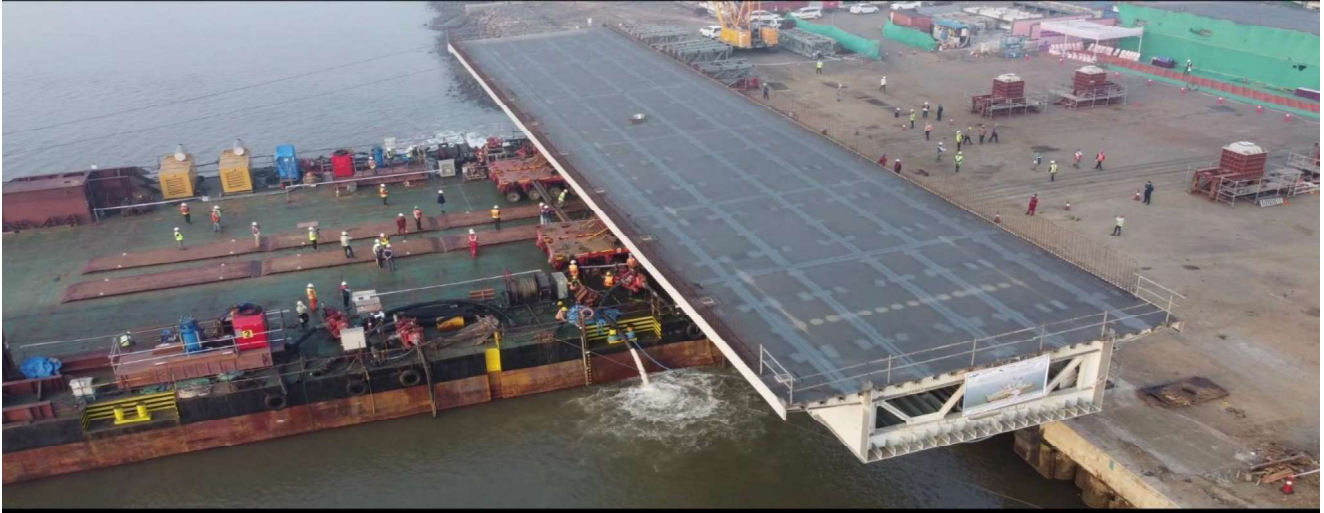




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## Chairman's Statement



Dear Shareholders,

I am pleased to present the Annual Report of Mercantile Ports & Logistics Limited (MPL) for the year ended 31 December 2025.

The past year has been one of the most challenging periods in the history of the Company. It has also been a period that has tested the resilience, determination and conviction of your Board, management team and shareholders.

Since its admission to trading on the London Stock Exchange in 2010, the Company has pursued a singular objective: to develop and operate a strategic port and logistics asset serving the Mumbai metropolitan region and wider Indian economy. Over the past fifteen years, the Company and its investors have committed approximately US\$200 million of capital to develop what is today a unique maritime and logistics platform at Karanja, Navi Mumbai.

The asset has been developed through numerous economic cycles, regulatory changes and operational challenges. Throughout this journey, the Company has remained committed to its obligations, invested substantial capital and worked constructively with all stakeholders to create long-term value.

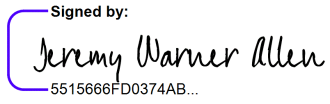
Today, the Karanja asset represents significantly more than the development opportunity that existed at the time of the Company's IPO. The Company has successfully developed approximately 100 acres of waterfront land, secured the rights to expand the development substantially further, established operational infrastructure, obtained key licences and approvals, and positioned the asset within one of India's most strategically important maritime and industrial corridors.

The Board and I remain unanimous in our view that Karanja is a highly valuable strategic infrastructure asset and that the interests of shareholders have not been served by the events that have unfolded over the past year. Having spent considerable time reviewing the asset, its operations, customer relationships, strategic location and long-term potential, I have no doubt that significant value exists within the business. The fact that the asset has attracted such sustained interest from major financial and infrastructure groups only reinforces that conclusion.

The Board and I fully support the strategy being pursued by the Company to protect shareholder interests and secure the return of our asset. We continue to believe that the Company has identified

credible funding solutions and financial structures capable of repaying creditors and restoring value to shareholders. While the process has been challenging and at times deeply frustrating, our determination remains undiminished. We will continue to pursue every available avenue to achieve a fair outcome and remain steadfast in our belief that the value created by shareholders over many years deserves to be protected and ultimately returned to its rightful owners.

Yours sincerely,

Signed by:  
  
5515666FD0374AB...

**Jeremy Warner Allen**  
**Chairman**  
**Mercantile Ports & Logistics Limited**

## Managing Director's Statement

Dear Shareholders,

When we founded Mercantile Ports & Logistics nearly two decades ago, we believed that India offered one of the most compelling infrastructure investment opportunities in the world. That belief led us to raise substantial capital in London, list the Company on AIM and embark upon the development of what would become the Karanja Port project.

Over the years, shareholders invested approximately \$200 million into the Company and its subsidiaries. Together, we transformed a vision into a strategic port and logistics asset located in one of India's most important economic corridors. Karanja was not simply a project on paper. It was financed, constructed, operationalized and increasingly attracting significant commercial opportunities, including contracts supporting India's offshore oil and gas sector.

The strategic importance of Karanja has become increasingly apparent over time. Located in Navi Mumbai, one of India's most important industrial and logistics hubs, the port occupies a unique position within a region that continues to experience significant infrastructure investment and economic growth. The asset has secured long-term tenure, developed port infrastructure and direct access to one of the largest concentrations of industrial activity in the country.

In recent years, Karanja has also established itself as an increasingly important offshore oil and gas logistics hub, securing contracts and supporting operations for ONGC and other industry participants. As activity in India's offshore energy sector expanded, the port began attracting growing interest from both domestic and international operators seeking strategically located marine infrastructure.

The Board remains firmly of the view that the quality, location and strategic relevance of Karanja are among the principal reasons why the asset has attracted such sustained attention from some of the largest financial and infrastructure interests in India. The fact that the asset has attracted sustained interest from these groups serves only to reinforce the Board's long-held view regarding its strategic value and long-term potential. The events of the past year have only reinforced our belief in the long-term value of what shareholders helped create.

The past year has been dominated by the fight to protect that asset and preserve shareholder value.

During 2025, the Company worked extensively with its consortium lenders to agree a One Time Settlement ("OTS") that would allow the debt to be repaid and ownership of the asset to remain with shareholders. Following a lender-led Swiss Challenge process, MPL increased its offer to ₹472.1 crore (approximately £42 million) and was declared the successful bidder. The Company subsequently deposited ₹43 crore (approximately £3.8 million) pursuant to the sanctioned process and was granted until 30 September 2025 to complete payment.

The Company continued to engage with lenders and worked towards completion of the settlement. However, before the expiry of the agreed payment period, the OTS was terminated, the debt was subsequently assigned to Prudent ARC and insolvency proceedings were commenced against Karanja Terminal & Logistics Private Limited, our wholly-owned operating subsidiary.

As has been announced previously, the Company challenged this and subsequent court filings have revealed facts that were not previously known to the Company. Those filings indicate that while MPL's sanctioned OTS remained active, and the Company had already been declared the successful bidder and after MPL had deposited ₹43 crore (approximately £3.8 million) pursuant to the settlement process, a revised proposal of ₹520 crore (approximately £46 million) was submitted by Prudent ARC and considered by lenders before the OTS was terminated.

For much of the period that followed, the narrative surrounding the failure of the OTS focused on the absence of approval from one member of the lending consortium. The later filings reveal a materially different factual picture and raise important questions regarding the sequence of events that ultimately resulted in the termination of the settlement process and the subsequent transfer of the debt. These matters remain the subject of ongoing legal proceedings.

The Board has continued to challenge those events through the courts and tribunals of India. We have pursued redemption proposals, secured funding commitments, proposed full repayment solutions and sought to preserve the asset for shareholders. Those efforts continue today.

The Company repeatedly demonstrated both the willingness and the ability to settle its obligations. We have committed significant deposits, demonstrated proof of funds, secured funding commitments from multiple sources and consistently pursued consensual solutions, including proposals that would have resulted in creditors being repaid in full.

We have encountered a process that, in our view, lacked consistency, transparency and predictability.

The sanctity of process is fundamental to investor confidence. International investors can tolerate commercial risk; what they cannot tolerate is uncertainty regarding whether established processes will be followed fairly and consistently.

The treatment of Mercantile Ports & Logistics stands in stark contrast to the aspirations promoted through the UK-India Free Trade Agreement. Trade agreements, investment roadshows and policy announcements cannot substitute for due process, transparency and the consistent application of the law. Without those foundations, such agreements risk becoming little more than aspirational documents.

India remains a country of enormous opportunity and immense potential. However, our experience has highlighted how difficult it can be for foreign investors to protect their interests when confronted by powerful commercial and financial interests. At a time when India seeks to attract increasing levels of international investment, these issues matter.

The Board is also deeply concerned by the impact that the insolvency process has had on the underlying business, its customers and the value of the asset itself.

Prior to the commencement of insolvency proceedings, Karanja was an operating business with established customers, growing activity levels and significant momentum, particularly within the offshore oil and gas sector. Years of effort had been invested in developing customer relationships, building operational capabilities and positioning the port as an increasingly important logistics hub. Unfortunately, much of that progress has been placed at risk during the insolvency process. Customers who had committed business to the port have experienced prolonged uncertainty, operational disruption and a lack of clarity regarding the future direction of the asset. The Board has become increasingly concerned by the deterioration of customer relationships that took many years to establish.

Particularly disappointing has been the position taken by ONGC, one of the Company's most important customers, which has issued a termination notice in relation to its contract with the port. The loss of such relationships not only damages current revenues but also undermines the long-term value of the business that shareholders invested substantial capital to create. Whilst the Board is confident that these relationships can be restored once the asset is back under control of the Company, clearly this becomes more difficult, the longer the period of uncertainty.

The Board remains firmly of the view that preserving the operating business, protecting customer relationships and maximising enterprise value should have been a primary objective throughout the process. Instead, the deterioration of the business during this period has had a direct impact on stakeholder value and has reinforced our concerns regarding the manner in which the asset has been managed.

## Looking Forward

While the battle for Karanja continues, the future of MPL is not defined by a single asset.

The events of recent years have reinforced the importance of operating in jurisdictions where property rights, contractual certainty, regulatory transparency and the rule of law are consistently applied. As a result, the Board has been actively evaluating opportunities in a number of jurisdictions that we believe offer a more stable and predictable environment for long-term infrastructure investment.

Regardless of the outcome of the Karanja proceedings, the Board remains committed to ensuring that MPL emerges as a stronger, more diversified and better protected business for the benefit of shareholders.

