

**Jaguar Land Rover Singapore Pte. Ltd.**  
**Registration Number: 201541482M**

Financial Statements  
Year ended 31 March 2024

## **Directors' statement**

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2024.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS29 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

## **Directors**

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

Alistair James Andrew Scott  
Lee Wai Ling  
Yong Ee Fong Fiona

## **Directors' interests**

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

No director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

## **Share options**

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company;  
and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under options.

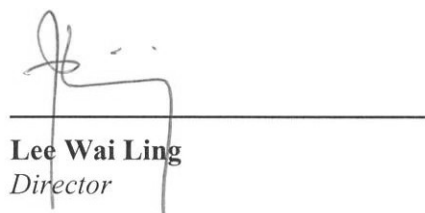
## **Auditors**

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

Signed by the Board of Directors



**Alistair James Andrew Scott**  
*Director*



**Lee Wai Ling**  
*Director*

27 May 2024



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## Independent auditors' report

Members of the Company  
Jaguar Land Rover Singapore Pte. Ltd.

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Jaguar Land Rover Singapore Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS29.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Financial Reporting Standards in Singapore ('FRSs') so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

#### *Basis for opinion*

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

#### *Other information*

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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 directors for the financial statements*

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

In preparing the financial statements, management is responsible for assessing the 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.

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

*Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional 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 controls.
- Obtain an understanding of internal controls 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 controls.

- 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 auditors' 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 auditors' 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

### **Report on other legal and regulatory requirements**

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



**KPMG LLP**

*Public Accountants and  
Chartered Accountants*

**Singapore**

27 May 2024

**Statement of financial position**  
**As at 31 March 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Assets</b>			
Property, plant and equipment	4	269,895	394,767
Right-of-use assets	5	175,842	1,230,892
Deferred tax assets	6	359,624	329,520
<b>Non-current assets</b>		<b>805,361</b>	<b>1,955,179</b>
Cash and cash equivalents		7,418,359	8,474,080
Trade and other receivables	7	7,659,342	6,407,720
Inventories	8	6,365,362	5,160,458
Loan to immediate holding company	9	–	2,352,698
<b>Current assets</b>		<b>21,443,063</b>	<b>22,394,956</b>
<b>Total assets</b>		<b>22,248,424</b>	<b>24,350,135</b>
<b>Equity</b>			
Share capital	10	750,000	750,000
Accumulated profits		554,863	6,563,413
<b>Total equity</b>		<b>1,304,863</b>	<b>7,313,413</b>
<b>Liabilities</b>			
Contract liabilities	15	1,430,847	1,797,826
Warranty provision	11	812,593	847,677
Provision for reinstatement costs	12	571,512	571,512
Lease liabilities	13	–	186,323
<b>Non-current liabilities</b>		<b>2,814,952</b>	<b>3,403,338</b>
Trade and other payables	14	12,477,031	10,158,532
Contract liabilities	15	836,167	1,155,809
Warranty provision	11	668,793	688,001
Lease liabilities	13	186,323	1,095,037
Current tax payable		13,256	536,005
Loan from immediate holding company	9	3,947,039	–
<b>Current liabilities</b>		<b>18,128,609</b>	<b>13,633,384</b>
<b>Total liabilities</b>		<b>20,943,561</b>	<b>17,036,722</b>
<b>Total equity and liabilities</b>		<b>22,248,424</b>	<b>24,350,135</b>

The accompanying notes form an integral part of these financial statements.

**Statement of comprehensive income**  
**Year ended 31 March 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
Revenue	15	27,798,743	39,240,811
Cost of sales		(24,796,193)	(32,961,813)
<b>Gross profit</b>		<u>3,002,550</u>	<u>6,278,998</u>
Service income		16,659,723	11,136,230
Administrative expenses		(10,935,089)	(8,894,479)
Marketing expenses		(8,755,642)	(5,785,743)
<b>Results from operating activities</b>		<u>(28,458)</u>	<u>2,735,006</u>
Finance income	16	15,138	79,835
Finance costs	16	(147,610)	(64,707)
<b>Net finance (costs)/income</b>		<u>(132,472)</u>	<u>15,128</u>
<b>(Loss)/Profit before tax</b>	18	(160,930)	2,750,134
Tax credit/(expense)	17	59,452	(611,855)
<b>(Loss)/Profit for the year, representing total comprehensive income</b>		<u>(101,478)</u>	<u>2,138,279</u>

The accompanying notes form an integral part of these financial statements.

