Initial adoption of IFRS 16 as on January 4, 2023	409,763	409,763
Balance as at March 31, 2024	<u>409,763</u>	<u>409,763</u>
<u>Depreciation:</u>		
Depreciation for the period	40,381	40,381
Balance as at March 31, 2024	<u>40,381</u>	<u>40,381</u>
<u>Net book amount</u>		
Balance as at March 31, 2024	<u>369,382</u>	<u>369,382</u>

7. INVENTORIES:

	<u>March 31, 2024</u>
Food and beverages	3,592
Stores and consumables	1,955
	<u>5,547</u>

BARBEQUE NATION BAHRAIN W.L.L.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD FROM JANUARY 4, 2023 (INCEPTION) TO MARCH 31, 2024**

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8. TRADE AND OTHER RECEIVABLES:

	<u>March 31,</u> <u>2024</u>
Security deposits	10,933
Prepaid expenses	10,563
Other assets	72
	<u>21,568</u>

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 considering any credit enhancements held by the Company. The adoption of IFRS 9 does not have any material impact on the Company's financial statements. In the opinion of the Company's management, the fair values of the trade and other receivables are not expected to be significantly different from their carrying values as at March 31, 2024.

9. RELATED PARTY TRANSACTIONS:

	<u>Relationship</u>	<u>March 31,</u> <u>2024</u>
Due from a related party:		
Maher Alawi Sayed Khalaf Mahfoodh	Shareholder	50
		<u>50</u>
Due to a related party:		
Barbeque Nation Mena Holding Limited	Shareholder	159,048
		<u>159,048</u>

10. CASH AND CASH EQUIVALENTS:

	<u>March 31,</u> <u>2024</u>
Cash balance	1,138
Bank balance held with State Bank of India	77,383
	<u>78,521</u>

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NOTES TO THE FINANCIAL STATEMENTS

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11. SHARE CAPITAL:

The share capital of the Company as at March 31, 2024 is BD 5,000 comprises of 5,000 shares of BD 1 each contributed as follows:

	<u>Number of shares</u>	<u>Amount</u>	<u>Ownership interest</u>
Barbeque Nation Mena Holding Limited	4,950	4,950	99%
Maher Alawi Sayed Khalaf Mahfoodh	50	50	1%
	<u>5,000</u>	<u>5,000</u>	<u>100%</u>

12. STATUTORY RESERVE:

As required by the Bahrain Commercial Companies Law, an amount equal to minimum of 10% of Company's profit before appropriations is to be transferred to a non-distributable reserve account until such time as a minimum of 50% of the share capital is set aside. This reserve is not available for distribution except in the circumstances stipulated in the Bahrain Commercial Companies Law. No amount is transferred to statutory reserve as the Company incurred a loss during the period from January 4, 2023 (inception) to March 31, 2024.

13. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

The movement in the provision for employees' end-of-service benefits is as follows:

	<u>March 31, 2024</u>
Accruals for the period (note 19)	740
Capitalised as per-operative expense	32
Balance as at March 31, 2024	<u>772</u>

14. LEASE LIABILITY:

	<u>March 31, 2024</u>
Initial adoption of IFRS 16	399,446
Interest portion	33,547
Payments made during the period	(50,000)
	<u>382,993</u>
Current portion	28,162
Non-current portion	<u>354,831</u>
	<u>382,993</u>

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NOTES TO THE FINANCIAL STATEMENTS

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15. TRADE AND OTHER PAYABLES:

	<u>March 31,</u> <u>2024</u>
Trade payable	15,327
Provision for expenses	11,880
Employee payables	6,047
VAT payable	5,816
Accrued expenses	4,733
Provision for employees leave salary	1,021
Other payables	330
	<u>45,154</u>

16. REVENUE:

	For the period from January 4, 2023 (inception) to March 31, 2024
Sale of food and beverages	270,875
	<u>270,875</u>

17. COST OF REVENUE:

	For the period from January 4, 2023 (inception) to March 31, 2024
Opening stock	-
Add: Purchases	92,535
Less: Closing stock (note 7)	(3,592)
	<u>88,943</u>

Closing stock of food and beverages (note 7) has been considered for cost if revenue calculation.

18. OTHER INCOME:

	For the period from January 4, 2023 (inception) to March 31, 2024
Financial assets at amortised cost	726
Forex gain	74
	<u>800</u>

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19. STAFF COSTS:

	For the period from January 4, 2023 (inception) to March 31, 2024
Salaries and wages	36,761
Staff welfare expenses	17,214
Gratuity expenses (note 13)	740
	<u>54,715</u>

20. FINANCE COSTS:

	For the period from January 4, 2023 (inception) to March 31, 2024
Interest on lease liabilities (Note 14)	33,547
Online food delivery charges	5,363
Bank charges	49
	<u>38,959</u>

21. GENERAL AND ADMINISTRATIVE EXPENSES:

	For the period from January 4, 2023 (inception) to March 31, 2024
Power and fuel	15,887
Travelling and conveyance	12,690
Royalty expense	5,418
Consumption of stores and operating supplies	4,231
Miscellaneous expenses	3,432
Housekeeping services	2,939
Water charges	1,802
Printing and stationery	1,620
Rates and taxes	1,617
Legal and professional fees	1,513
Repairs and maintenance	1,397
Communication	967
Rent including lease rentals	831
Business promotion	753
Laundry expenses	570
Insurance premium-property	381
	<u>56,048</u>

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22. FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and financial liabilities carried on the statement of financial position. Financial assets include trade and other receivables, cash and cash equivalents, and due from a related party. Financial liabilities include trade and other payables, provision for employees' end-of-service benefits and due to a related party. The recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Company is exposed to the following risks from its use of financial instruments:

22.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices as foreign exchange rates, interest rates and changes in market prices such as foreign exchange rates, interest rates and equity prices.

22.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's financial assets and financial liabilities are denominated primarily in Bahraini Dinars and accordingly the Company is not exposed to significant currency risk.

22.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to the interest rate risks.

22.1.3 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will decrease as a result of changes in equity prices. The Company is not exposed to the risk of change in equity prices as the Company's financial assets does not include investments in marketable securities.

22.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. All financial assets are subject to credit risk. Credit exposure is controlled by counterparty limits that are reviewed.

The Company has adopted a policy of only dealing with creditworthy counterparties. Credit risk on liquid funds is limited because the counter parties are banks with reasonably good credit ratings. The management considers the maximum exposure to credit risk is limited to carrying amount of the financial assets at the reporting date.

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22. FINANCIAL INSTRUMENTS: (CONTINUED)

22.3 Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that an enterprise will encounter difficulty in meeting commitments associated with financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Following are the contractual maturities of financial liabilities including interest payments, if any:

<u>March 31, 2024</u>	<u>Carrying amount</u>	<u>12 months or less</u>	<u>More than 12 months</u>
Lease liability	382,993	28,162	354,831
Provision for employees' end-of-service benefits	772	-	772
Trade and other payables	45,154	45,154	-
Due to a related party	159,048	159,048	-
	<u>587,967</u>	<u>232,364</u>	<u>355,603</u>

22.4 Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying values and the fair value estimates.

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values at the reporting dates.

23. CAPITAL MANAGEMENT:

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and to maintain a capital base to support the sustained development of its businesses and maximize the Shareholders' wealth.

The Company is free of external debt at the reporting dates.