Against this backdrop, I remain enormously grateful to our shareholders for their patience, loyalty and support. I am equally grateful to our employees, advisers, customers and partners who have stood by the Company during what has undoubtedly been the most challenging period in the Company's history.

I also wish to welcome two exceptional individuals who agreed to join the Board. Stefan Passantino, former Deputy White House Counsel joined the Board early in 2025. In addition, since the year end Marty Martin, a former senior CIA officer and intelligence leader, has agreed to join the Board and his appointment is expected to be confirmed shortly.

Both bring considerable experience, judgment and international perspective to the Company. Their willingness to join MPL at such a critical time reflects both the quality of the people associated with the Company and the importance of the issues we continue to pursue.

Before concluding, I would like to express my sincere gratitude to my fellow Board members and the management team who have stood by the Company throughout the most challenging periods in its history.

For an extended period, many of these individuals have continued to devote extraordinary amounts of time, effort and expertise to MPL despite receiving little or no compensation. Their commitment has not been driven by financial reward, but by a genuine belief in the quality of the asset that shareholders helped create and a determination to protect and enhance that value for the benefit of all stakeholders.

I would also like to place on record my personal thanks to Karanpal Singh, who stepped down from the Board during the year. Karanpal has been a valued colleague and supporter of the Company for many years. On behalf of the Board and our shareholders, I would like to thank him for his contribution, commitment and service to MPL and wish him every success in his future endeavours.

Yours sincerely,

Signed by:  
  
905E3F8D49294F0  
**Pavandeep (Pavan) Bakhshi**  
**Managing Director**  
**Mercantile Ports & Logistics Limited**

# Operational Review







Van Oord Dredging Vessel



The last Girder of MTHL (now named Atal Setu by the Government of India)



Trial movement of Containers at Karanja Port



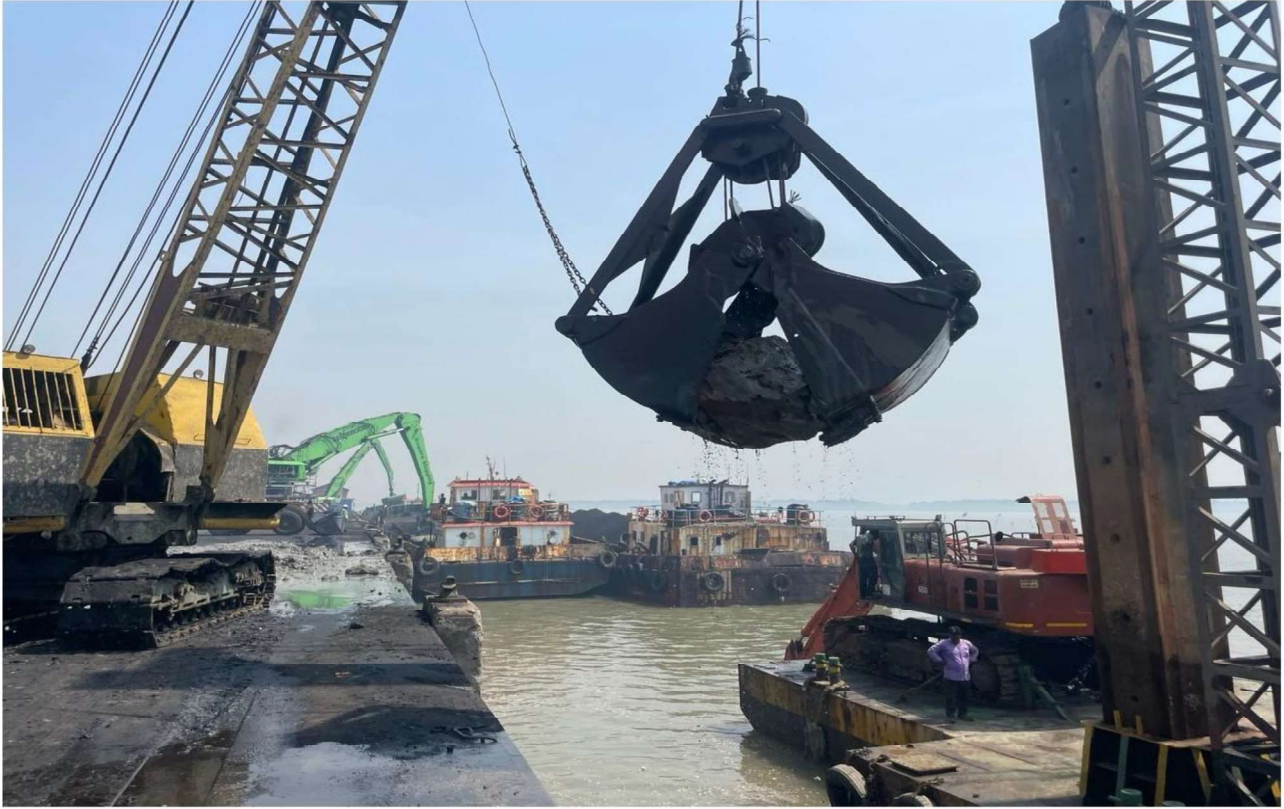
Coal unloading



Coal storage



Maintenance Dredging Operations (above and below)



# INDIAN ECONOMY AND INDUSTRY OVERVIEW

India continued to demonstrate economic resilience during FY 2025–26, maintaining its position amongst the fastest-growing major economies globally despite persistent geopolitical uncertainties, evolving trade dynamics, and fluctuating commodity markets. Supported by strong domestic consumption, sustained public infrastructure investment, and continued growth in manufacturing and services, the Indian economy remained a significant contributor to global economic expansion.

Government initiatives aimed at improving logistics efficiency, strengthening manufacturing competitiveness, and enhancing multimodal connectivity continue to support long-term growth across the transportation and infrastructure sectors. Programmes such as PM Gati Shakti, the National Logistics Policy, and Sagarmala are driving greater integration between ports, railways, road networks, and industrial corridors, improving supply chain efficiency and facilitating trade growth.

India's export sector remained resilient during the year, supported by diversification of export markets, growth in services exports, and increasing participation in global supply chains. Simultaneously, continued expansion of domestic manufacturing capacity and industrial activity has contributed to sustained demand for logistics infrastructure, bulk cargo handling, warehousing, and transportation services.

The Government's ongoing emphasis on port-led development, coastal connectivity, and logistics modernization continues to create long-term opportunities for private sector participation in maritime infrastructure. Investments in industrial corridors, dedicated freight infrastructure, and coastal economic zones are expected to strengthen cargo generation and improve connectivity between production centers and ports.

Inflation remained within manageable levels during the year, supporting macroeconomic stability and providing a relatively predictable operating environment for businesses. India's banking and financial sectors also continued to demonstrate resilience, maintaining adequate capitalization levels and supporting investment activity across key infrastructure sectors.

## Key Economic Indicators

- India remained one of the fastest-growing major economies globally.
- Continued government investment in infrastructure and logistics development.
- Sustained growth in manufacturing and industrial activity.
- Ongoing implementation of PM Gati Shakti, Sagarmala and National Logistics Policy initiatives.
- Stable inflationary environment and resilient financial sector.
- Continued focus on trade facilitation, multimodal connectivity and supply chain efficiency.

## OUTLOOK

India's long-term economic fundamentals remain favorable, supported by demographic advantages, increasing urbanization, rising industrialization, and continued investment in infrastructure development. The logistics and maritime sectors are expected to play a critical role in supporting this growth trajectory as trade volumes expand and supply chains become increasingly integrated.

The Company believes that continued government focus on logistics efficiency, port infrastructure, manufacturing growth and multimodal connectivity will support long-term opportunities within the broader ports and logistics sector. While global economic conditions and trade patterns may continue to evolve, India remains well-positioned to sustain its role as a key growth market for infrastructure and logistics development.

## OPERATIONS UPDATE

During 2025, Karanja Port continued to provide cargo handling and marine services across its established operating segments. The port remained focused on maintaining operational continuity, servicing existing customers, and supporting cargo movements through its marine, yard and logistics infrastructure.

The Company handled approximately 1.2 million MT of cargo during the year, compared to 1.33 million MT in the previous year, reflecting continued utilisation of the port's infrastructure and customer relationships across its core cargo segments. Coal continued to constitute the principal cargo handled through the facility, supported by long-standing customer engagements and established operational capabilities.

Karanja Port maintained its ability to provide round-the-clock operations, enabling the efficient handling of vessels, cargo storage, and landside logistics activities. The operational team remained focused on ensuring safe and efficient execution of port activities while maintaining service standards for customers and stakeholders.

During the year, the port continued to engage with a diverse range of customers and industry participants across multiple cargo categories including bulk, oil & gas sector and project cargo amongst others. In addition to existing business segments, enquiries were received relating to bulk cargoes, liquid cargo opportunities, logistics support services and land utilisation requirements. Management continued to evaluate these opportunities with a view to enhancing the long-term utilisation of the port's infrastructure assets.

The Company also continued to assess opportunities for diversification of cargo streams and expansion of services offered through the port. As part of these efforts, discussions were held with prospective customers regarding potential infrastructure development and long-term commercial arrangements, although no material commitments had been concluded as at the reporting date.

Karanja Port's strategic location within the Mumbai Harbour region, together with its proximity to major industrial and consumption centres, continues to provide a platform for participation in the broader growth of India's maritime and logistics sectors. The Company remains focused on maximising the value of its existing infrastructure while pursuing opportunities that align with its long-term operational and commercial objectives.

During the latter part of 2025, the Company became subject to the Corporate Insolvency Resolution Process ("CIRP") pursuant to an order of the National Company Law Tribunal, Mumbai Bench. Following commencement of the CIRP, management of the Company vested in the Insolvency Resolution Professional in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016. Operational activities at Karanja Port continued during this period, although certain commercial and operational initiatives were affected by the ongoing resolution process. The Company continues to cooperate with all stakeholders and statutory authorities in relation to the CIRP.

The Board wishes to acknowledge the commitment and efforts of the Company's employees, operational personnel and business partners, whose continued support contributed to the maintenance of port operations throughout the year.

# Strategic Report

The purpose of the strategic report is to inform members of the Company and help them to assess how the Directors have performed their duty to promote the success of the Company.

## Executive Summary

Mercantile Ports & Logistics Ltd (MPL) is a UK-listed infrastructure developer focused on creating, owning, and operating port and logistics assets in India. The year under review was dominated by the Company's efforts to protect and preserve shareholder value through its investment in Karanja Terminal & Logistics Private Limited (KTLPL). The Board continues to believe that Karanja remains a unique strategic maritime infrastructure asset developed through more than a decade of investment, operational execution and commitment by shareholders.