**Statement of changes in equity**  
**Year ended 31 March 2024**

	<b>Note</b>	<b>Share capital \$</b>	<b>Accumulated profits \$</b>	<b>Total \$</b>
At 1 April 2022		750,000	4,425,134	5,175,134
Total comprehensive income for the year		–	2,138,279	2,138,279
At 31 March 2023		<u>750,000</u>	<u>6,563,413</u>	<u>7,313,413</u>
At 1 April 2023		750,000	6,563,413	7,313,413
Transactions with the owner recorded directly in equity - Dividends	20	–	(5,907,072)	(5,907,072)
Total comprehensive loss for the year		–	(101,478)	(101,478)
At 31 March 2024		<u>750,000</u>	<u>554,863</u>	<u>1,304,863</u>

The accompanying notes form an integral part of these financial statements.

**Statement of cash flows**  
**Year ended 31 March 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
(Loss)/Profit before tax		(160,930)	2,750,134
Adjustments for:			
Depreciation of property, plant and equipment	4	209,098	224,877
Depreciation of right-of-use-assets	5	1,055,050	1,055,049
Warranty provision	11	1,537,321	1,367,540
Net finance costs/(income)	16	132,472	(15,128)
		<u>2,773,011</u>	<u>5,382,472</u>
Changes in working capital:			
Trade and other receivables		(1,251,622)	(620,239)
Inventories		(1,204,904)	(1,808,919)
Trade and other payables		2,318,499	1,397,263
Contract liabilities		(686,621)	(789,514)
Utilisation of warranty provisions	11	(1,618,003)	(1,468,956)
<b>Cash generated from operating activities</b>		<u>330,360</u>	<u>2,092,107</u>
Tax paid		(493,401)	(602,757)
<b>Net cash (used in)/from operating activities</b>		<u>(163,041)</u>	<u>1,489,350</u>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	4	(84,226)	(35,412)
Repayment of loan to immediate holding company	9	2,352,698	1,532,017
Interest received on loan to immediate holding company	9	15,138	40,348
<b>Net cash from investing activities</b>		<u>2,283,610</u>	<u>1,536,953</u>
<b>Cash flows from financing activities</b>			
Loan from immediate holding company	9	3,947,039	—
Interest paid on loan from immediate holding company	9	(96,664)	—
Payment of lease liabilities	13	(1,091,796)	(1,053,646)
Interest paid on lease liabilities	13	(27,797)	(65,947)
Dividend paid	20	(5,907,072)	—
<b>Net cash used in financing activities</b>		<u>(3,176,290)</u>	<u>(1,119,593)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(1,055,721)</u>	<u>1,906,710</u>
Cash and cash equivalents at 1 April		<u>8,474,080</u>	<u>6,567,370</u>
<b>Cash and cash equivalents at 31 March</b>		<u>7,418,359</u>	<u>8,474,080</u>

The accompanying notes form an integral part of these financial statements.

## **Notes to the financial statements**

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 24 May 2024.

### **1 Domicile and activities**

Jaguar Land Rover Singapore Pte. Ltd. ('the Company') is incorporated in the Republic of Singapore. The address of the Company's registered office is at 138 Market Street, #36-02, CapitaGreen, Singapore 048946.

The principal activities of the Company are those relating to wholesale of motor vehicles and spare parts (except motorcycles and scooters) and to manage Asia Pacific's importers on behalf of its holding companies.

The immediate and ultimate holding company are Jaguar Land Rover Limited and Tata Motors Limited. Jaguar Land Rover Limited is a company incorporated in United Kingdom and Tata Motors Limited, a company incorporated in India.

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ('FRS').