Since inception, shareholders have invested approximately US\$200 million in developing the Karanja platform. The Board believes in the strategic importance of the asset, and the intensity with which control of it has been pursued, reinforces its long-held view regarding its underlying value.

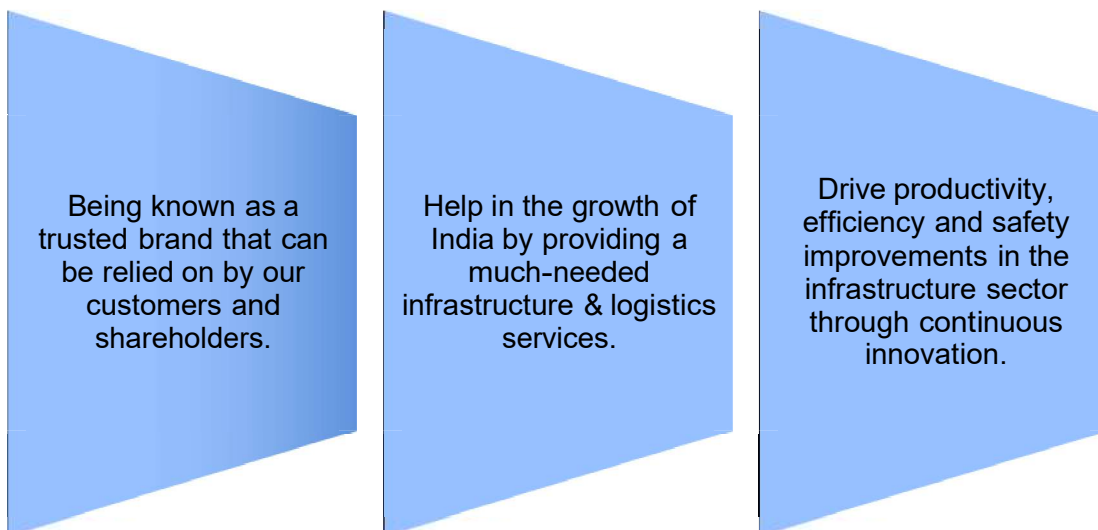
## Vision

To serve as a critical link in the global logistics chain by developing state-of-the-art maritime and logistics infrastructure that supports the evolving trade demands of India and other emerging economies. We aim to drive sustainable value creation through innovation, excellence, and stakeholder trust.

## Mission

To conduct business with integrity and innovation at the core, delivering exceptional service to customers and generating long-term value for all stakeholders.

## Principal Values



## Performance Highlights

### Operational Performance:

Prior to the commencement of the insolvency proceedings, the operational performance of the business continued to strengthen, supported by increasing customer engagement and the successful execution of a number of strategic commercial initiatives.

Most notably, the Company secured and commenced execution of a significant long-term contract with Oil and Natural Gas Corporation Limited (“ONGC”), one of India’s largest public sector enterprises. The contract, which commenced in October 2025 and extended through September 2028 for an aggregate value of approximately ₹100 crore (approximately £8 million) over its three-year term. The award of this contract represented a major commercial milestone for the business and reflected the growing recognition of Karanja Port’s capabilities within India’s offshore energy sector. Whilst the uncertainty created by the ongoing Court proceedings has put that contract at risk, the Company remains confident of repairing the relationship with this customer post the successful completion of these proceedings.

Management believed that the ONGC contract represented the beginning of a substantially larger opportunity. Karanja Port was increasingly establishing itself as a logistics and support base for offshore oil and gas operations, benefiting from its strategic location, marine infrastructure and operational capabilities. During the year, the Company received enquiries and engaged in discussions with a number of domestic and international participants within the offshore energy sector regarding the provision of marine support, logistics and related services.

In addition, the Company secured a further long-term commercial arrangement relating to container handling activities and continued to pursue opportunities across a range of cargo and logistics segments. Discussions were ongoing with prospective customers regarding project cargo handling, including a major Engineering, Procurement and Construction (“EPC”) contractor, as well as opportunities relating to liquid cargo storage and handling infrastructure. Management also continued to evaluate proposals from customers seeking long-term utilisation of the port’s land and logistics facilities.

The Board believed that the Company’s years of investment in infrastructure development, operational capability, customer relationships and regulatory approvals were beginning to translate into meaningful commercial opportunities. Supported by a growing pipeline of contracted revenues and advanced commercial discussions across multiple business segments, the business was positioned to pursue a broader range of growth opportunities than at any previous point in its operating history.

### Financial Highlights:

Financial Metric	FY2025	FY2024
Revenue	£1.39 million	£4.35 million
Loss for the year	£28.79 million	£18.67 million
Impairment charge (net)	£6.34 million	£6.77 million
Total borrowings	£50.04 million	£50.50 million
Cash position	£0.46 million	£0.91 million

## **Impact of the Insolvency Process**

The ongoing insolvency process has disrupted that momentum. Customers, suppliers, employees and counterparties have all been affected by uncertainty surrounding ownership and control of the asset.

Relationships that took many years to develop have inevitably been impacted. The Board believes the underlying business, including opportunities within the offshore energy sector, has suffered as a consequence of the uncertainty created by the process.

## **Board Strengthening and Governance**

During the year the Company welcomed Stefan Passantino to the Board and since the year end, we announced the proposed appointment of Marty Martin.

Stefan Passantino is one of the United States' leading legal and regulatory advisers and previously served as Deputy Counsel to President Donald Trump and Senior Ethics Counsel in the White House.

Marty Martin is a distinguished former member of the CIA Senior Intelligence Service and held numerous senior leadership positions during a career spanning more than three decades.

The Board believes the appointment of individuals of this caliber represents a significant endorsement of both the Company's underlying assets and the importance of the issues currently being pursued on behalf of shareholders.

## **Risk factors and their mitigation measures are as follows:**

The Directors believe that the management of the business and the implementation of the Group's plans are potentially exposed to a variety of risks. It is the Board's job to ensure that MPL is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to our business. Good governance and risk management are core to our business and to the achievement of our objectives.

The Board has identified the following principal risks and uncertainties facing by the Company. These are kept under continuous review, and the Board takes appropriate steps to monitor, mitigate and manage each risk in the interests of shareholders and other stakeholders.

### **Insolvency Resolution Process Risk:**

The Group's principal operating subsidiary, Karanja Terminal & Logistics Private Limited ("KTLPL"), was admitted into the Corporate Insolvency Resolution Process ("CIRP") during the year. As a result, management and control of KTLPL vested with the Insolvency Resolution Professional and subsequently the Resolution Professional in accordance with applicable law.

The ultimate outcome of the CIRP remains uncertain and may impact the future ownership, control, capital structure and operations of KTLPL. The process is also subject to legal, regulatory and procedural requirements under the Insolvency and Bankruptcy Code, 2016.

The Group continues to closely monitor developments relating to the CIRP and remains engaged with relevant stakeholders. All material developments are disclosed to shareholders in accordance with applicable AIM Rules and regulatory requirements.

**Concentration Risk — Single Strategic Asset**

The Company's portfolio is currently focused on Karanja as its principal strategic asset. This concentration means that the Company's financial performance, prospects and value are significantly dependent on the successful development and realisation of this single asset. Any adverse development affecting Karanja — whether operational, technical, legal or commercial — could have a material impact on the Company as a whole. The Board continues to assess opportunities to diversify the asset base where this is consistent with the Company's strategic objectives and the interests of shareholders.

**Operations Risk:**

The Company is engaged in providing port services and integrated logistics solutions for EXIM and Inland Cargo. The Company is prone to inherent business risks. The Audit Committee monitors risk management activities of each business vertical and key support functions. Fraud Risk Assessment is also part of overall risk assessment. The purpose of risk management is to achieve sustainable business growth, protect the Company's assets, safeguard shareholders' investments, ensure compliance with applicable laws and regulations and avoid major surprises of risks. The Policy is intended to ensure that an effective risk management framework is established and implemented within the Company.

**Liquidity Risk:**

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due. As a consequence of the CIRP proceedings, the Group is unable to access cash and other liquid assets held by KTLPL without the approval of the Resolution Professional. The Group's ability to service its own obligations at the parent entity level is therefore dependent on resources available independently of KTLPL. Management monitors the Group's liquidity position and takes into account the restrictions arising from the CIRP framework in assessing the adequacy of available liquid resources.

**Foreign Exchange Risk:**

The exchange difference arising due to foreign currency exchange rate variances on translating a foreign operation into the presentational currency results in a translation risk. The exposure to FX risk is being closely monitored by the Board on a regular basis only for information to the stakeholders.

Investors are at risk as investments are made in GBP and the assets are in INR, therefore the fluctuation in currency can impact the carrying value of the asset when retranslated.

**Macro-Economic and Geopolitical Risk:**

The Group's performance may be affected by changes in economic conditions, commodity markets, trade flows, shipping activity and broader geopolitical developments.

Global conflicts, supply chain disruptions, inflationary pressures, changes in trade policy and economic slowdowns may adversely impact cargo volumes, operating costs and customer activity.

The Group seeks to mitigate these risks through prudent cost management, operational flexibility and maintaining relationships across a diverse range of industries and market participants.

**Credit risk and losses**

Credit risk is the risk that a counterparty will fail to discharge an obligation, resulting in a financial loss to the Group. The Group's maximum exposure to credit risk at the reporting date arises principally from intercompany loan balances and other receivables due from KTLPL.

## Future Strategy

The Group's immediate strategic priority remains the preservation of value within its principal operating asset, Karanja Port, while supporting the continuation of operations during the ongoing CIRP involving KTLPL.

The Directors continue to believe that Karanja Port possesses significant long-term strategic value due to its location within the Mumbai Metropolitan Region, proximity to major industrial and logistics corridors, established infrastructure and ability to service a diverse range of cargoes.

Over the near term, the Group's focus will remain on:

- \* Supporting the continued operation and maintenance of the port infrastructure;
- \* Preserving customer relationships and maintaining operational readiness;
- \* Maximising throughput opportunities where commercially viable;
- \* Protecting the value of the Group's assets and stakeholder interests; and
- \* Monitoring developments relating to the CIRP process and evaluating their implications for the Group.

The Directors believe that the long-term fundamentals supporting India's logistics and maritime sectors remain favourable. Continued growth in trade, infrastructure development and industrial activity are expected to support demand for efficient port and logistics infrastructure over the long term.

While the timing and outcome of the CIRP remain uncertain, the Board believes that the underlying strategic rationale for Karanja Port remains unchanged and that the asset continues to possess significant potential under an appropriate long-term ownership and capital structure.

## Conclusion

The year under review was one of significant challenge and transition for the Group.

The admission of KTLPL into the Corporate Insolvency Resolution Process introduced substantial uncertainty regarding the future of the Group's principal operating asset and altered the operating environment in which the business functions. Despite these challenges, Karanja Port remained operational throughout the period and continued to provide services to customers.

The Directors recognize that the resolution process remains ongoing and that its ultimate outcome will be a significant factor in determining the future direction of the Group. Nevertheless, the Board remains of the view that Karanja Port represents a strategically important infrastructure asset with strong underlying fundamentals and long-term relevance within India's maritime and logistics sector.

The Group remains committed to maintaining the highest standards of governance, transparency and stakeholder engagement throughout this period. The Directors will continue to monitor developments closely and provide updates to shareholders in accordance with applicable regulatory requirements.

On behalf of the Board, we thank our shareholders, employees, customers and other stakeholders for their continued support during a period of considerable change and uncertainty.

On behalf of the Board,

Signed by:



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**Pavan Bakhshi**

**Managing Director**

**Mercantile Ports & Logistics Limited**

Date: 30 June, 2026

## Directors' Report

The Directors ("Directors") of Mercantile Ports & Logistics Limited present their reports and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

The Company was incorporated and registered under The Companies (Guernsey) Law, 2008 with registered number 52321 on 24 August 2010. On 7 October 2010 its ordinary shares of no-par value were listed on the London Stock Exchange's Alternative Investment Market ("AIM"). The Company's subsidiaries are Karanja Terminal & Logistics (Cyprus) Ltd incorporated in August 2010 in Cyprus and Karanja Terminal & Logistics Private Limited, incorporated in May 2010 in India.

### Principal Activity

The Group's principal objective is to develop port and logistics facilities in India and its sphere of influence. The Group's first project is being developed at Karanja in close proximity to the city of Mumbai and Jawaharlal Nehru Port Authority ("JNPA"), which is India's largest and busiest container handling port.

The Directors are responsible for preparing the Annual Report and Financial Statements for each financial year which give a true and fair view, in accordance with applicable Guernsey law and International Financial Reporting Standards as issued by the European Union (EU), of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company transactions, disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies (Guernsey) Law, 2008.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the website on which these financial statements are published. The work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the Legislation in Guernsey governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

## Disclosure of Information to the Auditor

The Directors who held office at the date of approval of this Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

## Events Subsequent to year end

Subsequent to the year ended 31 December 2025, a number of significant events occurred in relation to the Company's principal operating subsidiary, Karanja Terminal & Logistics Private Limited ("KTLPL").

On 17 November 2025, the National Company Law Tribunal, Mumbai Bench ("NCLT"), admitted an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against KTLPL and initiated the Corporate Insolvency Resolution Process ("CIRP"). Following the commencement of the CIRP, management and control of KTLPL vested in the Interim Resolution Professional and subsequently the Resolution Professional in accordance with the provisions of the IBC.

During January 2026, the National Company Law Appellate Tribunal ("NCLAT") upheld the admission order of the NCLT. Thereafter, KTLPL and certain stakeholders pursued various legal remedies and settlement proposals with a view to resolving the outstanding indebtedness of KTLPL and seeking withdrawal of the CIRP proceedings.

In February 2026, an application under Section 12A of the IBC was submitted proposing a settlement of the claims forming the basis of the insolvency proceedings. The proposal contemplated repayment of the financial indebtedness owed to the relevant creditor and withdrawal of the CIRP, subject to the approvals required under applicable law. The proposal was considered during the CIRP but was not approved.

The CIRP continued throughout the period subsequent to the reporting date, including the invitation of expressions of interest from prospective resolution applicants and the evaluation of resolution plans in accordance with the provisions of the IBC. The Committee of Creditors subsequently approved a resolution plan, which remains subject to the applicable approval process under the IBC.

In parallel, legal proceedings relating to the CIRP and associated matters continued before various judicial forums, including the Hon'ble Supreme Court of India. As at the date of approval of these financial statements, certain proceedings remain ongoing and their ultimate outcome cannot presently be determined.

The commencement of the CIRP and the subsequent actions taken during the resolution process have had a significant impact on the operations, management and commercial activities of KTLPL. Given that KTLPL represents the Group's principal operating asset, these developments are of material significance to the Group.

The Directors continue to monitor developments closely and will evaluate their impact on the Group's financial position, operations and future strategy as further information becomes available.

## Dividend

No dividend has been declared by the Board.

Signed for and on behalf of the Board on June 30, 2026

Signed by:

*Pavan Bakhshi*

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**Pavan Bakhshi**  
**Managing Director**  
**Mercantile Ports & Logistics Limited**  
30 June, 2026

## **Corporate Social Responsibility**

### **Social, community and human rights issues:**

Mercantile Ports & Logistics Limited recognises the importance of responsible corporate citizenship and remains committed to supporting the communities surrounding its operations. The Group's Indian subsidiary, Karanja Terminal & Logistics Private Limited ("KTLPL"), falls within the scope of the Corporate Social Responsibility ("CSR") provisions contained in the Companies Act, 2013 and maintains the required governance framework, including oversight by its CSR Committee.

Historically, the Group has identified a number of priority areas for future community engagement, including education and literacy enhancement, employment and skill development, health and sanitation, support for local fishing communities, community infrastructure development and environmental protection initiatives.

However, following the commencement of the Corporate Insolvency Resolution Process ("CIRP") in respect of KTLPL during the year, the Group's primary focus has been on maintaining operations, preserving asset value and supporting the ongoing resolution process.

Accordingly, the implementation of any significant CSR initiatives is expected to remain on hold pending the resolution of the CIRP and the establishment of a stable operating and financial framework for KTLPL.

The Directors remain committed to the principle that the long-term development of Karanja Port should contribute positively to the surrounding communities and expect that appropriate CSR programmes will be reviewed and implemented once the uncertainty surrounding the resolution process has been addressed.

### **Corporate Governance Report**

The Board's corporate governance policy is structured around its Corporate Governance Framework in compliance with the QCA Corporate Governance Code. It is supported by a number of Committees to which certain Board responsibilities are delegated. These committees, in turn formally report to the Board following each meeting to ensure that the Board remains fully updated on their activities. The principal Board Committees include the Remuneration and Audit committees, which both have formally delegated duties and responsibilities and written terms of reference. From time to time, the Board may set up additional committees to consider specific issues when the need arises.

The Board should establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture.

The Board should ensure that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.

Reports on the activities of the principal Board Committees can be found on the following pages and their Terms of Reference are available on the Company's website on the following link [Mercantile Ports & Logistics Ltd - Shareholding Info](#), The Group Company Secretary provides support as the secretary for the principal Board Committees.

## BOARD COMMITTEES

The Board of Directors are supported by the following committees:

- i. The Audit Committee - principal duties are to assist the Board in discharging its responsibilities to maintain the integrity of the financial statements, to review financial information, financial plans and budget, and to monitor the effectiveness of the systems of internal control and risk management. It also reviews the effectiveness and the objectivity of the external auditors.
- ii. The Remuneration Committee - determines the remuneration and benefits of executive Directors, and manages associated incentive schemes.
- iii. The Nominations Committee - assists the Board in reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and makes recommendations to the Board with regard to any changes.

The Board considers that the Corporate Governance Framework promotes the effective and sound management of the Group in the long-term interest of the Group and its shareholders and is effective in promoting compliance with the Corporate Governance principles of the AIM ruling.

### Board of Directors:

#### Jeremy Warner Allen

##### Chairman

Appointed as Chairman to the Board 16 January 2020, prior to which he served as Independent Non - Executive Director since 06 December 2018.



##### Skills and expertise

Jeremy joined the Group in December 2018. He has over 25 years' experience in capital markets, most recently as Executive Director, Board Member and Head of the Growth Companies Team at Cenkos Securities plc, where he advised a number of AIM companies over a period of 11 years. Whilst at Cenkos he was instrumental in supporting MPL since the IPO in 2010. Prior to joining Cenkos, he was a founding member of Evolution Beeson Gregory Limited and responsible for the UK sales desk, a role he retained when Beeson Gregory merged with Evolution Securities in 2002. As Chairman of MPL he focused on driving an increase in the operational activities of the Group.

##### Key External Appointments

Non-Executive Director TP Group and Non-Executive

Deputy Chairman of OPG Power Ventures PLC

##### Committee membership

Member of the Nomination and Remuneration Committee

## Pavan Bakhshi

### Managing Director

Re-Appointed as Managing Director in 2025, prior to which he served as Managing Director of the company from 24 August 2010 up to 18 December 2018.



### Skills and expertise

Pavan joined MPL from Askar Capital, a Nordic Investment firm with a key focus on emerging economies, where he was a Managing Director and head of their Indian operations. Pavan built Askar's presence in India and oversaw the deployment of significant proprietary capital for Infrastructure projects in India. Prior to Askar Capital, Pavan was at Bear Stearns & Co. Inc. in its Strategic Finance Group working both in New York and London. Pavan is a graduate from the University of Edinburgh. At MPL in his role as Managing Director, Pavan has been responsible for overseeing the overall development of the port, managing key relationships with the Government and various stakeholders within UK as well as India.

### Key External Appointments

#### Committee membership

Board member.

## Jay Mehta

### CEO

Appointed as Managing Director 13 December 2018 prior to which he served as Group COO from 24 August 2010 and was appointed to the Board as Director 12 September 2016.



### Skills and expertise

Jay has over 20 years' experience in port operations and management, port marketing and logistics planning. He formerly worked for Merrill Lynch in New York. Jay holds a Diploma in Port, Shipping and Transport Management from the International Maritime Transport Academy, Rotterdam, The Netherlands and an MBA (Finance) from Fordham University, New York.

Jay was appointed to the Board having been with the Company since inception. Jay is the Managing Director of Karanja Terminals & Logistics Private Limited and MPL. Jay Mehta's tenure with MPL has been impressive and he is highly regarded, both internally and externally. Having been involved with this project from the outset, Jay's input on the Board is key to ensuring its first development is a success. With the support of the Board and other key management he has built a team that is ready for the transition of moving from a development project to a fully operational Ports & Logistics Facility. As Managing Director Jay has shown great persistence and leadership in overcoming the early difficulties related to securing environmental clearance and was key in securing the second and third round of equity finance.

### Key External Appointments

None.

#### Committee membership

Board member.

## John Fitzgerald

### Independent Non-Executive Director

Appointed to the Board as Independent Non-Executive Director on 20 September 2017.



### Skills and expertise

John is an experienced Director working in the UK as well as for global ports business. His 30-year career working for the two largest UK privatized port businesses, Associated British Ports and Peel Ports, culminated in him running the UK's largest and most commercially successful port complex, ABP Humber Ports. Heading up ports large and small John has pioneered many significant long term business development schemes, and managed large scale capital projects both enhancing existing and creating new infrastructure, generating significant shareholder value, and delivering economic value-add to the regions he has worked in. He has recently served as regional Chairman for Confederation of British Industries. John has spent the last 6 months working with the team challenging the operational structure to ensure we are establishing an efficient operating port. He has also taken an active role in how we optimize capacity utilisation and maximize revenues and profits.