#### **2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

#### **2.3 Functional and presentation currency**

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

#### **2.4 Use of estimates and judgements**

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect in the amounts recognised in the financial statements is included in the following notes:

- Note 11 – warranty provisions
- Note 19 – lease term

## 2.5 Changes in material accounting policies

### **New accounting standards and amendments**

The Company has applied the following FRSs, amendments to FRS for the first time for the annual period beginning on 1 April 2023:

- FRS 117: *Insurance Contracts*
- Amendments to FRS 12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to FRS 12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*
- *Amendments to FRS 8: Definition of Accounting Estimates*

Other than described below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

### **Material accounting policy information**

The Company adopted Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

## 3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.



### 3.1 Foreign currency

#### **Foreign currency transactions**

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

### 3.2 Financial instruments

#### **(i) Recognition and initial measurement**

##### ***Non-derivative financial assets and financial liabilities***

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### **(ii) Classification and subsequent measurement**

##### ***Non-derivative financial assets***

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

##### **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Financial assets: Business model assessment**

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

### **Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

## **Non-derivative financial assets: Subsequent measurement and gains and losses**

### ***Financial assets at amortised cost***

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

### ***Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses***

Financial liabilities are classified and measured at amortised cost. Financial liabilities are initially measured at fair value less any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

## **(iii) Derecognition**

### ***Financial assets***

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred;
  - or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### ***Financial liabilities***

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

## **Interest rate benchmark reform**

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Company updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Company applies the policies on accounting for modifications to the additional changes.

**(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(v) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

**(vi) Share capital**

***Ordinary shares***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with FRS 12.

**3.3 Property, plant and equipment**

**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

- |                          |            |
|--------------------------|------------|
| • Tooling                | 5 years    |
| • Furniture and fittings | 12.5 years |
| • Renovations            | 3 years    |

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

### 3.4 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

### 3.5 Impairment

#### **Non-derivative financial assets**

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised costs.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument

#### **Simplified approach**

The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

#### **General approach**

The Company applies the general approach to provide for ECLs on all receivables. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

### **Measurement of ECLs**

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

### **Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

### **Presentation of allowance for ECLs in the statement of financial position**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**3.6 Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance income.

**3.7 Revenue****Sales of motor vehicles and spare parts**

The Company sells motor vehicles and spare parts to the wholesale market. Sales are recognised when control of the goods has transferred to its customer, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the goods. Delivery occurs when the products have been delivered to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

### **Sale of services – maintenance relating to motor vehicles**

Included in the transaction price for the sale of motor vehicles is an after-sales service. This service relates to maintenance work that may be required to be carried out on the motor vehicles for a three- to five-year period after sale. The maintenance service is considered to be a distinct service as it is both regularly supplied by the Company to customers on a stand-alone basis and is available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services. Revenue relating to the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight line basis over the period of service (i.e. three to five years when the services are purchased together with the underlying motor vehicles).

### **3.8 Finance income and finance costs**

Finance income comprise interest income on loans to immediate holding company and unwinding of discount on provision.

Finance costs comprise interest expense on borrowings from immediate holding company and lease liabilities.

Interest income or expense is recognised using the effective interest method.

### **3.9 Employee benefits**

#### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss in the period in which the employees render their services.

#### **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### **3.10 Leases**

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

#### **As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.



The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'right-of-use assets' and 'lease liabilities' in the statement of financial position.

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

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.11 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income .

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

## 3.12 New standards and amendments not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Company has not early adopted the new or amended accounting standards in preparing these financial statements.

The new FRs, interpretations and amendments to FRSs are not expected to have a significant impact on the Company's financial statements.

## 4 Property, plant and equipment

	Tooling \$	Furniture and fittings \$	Renovations \$	Total \$
<b>Cost</b>				
At 1 April 2022	509,612	334,389	1,830,703	2,674,704
Additions	33,172	2,240	—	35,412
Disposal	(285,320)	—	—	(285,320)
At 31 March 2023	257,464	336,629	1,830,703	2,424,796
At 1 April 2023	257,464	336,629	1,830,703	2,424,796
Additions	84,226	—	—	84,226
At 31 March 2024	341,690	336,629	1,830,703	2,509,022
<b>Accumulated depreciation</b>				
At 1 April 2022	455,729	145,022	1,489,721	2,090,472
Depreciation	40,571	26,930	157,376	224,877
Disposal	(285,320)	—	—	(285,320)
At 31 March 2023	210,980	171,952	1,647,097	2,030,029
At 1 April 2023	210,980	171,952	1,647,097	2,030,029
Depreciation	24,792	26,930	157,376	209,098
At 31 March 2024	235,772	198,882	1,804,473	2,239,127
<b>Carrying amounts</b>				
At 1 April 2022	53,883	189,367	340,982	584,232
At 31 March 2023	46,484	164,677	183,606	394,767
At 31 March 2024	105,918	137,747	26,230	269,895