### Key External Appointments

Non-Executive Director KCOM Group Limited.  
Director of John Fitzgerald Limited. **Committee membership**  
Chairman of the Remuneration Committee & Nomination Committee and member of the Audit Committee.

## **Amit Dutta**

### **Non-Executive Director**

Appointed to the Board as Independent Director  
from 11 January 2022



### **Skills and expertise**

Amit Dutta has over 21 years' experience in a corporate career with leading companies such as Unilever, Reliance Infocom, General Motors and American Express. He is currently serving as Managing Director and Co-Founder of BLADE India, a JV between Hunch Ventures and BLADE USA. Amit is also a member of the Board of Directors of Comprehensive Healthcare Systems, USA, a participant in the healthcare technology platform market in the United States and Canada. Amit holds an MBA from the Indian Institute of Management, Lucknow and a Bachelor's Degree in Civil Engineering from Jadavpur University, India

### **External Appointments**

Astral Travels Private Ltd, Sea Sport Marine Private Limited, Luxury Hues Consultancy Services (India) Private Limited, Quintessentially Lifestyle Services (India) Private Limited, LH Consulting Private Limited, Radiant Hues CRM Solutions Private Limited, Radiant hues consultancy services private limited, Tea monk global foods private limited, Hues lifestyle services (India) private limited, Fly blade (India) private limited

### **Committee membership**

None

## **Dmitri Tsvetkov**

### **Non-Executive Director**

Appointed to the Board as Independent Director  
from 31 January 2022



### **Skills and expertise**

Dmitry has over 32 years of financial, accounting, and operational experience, including substantial experience working with promoter/founder-led energy sector listed businesses in London, Africa, Asia, and Canada. Since November 2017 and until May 2022, Tsvetkov has served as Chief Financial Officer of OPG Power Ventures PLC. He holds the designations of Chartered Accountant (CA) from the Canadian Institute of Chartered Accountants, FCCA from the Association of Chartered and Certified Accountants in the United Kingdom, and CFA from the CFA Institute in the United States.

### **External Appointments**

Nexwell Power (U.K) Limited  
Ibexia Global Development Limited

### **Committee membership**

Member of Audit Committee

## **Stefan Passantino**

### **Non-Executive Director**

Appointed to the Board as Independent Director  
from 26 February 2025.



### **Skills and expertise**

Mr. Passantino has over 30 years of experience in election law, ethics, campaign finance, and lobbying, representing corporations, political figures, and advocacy groups. He has played a pivotal role in compliance and ethics programs, having served as Deputy Assistant to the President of the United States and Deputy White House Counsel, where he led the White House Compliance and Ethics programs during 2016-2018.

Mr. Passantino is a co-author of Handbook on Corporate Political Activity: Emerging Corporate Governance Issues and a regular contributor to media outlets like CNN, POLITICO, and FOX News.

As a Visiting Professor, he teaches campaign finance at Georgia State University College of Law and the University of Georgia.

### **Key External Appointments**

Elections, LLC, The Gingrich Foundation Inc., and KSV Investment Designs

### **Committee membership**

Board member.

## **Directors' Independence**

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

The Board comprises the Non-Executive Chairman, one Executive Directors and five Non-Executive Directors. The Board considers, after careful review, that the Non-Executive Directors bring an independent judgement to bear. The Board is satisfied that it has a suitable balance between independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively.

All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

## **Time Commitment**

The executive Directors are expected to devote substantially the whole of their time, attention and ability to their duties as one would expect. The non-executives have a lesser time commitment. It is anticipated that each of the non-executives will dedicate 24 days a year. The non-executive Directors have all confirmed that they are able to allocate sufficient time to meet the expectations of their role, and they are required to obtain the Chairman's agreement (or, in the case of the Chairman, the chief executive's agreement) before accepting additional commitments that might affect the time they are able to devote.

## **Training, development and advice**

The Board remains committed to effectively leading the Company, ensuring that our business is managed prudently and soundly to drive sustained long-term value for our shareholders. The balance of skills and expertise on our Board will allow us to continue creating value as we expand our horizons and lead the future of world trade.

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, including in the areas of port construction, finance, innovation, international trading and marketing. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings.

From time to time, the Directors, as appropriate, attend training courses, conferences and/or industry forums, read technical and other journals and undertake online learning to keep up-to-date on various matters. They also attend relevant specialist briefings, some of which form part of Board or executive committee meetings.

Once a year, the Company nominated adviser provides education and training to all the directors on the AIM Rules and aspects of the Market Abuse Regulation, and the Company's dealing code.

Subject to certain limitations, all the Directors are entitled to obtain independent professional advice at the Company's expense.

## **Attendance at Board and Committee Meetings**

Although there is a prescribed pattern of presentation to the Board, including matters specifically reserved for the Board's decision, all Board meetings tend to have further subjects for discussion and decision-making. Board papers, including an agenda, are sent out in advance of the meetings. Board meetings are discursive in style, and all Directors are encouraged to offer their opinions.

The Board met several times during the year either in person or via telephone or video conference while navigating the legal process.

## **Accountability**

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. The internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

## **Risk Management Framework**

Risk management is the responsibility of the Board and is integral to the achievement of our strategic objectives. The Board is responsible for establishing the system of risk management, setting the risk appetite of the Group and for maintaining a sound internal control system. The Audit Committee oversees certain elements of this responsibility on behalf of the Board.

The Group's risk management and internal control processes, which have been in place throughout the period under review, identify, manage and monitor the key risks facing the Group. The risks which are considered to be material are reviewed by the Audit Committee and then, together with their associated controls, are presented to the Board for review.

## **Guidelines Regarding Insider Trading**

The Group takes all reasonable steps to avoid the risk of insider trading. It has adopted processes to keep all members of staff informed about their duties with respect to the handling of inside information, as well as dealings in the Company's shares. The Group has a share dealing code which sets out the restrictions and "close" periods applicable to trading in securities. Memoranda and guidelines regarding dealings in shares (either selling or buying) have been circulated within the Group.

## **Audit Committee**

### **Members**

During the year, the Committee was composed of three members, the three Independent Non-Executives. The Company has appointed Dmitri Tsvetkov as an Independent Non-Executive Director and Chairman of Audit Committee to ensure adherence to the QCA Code and terms of reference.

### **Committee Meetings**

The Audit Committee meets formally at least three times a year and otherwise as required.

## **Role of the Committee**

The primary role of the Audit Committee is to ensure the integrity of the financial reporting and audit process and to oversee the maintenance of sound internal control and risk management systems. This includes the responsibility to:

- make recommendations to the Board on the appointment and remuneration of the external auditors, review and monitor the external auditors' performance, expertise, independence and objectivity along with the effectiveness of the audit process and its scope;
- review and monitor the integrity of the Group's financial statements and the significant reporting judgements contained in them;
- monitor the appropriateness of the accounting policies and practices;
- review the adequacy and effectiveness of financial reporting and internal control policies and procedures and risk management systems;

- review the effectiveness of the Group's whistle blowing policies; and
- monitor risks and compliance procedures across the Group.

## Significant Issues

The Audit Committee identified the issues below as significant in the context of the 2025 financial statements. These areas are considered to be significant taking into account the level of materiality and the degree of judgement exercised by management. The Audit Committee debated the issues in detail to ensure that the approaches taken were appropriate and the judgements made were correct.

<p><b>Impairment testing</b> (refer critical accounting estimate section after note 2 to the financial statements) An impairment review is carried out annually by management to consider whether there is any indication that the Port may be impaired (i.e. its carrying amount may be higher than its recoverable amount). Impairment results in a charge to the Consolidated Statement of Comprehensive Income. Key judgements and assumptions need to be made when valuing the Port and the quantum of potential future cash flows arising from this asset</p>	<p>The Group has considered the requirements of IAS 36 in relation to the carrying amounts of assets attributable to its sole operating CGU in India. In undertaking this assessment, management considered the financial information available in respect of the Indian subsidiary, together with all relevant facts and circumstances existing at the reporting date, including the commencement and status of the CIRP proceedings. The assessment of recoverable amounts involves significant judgement and estimates regarding future outcomes and assumptions. Such assessment has been performed using information available to management at the reporting date. The carrying amounts recognised in these financial statements reflect management's assessment based on information presently available and will be reassessed in future reporting periods should additional relevant information become available.</p>
<p><b>Going Concern</b> A going concern review is carried out annually by management to consider whether there is any indication of the Group not being able to continue in business for the foreseeable future and to confirm there is neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realize assets and discharge its liabilities in the normal course of business. This assessment involves consideration of key judgements and assumptions, including the availability of funding, borrowings, projected revenues and costs, and whether collectively these factors may cast significant doubt on the Group's ability to continue as a going concern.</p>	<p>The Group's consolidated financial statements have been prepared on a going concern basis. However, the Board draws attention to the fact that the group's sole Cash Generating Unit (CGU) viz. Indian entity, is currently subject to the CIRP under the Indian Insolvency and Bankruptcy Code, 2016. Following the initiation of CIRP, on 02<sup>nd</sup> February 2026, the management of Indian Entity was transferred to an appointed Resolution Professional (RP). Consequently, the Group has lost operational and financial control over Indian Entity.  These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Group's ability to continue as a going concern is dependent upon the outcome of the CIRP, which includes the possibility of a successful resolution plan or, in the absence of a viable plan, the liquidation of the entity.  Efforts from the Group board are on to salvage the situation and to get back the control of the Indian entity by resolving the issue. These financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.</p>

<p><b>Depreciation of Port Assets</b>                  With the facility having become operational, utilization of its berth and storage area, will ramp up over a period driven by timing of new contracts.</p> <p>The accounting treatment of the Port asset into its components, along with the assessment of residual values and useful lives, is a complex component of the audit.</p>	<p>The Audit Committee has taken cognisance of the appointment of CIRP and therefore, the non-availability of the documents for verification to ascertain the accuracy in deriving the depreciation for the subject period.</p> <p>However, the depreciation working have been applied based on last year's calculation and may be revised in future reporting periods should additional information becomes available.</p>
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## Financial Reporting

The Committee reviewed the annual update to Group's accounting policies. The significant accounting judgements and policies adopted in respect of the Group's financial statements were agreed and considered appropriate.

## Internal Controls

The Board is responsible for establishing and maintaining an effective system of internal control and has established a control framework within which the Group operates. This system of internal control is embedded in all key operations and is designed to provide reasonable assurance that the Group's business objectives will be achieved.

The risk management process and the system of internal control are subject to continuous improvement.

The Group's internal control systems are designed to manage rather than eliminate business risk. They provide reasonable but not absolute assurance against material misstatement or loss. Such systems are necessary to safeguard shareholders' investment and the Company's assets and depend on regular evaluation of the extent of the risks to which the Group is exposed to. During the year, the controls have been developed to improve the control environment.

The Committee is of the view that the Group could not make significant improvements during the year. The Chairperson (Dmitri Tsvetkov) of the Audit Committee reports any matters arising from the Committee's review to the Board following each meeting. This update covers the way in which the risk management and internal control processes are applied and on any breakdowns in, or exceptions to, these processes. There were no significant failings or weaknesses identified.

## External Audit

MPL Board has continued to avail the services of McMillan Woods Audits Limited, UK and appointed them as external auditors to conduct the group audit for the calender year 2025.

The audit fees agreed as per the engagement letter with the scope well defined is £45k approved by Audit Committee and executed by the auditors in the course of the audit for the period.

The Audit Committee meets with McMillan Woods Audits Limited, UK in private at least once a year.

The Committee has undertaken an annual review of the independence and objectivity of the auditors and an assessment of the effectiveness of the audit process. It also received assurances from the auditors regarding their independence. On the basis of this review, the Committee recommended to the Board that it recommends to the shareholders that they support the reappointment of the auditor at the AGM.

## Shareholder Engagement

### Relations with Shareholders

The Group is committed to communicating its strategy and activities clearly to its shareholders and, to that end, maintains an active dialogue with investors through a program of investor relations activities.

Regular attendance at industry and regional investor conferences provides opportunities to meet with existing and prospective shareholders in order to update them on performance or to introduce them to the Group. In addition, the Group hosts investor and analyst visits to its port, offering analysts and shareholders a better understanding of the day-to-day business.

The Board receives regular updates on shareholders' views through briefings from the Group Chairman, Managing Director, Group Chief Financial Officer as well as reports from the Group's corporate brokers and Investor Relations team.

The Chairman, the Non-Executive Independent Directors and the Managing Director are available to meet major investors on request.

Visit our dedicated Investors page on our corporate website [www.mercpl.com](http://www.mercpl.com) – Investors Reporting  
Contact our Investor Relations team: Investor Relations **Email: [mpl@newgatecomms.com](mailto:mpl@newgatecomms.com)**.

### Directors' Remuneration Report

The purpose of this report is to set out all the elements of the Directors' remuneration policy and the key factors that were taken into account in setting the policy and to report on how the Directors' remuneration policy has been implemented. It also sets out amounts awarded to Directors and provides details on the link between the entity's performance and Directors' remuneration. Given the ongoing challenges regarding resolution of the debt of its Indian subsidiary, MPL from start of 2025, has deferred until further notice, all remuneration to its Directors, other than reimbursement of out of pocket expenses incurred during the ordinary course of business.

#### Jay Mehta – Managing Director

Jay Mehta's employment contract is with Karanja Terminal & Logistics Private Limited and he is entitled to receive a base salary and certain bonuses under his service agreement.

The board has approved £5000 per month payable to him as remuneration effective January 2024, separately from MPL, which as mentioned, is currently deferred until further notice.

#### Post-Retirement Benefits

The Gratuity Scheme (post-retirement benefit) covers the staff as well as the Senior Management of the Company.

#### Table of Directors' Remuneration:

The total remuneration of the Directors of the Company is as follows:

	2025 £ 000	2024 £ 000
Salary & Bonus	319	144
Fees	165	165
Other benefit	--	--
Pension Contributions	--	--
<b>Total</b>	<b>484</b>	<b>309</b>

The remuneration accrued, excluding pension contributions, of the individual Directors and Key Managerial Personnel ('KMP') is as follows:

For year ended 31 December 2025	Directors' Salaries £ 000	Bonus Paid £ 000	Pension Contribution £ 000	Directors' fees £ 000	Total £ 000
Jay Mehta	144	--	--	--	144
Jeremy Warner Allen	--	--	--	40	40
John Fitzgerald	--	--	--	45	45
Karanpal Singh	--	--	--	--	--
Amit Dutta	--	--	--	35	35
Dmitri Tsvetkov	--	--	--	45	45
Pavan Bakshi	175	--	--	--	175
Stefan Passantino	--	--	--	--	--
<b>Total</b>	<b>319</b>	<b>--</b>	<b>--</b>	<b>165</b>	<b>484</b>
For year ended 31 December 2024	Directors' Salaries £ 000	Bonus Paid £ 000	Pension Contribution £ 000	Directors' fees £ 000	Total £ 000
Jay Mehta	144	--	--	--	144
Jeremy Warner Allen	--	--	--	40	40
Pavan Bakhshi	--	--	--	--	--
John Fitzgerald	--	--	--	45	45
Karanpal Singh	--	--	--	--	--
Amit Dutta	--	--	--	35	35
Dmitri Tsvetkov	--	--	--	45	45
<b>Total</b>	<b>144</b>	<b>--</b>	<b>--</b>	<b>165</b>	<b>309</b>

### Non-Executive Directors' Letters of Appointment and Fees

The Non-Executive Directors do not have service contracts with the Company. Their terms of appointment are governed by letters of appointment. The Company has a contractual obligation to provide 3 months' fees but no further benefits to any of the Non-Executive Directors upon termination of their Directorship

Each Non-Executive Director's letter of appointment is with MPL and is envisaged to be for a period of three years, subject to annual reappointment by the shareholders at each AGM. It can be terminated on three months' notice by either party.

During the financial year ending 31 December 2025 and 2024, Karanpal Singh, the representative for Hunch Ventures, was not remunerated by the Company.

### Performance Evaluation

John Fitzgerald as Chairman of the Remuneration Committee, stated that the performance evaluation of the Directors on board as well as the Group (as a whole) could not be carried out during the year, due to the pre-engagement of the directors on rigorous follow up with various financial / banking institutions for seeking alternative for the term debt takeover of the facilities during the period.

He has stated that as chairman of the remuneration committee, he is determined to carry our performance evaluation post the signing of the audited financials in June 2026. The assessment specifically will be based on the individual contributions of each of the members of the board/team to

ensure that:

- Their contribution is relevant and effective
- They are committed
- Where relevant, they have maintained their independence

During the year the Board intend to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner. Further detail on the specific remuneration committee is disclosed in the corporate governance section of the Company website [www.mercpl.com](http://www.mercpl.com).

### **Succession planning and process by which the Board and senior management appointments are determined**

Succession planning is regarded by the Board as vitally important in maintaining a “strong bench” and continued success of the business. Through regular reviews and management discussions, future business leaders are identified, and personal development plans are put in place to harness their potential. In practice, the Chairman and the Chief Executive lead on the Board nomination and appointment process. They consider the balance of skills, knowledge and experience on the Board and make appropriate recommendations for consideration by the whole Board. Each Board member is invited to meet with the candidate. This process has been used effectively for a number of years and has led the board to remain of the view that it should continue to operate in this way rather than through a more formal nomination committee. Other senior appointments are made by the Chief Executive in discussion with the Chairman.

We expect the Board evaluation process to evolve over time so that it becomes linked to succession.

### **Interests in Shares**

The following is a table of the Directors’ and Senior Managers’ shareholdings:

Particular	Ordinary Shares held as at 1 January 2025	Ordinary Shares held as at 31 December 2025	Change
John Fitzgerald (Non-Executive Director)	1,263,671	1,263,671	--
Jeremy Warner Allen (Non-Executive Director)	3,852,878	3,852,878	--
Pavan Bakhshi (Managing Director)	--	--	--
Karanpal Singh (Non-Executive Director) *	136,819,712	136,819,712	--
Jay Mehta	3,459,109	3,459,109	--
Dmitri Tsvetkov	909,103	909,103	--

\*Shares held through Hunch Ventures and Investments Private Limited.

## Independent Auditor's Report

### To the Members of Mercantile Ports & Logistics Limited

#### Report on the Audit of the Consolidated Financial Statements

##### Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Mercantile Ports & Logistics Limited, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Financial Reporting Standards ("UK-adopted IFRS").

We do not express an opinion on the accompanying financial statements of the Company because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

##### Basis for Disclaimer of Opinion

The Group's sole operating Cash Generating Unit (CGU) is its Indian subsidiary, Karanja Terminal and Logistics Private Limited ('KTLPL'). During the financial year, KTLPL was admitted to a Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency and Bankruptcy Code, 2016 of India ("IBC"). As a consequence of the CIRP, the management and administration of KTLPL are conducted by a Resolution Professional appointed in accordance with applicable Indian insolvency legislation, and the Group's ability to direct the operating and financial policies of KTLPL has been materially curtailed.

In preparing the consolidated financial statements, management has utilised the Trial Balance, Statement of Profit and Loss, and Statement of Financial Position of KTLPL, which management was able to obtain directly. Whilst this financial information has been made available for consolidation purposes, access to certain underlying accounting records, primary source documentation, third-party confirmations, and other information ordinarily required for the audit of consolidated financial statements prepared in accordance with IFRS has been subject to procedural limitations arising from the ongoing CIRP proceedings.

As a result, we have been unable to obtain sufficient appropriate audit evidence regarding the existence, completeness, and accuracy of KTLPL's assets, liabilities, income, expenses, and related disclosures, and the consequential effects thereof, if any, on the Group's consolidated financial statements. Because KTLPL constitutes the Group's sole operating CGU, the possible effects of this inability to obtain sufficient appropriate audit evidence are deemed to be both material and pervasive to the consolidated financial statements as a whole. Consequently, we are unable to determine whether any adjustments to the amounts and disclosures in the consolidated financial statements would be necessary in respect of recorded or unrecorded assets, liabilities, income, expenses, and related notes thereto.