## 5 Right-of-use assets

	Property \$
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	3,165,149
At 31 March 2024	<u>3,165,149</u>
<b>Accumulated depreciation</b>	
At 1 April 2022	879,208
Depreciation	1,055,049
At 31 March 2023	1,934,257
Depreciation	1,055,050
At 31 March 2024	<u>2,989,307</u>
<b>Carrying amounts</b>	
At 1 April 2022	2,285,941
At 31 March 2023	1,230,892
At 31 March 2024	<u>175,842</u>

Information about leases for which the Company is a lessee is discussed in Note 19.

## 6 Deferred tax assets/(liabilities)

Movements in deferred tax assets/(liabilities):

	At 1 April 2022 \$	Recognised in profit or loss (Note 17) \$	At 31 March 2023 \$	Recognised in profit or loss (Note 17) \$	At 31 March 2024 \$
Property, plant and equipment	(42,987)	(22,471)	(65,458)	21,306	(44,152)
Provisions	422,002	(27,024)	394,978	8,798	403,776
	<u>379,015</u>	<u>(49,495)</u>	<u>329,520</u>	<u>30,104</u>	<u>359,624</u>

## 7 Trade and other receivables

	2024 \$	2023 \$
<b>Trade receivable</b>		
Third party	2,691,919	3,853,537
<b>Other receivables</b>		
Immediate holding company	3,518,157	2,098,998
Other related companies	—	5,282
GST receivables	184,368	—
	<u>6,394,444</u>	<u>5,957,817</u>
Prepayments	1,264,898	449,903
	<u>7,659,342</u>	<u>6,407,720</u>

The average credit period of the Company is 30 days (2023: 30 days). Before accepting any new customer, the Company will assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically.

The non-trade amount due from the immediate holding company is unsecured, interest-free and repayable on demand.

## 8 Inventories

	2024 \$	2023 \$
Finished goods	4,365,131	3,180,904
Goods-in-transit	2,000,231	1,979,554
	<u>6,365,362</u>	<u>5,160,458</u>

In 2024, inventories of \$22,562,668 (2023: \$30,726,988) were recognised as an expense during the year and included in 'cost of sales' (see Note 18).

In addition, inventories have been reduced by \$265,000 (2023: \$130,000) as a result of the write-down to net realisable value. The write-down is included in 'cost of sales'.

## 9 Loan from/(to) immediate holding company

	2024 \$	2023 \$
Loan from/(to) immediate holding company	<u>3,947,039</u>	<u>(2,352,698)</u>

The loan to the immediate holding company, Jaguar Land Rover Limited, is non-trade in nature, unsecured, repayable on demand and bears interest at SORA (2023: SOR) interbank interest rate plus a margin of 0.05%.

In 2024, the loan from the immediate holding company, Jaguar Land Rover Limited, is non-trade in nature, unsecured, repayable on demand and bears interest at SORA interbank interest rate plus a margin of 0.05%.

***Reconciliation of movements of liabilities to cash flows***

	<b>Loan from/(to) immediate holding company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 April</b>	(2,352,698)	(3,884,715)
<b><i>Changes from investing cash flows</i></b>		
Repayment of loan to immediate holding company	2,352,698	1,532,017
Interest received on loan to immediate holding company	15,138	40,348
<b>Total changes from investing cash flows</b>	<b>2,367,836</b>	<b>1,572,365</b>
<b><i>Changes from financing cash flows</i></b>		
Loan from immediate holding company	3,947,039	—
Interest paid on loan from immediate holding company	(96,664)	—
<b>Total changes from financing cash flows</b>	<b>3,850,375</b>	<b>—</b>
Net interest expense/(income)	81,526	(40,348)
<b>Balance at 31 March</b>	<b>3,947,039</b>	<b>(2,352,698)</b>