As noted above, owing to the procedural limitations arising from the CIRP, we have been unable to obtain sufficient appropriate audit evidence to evaluate management's assessment of going concern in respect of KTLPL. Accordingly, we are unable to conclude on whether a material uncertainty related to going concern exists, and we draw attention to Note [2] in the financial statements, which discloses the circumstances surrounding the CIRP and the Directors' assessment thereof. In forming this position, we have had regard to the following: management has assessed that the Group retains de jure control of KTLPL for IFRS 10 consolidation purposes, notwithstanding the suspension of Board authority under the IBC framework, on the basis of the Group's existing legal ownership interest, the expectation that management authority may be restored upon conclusion of the CIRP, and the terms of applicable Indian

insolvency legislation. Management further acknowledges that this conclusion involves significant judgement, and that future developments in the CIRP proceedings — including the pending challenge before the NCLT in relation to the rejection of the promoters' repayment plan, and any change in ownership structure subject to the outcome of those proceedings — could necessitate reassessment of whether control is retained. The Directors have also disclosed, in accordance with IFRS 12.13, that the Group is subject to significant restrictions on access to KTLPL's assets and cash, transfers of funds, participation in operational and financing decisions, and access to financial records, all arising from the CIRP framework. We draw attention to these disclosures without expressing an opinion on the appropriateness of management's going concern assessment.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. In accordance with ISA (UK) 705, we are not required to communicate key audit matters when we disclaim an opinion on the financial statements. Accordingly, we have not determined key audit matters to communicate.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

In light of the matters described in the Basis for Disclaimer of Opinion section above, management's ability to fully discharge this responsibility in respect of KTLPL's financial information has been constrained by the CIRP proceedings.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Extent to which the audit was capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### **Non-compliance with laws and regulations**

Based on:

- Our understanding of the Group and the industry in which it operates;
- Understanding and reviewing the reporting package submissions made by the component auditors;

- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the International Financial Reporting Standards as adopted by the European Union ("IFRS"); Indian tax laws and The Companies (Guernsey) Law, 2008.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Report on Other Legal and Regulatory Requirements

#### **Report on Other Matters Prescribed by the Companies (Guernsey) Law, 2008**

Arising solely from the limitation on the scope of our work relating to the matter described in the Basis for Disclaimer of Opinion section above and pursuant to our duties under section 263 of the Companies (Guernsey) Law, 2008:

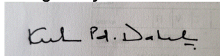
- We have not been able to determine whether adequate accounting records have been kept by Mercantile Ports & Logistics Limited.
- We have not been able to determine whether the consolidated financial statements are in agreement with the accounting records and returns.
- We have not obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit, as required under section 264 of the Companies (Guernsey) Law, 2008.

#### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, except for the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, the information given in the Strategic Report and the Directors' Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements, and the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements. In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, except for the possible effects of the matter described above, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 22nd May 2026 and section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
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#### **Krishna Prasad Dahal (Senior Statutory Auditor)**

For and on behalf of  
McMillan Woods Audits Limited  
42-44 Bishopsgate  
London  
United Kingdom  
EC2N 4AH  
Date: June 30, 2026

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
<b>CONTINUING OPERATIONS</b>			
Revenue	4	1,397	4,352
Cost of sales	5	(1,407)	(2,330)
Gross margin		(10)	2,022
Administrative expenses	6	(10,530)	(2,841)
Other income		188	921
Depreciation	11(a)	(5,480)	(4,740)
Impairment loss	11(a)	(6,342)	(6,772)
<b>OPERATING LOSS</b>		<b>(22,174)</b>	<b>(11,410)</b>
Finance income	7(a)	16	34
Finance cost	7(b)	(6,632)	(7,291)
<b>NET FINANCING COST</b>		<b>(6,616)</b>	<b>(7,257)</b>
<b>LOSS BEFORE TAX</b>		<b>(28,790)</b>	<b>(18,667)</b>
Tax income /(expense) for the year	8	--	--
<b>LOSS FOR THE YEAR</b>		<b>(28,790)</b>	<b>(18,667)</b>
Loss for the year attributable to:			
Non-controlling interest		(57)	(37)
Owners of the parent		(28,733)	(18,630)
<b>LOSS FOR THE YEAR</b>		<b>(28,790)</b>	<b>(18,667)</b>
<b>Other Comprehensive (Loss)/income:</b>			
<b>Items that will not be reclassified subsequently to profit or (loss)</b>			
Re-measurement of net defined benefit liability	24	-	1
<b>Items that will be reclassified subsequently to profit or (loss)</b>			
Exchange differences on translating foreign operations			
Exchange difference on translating foreign operations attributable to:		(3,970)	(460)
Non-controlling interest		(57)	(1)
Owners of the parent		(28,733)	(459)
<b>Other comprehensive expense for the year</b>		<b>(3,970)</b>	<b>(459)</b>
<b>Total comprehensive expense for the year</b>		<b>(32,760)</b>	<b>(19,126)</b>
Total comprehensive expense for the year attributable to:			
Non-controlling interest		(57)	(38)
Owners of the parent		(32,703)	(19,088)
<b>Total Comprehensive Expense for the year</b>		<b>(32,760)</b>	<b>(19,126)</b>
<b>Earnings per share (consolidated):</b>			
Basic & Diluted, for the year attributable to ordinary equity holders	10	<b>(0.081p)</b>	<b>(0.052p)</b>
The accompanying notes on page 44 to 81 form part of these consolidated financial statements.			

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2025**

	Notes	Year ended	Year ended
		31 Dec 25	31 Dec 24
		£000	£000
<b>Assets</b>			
Property, plant and equipment	11(a)	71,479	93,543
Intangible asset	11(b)	3	33
<b>Total non-current assets</b>		<b>71,482</b>	<b>93,576</b>
Current tax assets	19(a)	311	2,879
Inventory of traded goods		-	323
Trade and other receivables	12	4,696	13,296
Investments	13	169	180
Cash and cash equivalents	14	460	911
<b>Total current assets</b>		<b>5,636</b>	<b>17,589</b>
<b>Total assets</b>		<b>77,118</b>	<b>111,165</b>
<b>Liabilities</b>			
<b>Non-current</b>			
Employee benefit obligations	17	25	42
Borrowings	18	-	28,461
Lease liabilities payable	20	-	1,206
<b>Non-current liabilities</b>		<b>25</b>	<b>29,709</b>
<b>Current</b>			
Employee benefit obligations	17	270	259
Borrowings	18	50,042	22,037
Current tax liabilities	19 (b)	17	17
Lease liabilities payable	20	1,987	590
Trade and other payable	20	3,032	4,048
<b>Current liabilities</b>		<b>55,348</b>	<b>26,951</b>
<b>Total liabilities</b>		<b>55,373</b>	<b>56,660</b>
<b>Net assets</b>		<b>21,745</b>	<b>54,505</b>
<b>Equity</b>			
Stated Capital	16	152,354	152,354
Retained earnings	16	(94,579)	(65,846)
Translation Reserve	16	(35,874)	(31,903)
<b>Equity attributable to owners of parent</b>		<b>21,901</b>	<b>54,605</b>
Non-controlling Interest		(156)	(100)
<b>Total equity</b>		<b>21,745</b>	<b>54,505</b>

1. The accompanying notes on pages 44 to 81 form part of these consolidated financial statements.
2. The consolidated financial statements have been approved and authorized for issue by the Board on 30 June 2026.

Signed by:



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**Pavan Bakhshi**  
**Managing Director**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Loss before tax		(28,790)	(18,667)
Non cash flow adjustments	22	<u>27,671</u>	<u>18,664</u>
Operating (loss) before working capital change		(1,119)	(3)
Net changes in working capital	22	769	1,116
Taxes paid		<u>2,568</u>	<u>(765)</u>
<b>Net cash used in operating activities</b>		<b><u>2,218</u></b>	<b><u>348</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Used in purchase of property, plant and equipment (PPE)		--	518
Sale proceeds of PPE		--	25
Finance Income	7(a)	<u>16</u>	<u>34</u>
<b>Net cash used in investing activities</b>		<b><u>16</u></b>	<b><u>577</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Subscription money received (from the previous fund raise)		--	290
Redemption of investments		11	--
Repayment of borrowings		(2,645)	(3,094)
- Principal repayment of lease liabilities		(31)	(54)
Interest payment on leasing liabilities principal		(20)	(31)
<b>Net cash from financing activities</b>		<b><u>(2,685)</u></b>	<b><u>(2,890)</u></b>
<b>Net change in cash and cash equivalents</b>		<b>(451)</b>	<b>(1,965)</b>
Cash and cash equivalents, beginning of the year		911	2,881
Exchange difference on cash and cash equivalents		<u>--</u>	<u>(5)</u>
<b>Cash and cash equivalents, end of the year</b>		<b><u>460</u></b>	<b><u>911</u></b>

The accompanying notes on pages 44 to 81 form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2025**

	Stated Capital	Translation Reserve	Retained Earnings	Other Components of equity	Non- controlling Interest	Total Equity
	£000	£000	£000	£000	£000	£000
<b>Balance at</b>						
<b>1 January 2025</b>	<b>152,354</b>	<b>(31,904)</b>	<b>(65,846)</b>	--	<b>(99)</b>	<b>54,505</b>
<b>Transaction with owners</b>	<b>152,354</b>	<b>(31,904)</b>	<b>(65,846)</b>	--	<b>(99)</b>	<b>54,505</b>
Loss for the year	--	--	(28,733)	--	(57)	(28,790)
Foreign currency translation difference for foreign operations	--	(3,970)	--	--	--	(3,970)
Re-measurement of net defined benefit liability	--	--	--	--	--	--
Re-measurement of net defined benefit liability transfer to retained earning	--	--	--	--	--	--
Total comprehensive income for the year	--	(3,970)	(28,733)	--	(57)	(32,760)
<b>31 December 2025</b>	<b>152,354</b>	<b>(35,874)</b>	<b>(94,579)</b>	--	<b>(156)</b>	<b>21,745</b>
<b>Balance at</b>						
<b>1 January 2024</b>	<b>152,354</b>	<b>(31,444)</b>	<b>(47,217)</b>	--	<b>(62)</b>	<b>73,631</b>
Issue of share capital	--	--	--	--	--	--
Share Issue cost	--	--	--	--	--	--
<b>Transaction with owners</b>	<b>152,354</b>	<b>(31,444)</b>	<b>(47,217)</b>	--	<b>(62)</b>	<b>73,631</b>
Loss for the year	--	--	(18,630)	--	(37)	(18,667)
Foreign currency translation difference for foreign operations	--	(459)	--	--	(1)	(460)
Re-measurement of net defined benefit liability	--	--	--	1	--	1
Re-measurement of net defined benefit liability transfer to retained earnings	--	--	1	(1)	--	--
Total comprehensive income for the year	--	(459)	(18,629)	--	(38)	(19,126)
<b>Balance at</b>						
<b>31 December 2024</b>	<b>152,354</b>	<b>(31,904)</b>	<b>(65,846)</b>	--	<b>(99)</b>	<b>54,505</b>

The accompanying notes on pages 44 to 81 form part of these consolidated financial statements.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

Mercantile Ports & Logistics Limited (the "Company") was incorporated in Guernsey under The Companies (Guernsey) Law, 2008 with registered number 52321 on 24 August 2010. Its registered office and principal place of business is 1st Floor, Tudor House, Le Bordage Rd, Guernsey GY1 1DB. It was listed on the Alternative Investment Market ('AIM') of the London Stock Exchange on 7 October 2010.

The consolidated financial statements of the Company comprise of the financial statements of the Company and its subsidiaries (together referred to as the "Group"). The consolidated financial statements have been prepared for the year ended 31 December 2025 and presented in UK Sterling (£).