## 10 Share capital

	<b>2024</b>		<b>2023</b>	
	<b>No. of shares</b>	<b>\$</b>	<b>No. of shares</b>	<b>\$</b>
<b>Fully paid ordinary shares, with no par value</b>				
At 1 April and 31 March	750,000	750,000	750,000	750,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

***Capital management***

The Company defines "capital" as share capital and all other components of equity. The Company's policy is to maintain a sound capital base to sustain the future development and expansion of the Company's business, so as to maintain investor and creditor confidence in the Company. The Board of Directors monitors the level of dividend payment by taking into account the Company's business expansion requirements.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

### ***Dividend***

The interim dividend (one-tier tax exempt) amounting to \$5,907,072 (2023:NIL) was declared for the year ended 31 March 2024.

## **11 Warranty provision**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Warranty provision	668,793	688,001
<b>Non-current</b>		
Warranty provision	812,593	847,677
	<b>Product warranty</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
At beginning of the year	1,535,678	1,674,695
Provisions for the year	1,537,321	1,367,540
Utilisation during the year	(1,618,003)	(1,468,956)
Unwinding of discount	26,390	(37,601)
At end of the year	1,481,386	1,535,678

The Company offers warranty cover in respect of manufacturing defects, which become apparent up to five years after purchase. The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The discount on the warranty provision is calculated using a risk-free discount rate as the risks specific to the liability, such as inflation, are included in the base calculation. The timing of outflows will vary as and when a warranty claim will arise, being typically up to five years.

## **12 Provision for reinstatement costs**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Provision as at year end, presented as non-current liability	571,512	571,512

The provision for reinstatement costs is an estimation of costs to reinstate the Company's office and training academy.

## 13 Lease liabilities

	2024 \$	2023 \$
Current	186,323	1,095,037
Non-current	—	186,323
	<u>186,323</u>	<u>1,281,360</u>

Terms and conditions of outstanding lease liabilities are as follows:

	Effective interest rate	Year of maturity	Face value \$	Carrying amount \$
<b>31 March 2024</b>				
Lease liabilities	3.69%	2024	<u>186,599</u>	<u>186,323</u>
<b>31 March 2023</b>				
Lease liabilities	3.69%	2024	<u>1,306,192</u>	<u>1,281,360</u>

### *Reconciliation of movements of liabilities to cash flows arising from financing activities*

	Lease liabilities 2024 \$	2023 \$
<b>Balance at 1 April</b>	1,281,360	2,338,133
<b>Changes from financing cash flows</b>		
Interest paid	(27,797)	(65,947)
Payment of lease liabilities	(1,091,796)	(1,053,646)
<b>Total changes from financing cash flows</b>	<u>(1,119,593)</u>	<u>(1,119,593)</u>
Interest expense	24,556	62,820
<b>Balance at 31 March</b>	<u>186,323</u>	<u>1,281,360</u>

### *Contractual maturities on lease liabilities*

	2024 \$	2023 \$
<b>Gross and undiscounted cash flows</b>		
Within 1 year	186,599	1,119,593
Between 1 and 5 years	—	186,599
Total undiscounted lease liabilities at 31 March	<u>186,599</u>	<u>1,306,192</u>



## 14 Trade and other payables

	2024	2023
	\$	\$
<b>Trade payables</b>		
Third parties	1,763,796	1,126,258
Immediate holding company	4,524,664	4,705,852
	<u>6,288,460</u>	<u>5,832,110</u>
<b>Other payables</b>		
Import duty accruals	311,156	329,926
Accrued variable marketing expense	413,586	449,967
Accrued variable dealer expense	1,036,003	1,272,185
Accrued fixed marketing expense	1,951,421	282,204
Other accruals	2,476,405	1,780,039
GST payables	–	212,101
	<u>6,188,571</u>	<u>4,326,422</u>
	<u>12,477,031</u>	<u>10,158,532</u>

The contractual undiscounted cash flow of trade and other payables are expected to be due within 1 year.

## 15 Revenue

	2024	2023
	\$	\$
<b>Type of goods or services</b>		
Sale of motors vehicles and spare parts	26,642,934	37,806,718
Sale of services – maintenance relating to motor vehicles	1,155,809	1,434,093
	<u>27,798,743</u>	<u>39,240,811</u>
<b>Timing at transfer of goods or services</b>		
At a point in time	26,642,934	37,806,718
Over time	1,155,809	1,434,093
	<u>27,798,743</u>	<u>39,240,811</u>

### Sale of services – maintenance relating to motor vehicles

The following table provides information about contract liabilities from contracts with customers.

	2024	2023
	\$	\$
Contract liabilities:		
Current	836,167	1,155,809
Non-current	1,430,847	1,797,826
	<u>2,267,014</u>	<u>2,953,635</u>

**Contract liabilities**

Contracts liabilities primarily relate to the Company's obligation to transfer services to customers for subsequent servicing or maintenance. The fair value of that service is initially recognised as contract liabilities and subsequently recognised as income over the relevant service period in proportion with the expected cost pattern of the agreement.

Revenue recognised in 2024 which was included in the contract liabilities balance at the beginning of the year was \$1,155,809 (2023: \$1,434,093).

**Transaction price allocated to remaining performance obligation**

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligation as at 31 March 2024 is \$2,267,014 (2023: \$2,953,635). The Company expects to recognise \$836,167 as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 March 2024 in financial year 2025, \$589,620 in financial year 2026, \$448,313 in the financial year 2027, \$297,394 in the financial year 2028, \$87,641 in the financial year 2029 and \$7,879 in the financial year 2030.

**16 Net finance (costs)/income**

	2024 \$	2023 \$
<b>Finance income</b>		
Unwinding of discount on warranty provision	—	37,601
Interest income on loan to immediate holding company	15,138	42,234
	<u>15,138</u>	<u>79,835</u>
<b>Finance costs</b>		
Unwinding of discount on warranty provision	(26,390)	—
Interest on loan from immediate holding company	(96,664)	(1,887)
Interest on lease liabilities	(24,556)	(62,820)
	<u>(147,610)</u>	<u>(64,707)</u>
<b>Finance (costs)/income, net</b>	<u>(132,472)</u>	<u>15,128</u>

**17 Tax (credit)/ expense**

	2024 \$	2023 \$
<b>Current tax (credit)/expense</b>		
Current year	14,013	538,116
Adjustment for prior year	(43,361)	24,244
	<u>(29,348)</u>	<u>562,360</u>
<b>Deferred tax (credit)/expense</b>		
Origination and reversal of temporary differences	(30,104)	49,495
	<u>(30,104)</u>	<u>49,495</u>
<b>Total tax (credit)/expense</b>	<u>(59,452)</u>	<u>611,855</u>

**Reconciliation of effective tax rate**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
(Loss)/Profit before tax	(160,930)	2,750,134
Tax calculated using Singapore tax rate of (2023: 17%)	(27,358)	467,523
Non-deductible expenses	54,731	370,296
Tax exempt income	(43,464)	(250,208)
(Over)/Underprovision in prior year	(43,361)	24,244
	<u>(59,452)</u>	<u>611,855</u>

**18 (Loss)/Profit for the year**

The following items have been included in arriving at profit for the year:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Employee benefits expense	6,442,164	5,575,744
Directors' remuneration included in employee benefits	1,068,280	998,456
Cost of defined contribution plans included in employee benefit expense	<u>513,207</u>	<u>411,251</u>

**19 Leases**

**Right-of-use assets**

The Company leases office, training facilities and office equipment. The leases typically run for a period of 3 years, with an option to renew the lease after the date. Lease payments are renegotiated towards the end of the lease term to reflect market rentals.

**Amounts recognised in profit or loss**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Leases under FRS 116</b>		
Interest on lease liabilities	<u>24,556</u>	<u>62,820</u>

**Amounts recognised in statement of cash flows**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Total cash outflow for leases</b>	<u>1,119,593</u>	<u>1,119,593</u>

**Extension options**

Some property leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Company has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of \$2,867,869.

**20 Dividend**

	2024 \$	2023 \$
Final dividend of \$7.88 (2023: \$Nil) per share	5,907,072	—

During the year, the Company declared and paid dividend of \$5,907,072 (2023: \$Nil) to its immediate holding company.

**21 Related parties*****Key management personnel compensation***

The remuneration of directors and other members of key management are as follows:

	2024 \$	2023 \$
Short-term benefits	1,034,468	964,901
Post-employment benefits	33,812	33,555
	<u>1,068,280</u>	<u>998,456</u>

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiaries. The directors are considered as key management personnel of the Company.

***Other related party transactions***

The Company is a wholly-owned subsidiary of Jaguar Land Rover Limited, incorporated in United Kingdom. The company's ultimate holding company is Tata Motors Limited. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

During the financial year, other than those disclosed elsewhere in the financial statements, the Company had the following significant related party transactions on terms agreed between the parties:

	2024 \$	2023 \$
<b>Immediate holding company</b>		
Purchase of vehicles, parts and accessories	18,745,484	25,571,916
Service income	(16,659,723)	(11,136,230)
Enhanced Market support fees	3,375,000	3,000,000

## 22 Financial instruments

### Financial risk management

#### Overview

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- interest rate risk
- liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

#### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies. Management reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company, as and when they fall due.

The Company has a credit policy in place whereby new customers are subject to credit evaluations based on available financial information and past experiences. The Company has established credit limits for customers and monitors their balances on an ongoing basis. Cash is placed with reputable banks and financial institutions, which are regulated.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Company's primary exposure to credit risk arises through its trade receivables.

At the end of the reporting period, there is a significant concentration of credit risk on 1 customer which accounted for 100% (2023: 100%) of the total trade receivables.

***Expected credit loss assessment for trade receivable***

Impairment on trade receivable (one customer) has been measured on the loss allowance at lifetime ECL based on allowance matrix. The allowance matrix is estimated based on historical credit loss rates and the past due status of the customers, adjusted as appropriate to reflect current and forward looking factors affecting the customers' ability to repay the receivables. Based on the historical default rates, the Company believes that no impairment for trade receivables is necessary as these arises from one key customer that has a good record with the Company.

***Expected credit loss assessment for cash and cash equivalents***

Impairment on cash and cash equivalents have been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the credit worthiness of the bank counterparties. The amount of the allowance is negligible.

Cash and cash equivalents consists of cash and fixed deposits which are placed with banks regulated under the Singapore Banking Act.

***Expected credit loss assessment for non-trade amount/loan due from immediate holding company or other related companies***

The Company held non-trade receivables from its immediate holding company or other related companies of \$3,518,157 (2023: \$2,104,280) and loan to immediate holding company of \$NIL (2023: \$2,352,698). These are loans to immediate holding company to satisfy short term funding requirements. The Company considers that these exposures have low credit risks as there has been no significant increase in the risk of default on these balances since initial recognition. The amount of the allowance is negligible.

**Interest rate risk**

The Company's exposure to market risk for changes in interest rate relates mainly to its loan to immediate holding company which have floating rates.

***Sensitivity analysis***

A decrease/increase of 100 bp in interest rate at the reporting date would have (decrease)/increase profit before tax, respectively, by \$NIL (2023: \$23,527). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

## Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity management is to ensure that the Company has sufficient funds to meet its contractual and financial obligations as and when they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company focuses on ensuring matching maturities of the Company's assets and liabilities. The Company will also maintain a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

## Classification of accounting instruments

The carrying amounts of financial assets and liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation at fair value. For the current year, the fair value disclosures of lease liabilities is also not required.

	2024	2023
	\$	\$
<b>Financial assets at amortised cost</b>		
Loan to immediate holding company	—	2,352,698
Trade and other receivables*	6,394,444	5,957,817
Cash and cash equivalents	7,418,359	8,474,080
	<u>13,812,803</u>	<u>16,784,595</u>
<b>Financial liabilities</b>		
Loan from immediate holding company	3,947,039	—
Trade and other payables**	12,477,031	9,946,430
Lease liabilities	186,323	1,281,360
	<u>16,563,393</u>	<u>11,227,790</u>

\* Excludes prepayments and GST receivables

\*\* Excludes GST payables

## Fair values of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities on the statement of financial position approximate their respective fair values due to their short period to maturity.