The principal activities of the Group are to develop, own and operate a port and logistics facilities. As of 31 December 2025, the Group had 42 (Forty-two) (2024: 46 (Forty-Six)) employees.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) BASIS OF PREPARATION AND ACCESS TO FINANCIAL INFORMATION**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'), and in compliance with the Companies (Guernsey) Law, 2008 and the AIM Rules for Companies. These have been prepared on the historical cost basis, except where otherwise stated.

The Group's principal operating activities are conducted exclusively through KTLPL, which constitutes the Group's sole operating CGU. During the financial year, KTLPL was admitted to CIRP proceedings under the provisions of IBC. Pursuant to the CIRP, the management and administration of KTLPL are conducted by a court-appointed Resolution Professional in accordance with applicable Indian insolvency legislation.

In preparing these consolidated financial statements, management has utilized the Trial Balance, Statement of Profit and Loss, and Statement of Financial Position of KTLPL which management was able to obtain directly. Whilst this financial information has been made available for consolidation purposes, access to certain underlying accounting records, primary source documentation, third-party confirmations, and other information ordinarily required in the preparation of IFRS-compliant consolidated financial statements has been subject to procedural limitations arising from the ongoing CIRP proceedings.

Accordingly, these consolidated financial statements have been prepared based on information presently available to management at the date of approval. These limitations are pervasive in nature and affect multiple areas of the financial statements. As a result, the Group's auditors have been unable to obtain sufficient appropriate audit evidence and have issued a Disclaimer of Opinion on these financial statements.

Any matters requiring reassessment as and when additional information becomes available will be evaluated and reflected in the financial statements of the relevant future reporting period in accordance with applicable IFRS requirements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

## **Climate Change and its impact on Karanja Port**

### **Introduction**

Climate change poses a significant threat to global sea ports, which are critical nodes in international trade and transportation. The rising sea levels, increased frequency and intensity of storms, and shifting weather patterns associated with climate change present multifaceted challenges to port operations and infrastructure.

The company has anticipated following key impacts of climate change for its operational activity:

#### **1. Sea Level Rise:**

- Inundation of Port Facilities: Rising sea levels may inundate low-lying port areas, causing structural damage to port infrastructure such as berth, open and covered storage yard, storm water drains and road.
- Increased Flooding: Higher sea levels exacerbate the risk of flooding, particularly during high tides and storm surges, leading to operational disruptions and increased maintenance costs. This may lead to a significant downtime for revival and smooth operation.

#### **2.. Extreme Weather Events:**

- Storm Surges: More frequent and severe storms can cause significant damage to port infrastructure, delay shipping schedules, and increase the risk of accidents and cargo loss. In 2020, Karanja Port was impacted severely by cyclone named "Nisarga" which led to financial loss of approximately 0.7 million (₹7 Crore). Similar natural catastrophic situations can be anticipated in future with major financial implication.
- High Winds and Heavy Rainfall: These conditions can disrupt loading and unloading operations, damage cargo, and pose safety risks to port employees/workers. However, this is covered in the Port insurance.

#### **3. Temperature Changes:**

- Thermal Expansion: Higher temperatures cause thermal expansion of sea water, contributing to sea level rise, leading to additional maintenance cost.

#### **4. Infrastructure Stress:**

- Wear and Tear: Increased exposure to saltwater and extreme weather conditions accelerates the wear and tear on port infrastructure leading to increase in maintenance cost and significant stress to capital cost.
- Adaptation and Resilience Costs: Ports need to invest in resilient infrastructure and adaptive measures, such as raising berth levels in future and improving drainage systems.

**Karanja Port has adopted following strategies to mitigate the above anticipated challenges:****1. Infrastructure Upgrade:**

- **Elevating Structures:** Raising the height of berth, ground level of open and covered storage yard and other critical infrastructure can help mitigate the risk of flooding. This will increase the expected lifespan on the project and ROI.
- **Storm Surge Drainage:** Constructing storm surge drainage can protect Karanja port from water logging or flood caused due to rising sea levels and storm surges.

**2. Operational Changes:**

- **Flexible Scheduling:** Emergency management plan for such extreme climate changes are already in place in Karanja Port for implementing flexible scheduling of the operational vessels to compensate the delays caused by extreme weather and can help the port to maintain operational efficiency.
- **Enhanced Monitoring:** The operations team is already vigilant and has adopted advanced weather forecasting and sea level monitoring systems to provide early warnings and improve preparedness for extreme events.

**3. Environmental and Regulatory Measures:**

- **Adopting and complying to Environmental Regulations:** Karanja Port is already complying with all the relevant environmental regulations and international guidelines to ensure that ports contribute to global climate mitigation efforts.
- **Sustainable Practices:** Karanja Port has adopted sustainable practices, such as waste management, water stewardship, efficient use of power, optimum vessel and equipment operations to reduce emissions from port operations to help mitigate the port's environmental footprint.

**4. Collaborative Efforts:**

- **Stakeholder Engagement:** Karanja Port promotes involvement of internal and external stakeholders for example improvement of local community by preferring engagement of local contractors and candidates for employment. Out of the total staff strength, the company has employed 34% locals at the port currently and implementing the policies in the benefit of employees.

**CONCLUSION**

Since Karanja Port is on the frontline of climate change impacts, facing such significant challenges requires immediate and sustained action. MPL board has been in serious discussion internally to address this concern through strategic planning, infrastructure investment, and collaborative efforts. Karanja Port, can enhance its resilience to climate change and ensure the continuity of trade and transportation. Addressing these challenges proactively will be critical in safeguarding the economic and operational stability of the port. However, the Management has secured the port with a full coverage by insuring the asset to mitigate from all risk of uncertainties and eventualities.

## Going Concern

The Directors have considered the going concern status of the Group in preparing these consolidated financial statements for the year ended 31 December 2025.

The Group's sole operating Cash Generating Unit ('CGU') is its Indian subsidiary, Karanja Terminal and Logistics Private Limited ('KTLPL'). During the financial year, KTLPL was admitted to a Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 of India ('IBC'). As a consequence of the CIRP, the management and administration of KTLPL are conducted by a Resolution Professional appointed in accordance with applicable Indian insolvency legislation, and the Group's ability to direct the operating and financial policies of KTLPL has been materially curtailed.

In assessing the going concern status of the Group, the Directors have had regard to the following material circumstances:

- The Group has no independent revenue-generating operations outside of its interest in KTLPL;
- The outcome of the CIRP proceedings, including whether a resolution plan will be approved or whether KTLPL will proceed to liquidation, cannot be determined with certainty at the date of approval of these financial statements;
- The Group's access to assets, funds and information held by KTLPL is subject to the restrictions imposed under the IBC framework and the supervision of the Resolution Professional; and
- There are material uncertainties regarding the recoverability of the Group's investment in and amounts receivable from KTLPL.

These circumstances represent a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the foregoing, the Directors have prepared these consolidated financial statements on the going concern basis, having considered all available information regarding the CIRP proceedings and the Group's financial position at the date of approval. The Directors will continue to monitor developments in the CIRP and reassess the going concern status in future reporting periods as appropriate.

These financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate. If the Group were unable to continue as a going concern, adjustments would be required to the carrying values of assets and liabilities, the classification of assets and liabilities and the nature and level of disclosures made in these financial statements.

### **b) BASIS OF CONSOLIDATION**

The consolidated financial statements incorporate the results of the Company and entities controlled by the Company (its subsidiaries) up to 31 December 2025. Subsidiaries are entities over which the Company has the power to control the financial and operating policies. The Company obtains and exercises control through holding more than half of the voting rights. The financial statements of the subsidiaries are prepared for the same period as the Company using consistent accounting policies. The fiscal year of Karanja Terminal & Logistics Private Limited (KTLPL) ends on March 31 and its accounts are adjusted for the same period for consolidation.

Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

### c) INTERESTS IN SUBSIDIARIES, CONTROL ASSESSMENT AND RESTRICTIONS

IFRS 10 requires consolidation of an investee when the investor has power over the investee, exposure to variable returns, and the ability to use power to affect those returns. IFRS 12 requires disclosure of significant restrictions on the investor's ability to access assets of, or receive, funds from, consolidated subsidiaries.

Details of the Group's subsidiaries which are consolidated into the Company's financial statements are as follows:

Subsidiary	Immediate Parent	Country of Incorporation	% Voting Rights	% Economic Interest
Karanja Terminal & Logistics (Cyprus) Ltd	Mercantile Ports & Logistics Limited	Cyprus	100.00	100.00
Karanja Terminal & Logistics Private Limited*	Mercantile Ports & Logistics Limited	India	8.49	8.49
Karanja Terminal & Logistics Private Limited*	Karanja Terminal & Logistics (Cyprus) Ltd.	India	91.30	91.30

Karanja Terminal & Logistics (Cyprus) Ltd is wholly owned subsidiary of Mercantile Ports and Logistics Limited. Karanja Terminal & Logistics (Cyprus) Ltd holds 91.30% shares, Mercantile Ports & Logistics Limited holds 8.11% shares in Karanja Terminal & Logistics Private Limited and the balance 0.22% (50,000 shares out of 23,321,176) is held by various other minority shareholders.

\* Financial year end for Karanja Terminal & Logistics Private Limited ("KTLPL") is April to March, as same is governed by Companies Act 2013, but for preparing group financials we have considered January to December period.

#### Control Assessment

Management has assessed whether the Group retains control of KTLPL within the meaning of IFRS 10 notwithstanding the CIRP proceedings. Under the IBC framework, upon commencement of CIRP in November 2025, the powers of the Board of Directors of the corporate debtor are suspended and vest in the Resolution Professional. As a consequence, the Group's ability to direct the financial and operating policies of KTLPL has been materially constricted.

Management has considered whether this transfer of administrative authority constitutes a loss of control under IFRS 10. Having regard to the Group's existing legal ownership interest in KTLPL, the expectation that management authority may be restored upon conclusion of the CIRP, and the terms of applicable Indian insolvency legislation, management has concluded, as a matter of judgement, that the Group retains de jure control of KTLPL for IFRS 10 consolidation purposes at the reporting date.

The Directors acknowledge that this conclusion involves significant judgement and that future developments in the CIRP proceedings — including the including the pending challenge before the NCLT in relation to arbitrary and unlawful rejection of the plan submitted by the promoters for repayment and withdrawal of CIRP, any change in ownership structure, subject to the outcome of pending proceedings before NCLT— could necessitate reassessment of whether control is retained. In the event that control of KTLPL is determined to be lost, IFRS 10.25 would require deconsolidation and recognition of any retained interest at fair value at the date of loss of control, which could result in a material adjustment to these financial statements.

### **Restrictions on Assets and Transfers of Funds**

In accordance with IFRS 12.13, the Group discloses the following significant restrictions arising from the CIRP proceedings:

- The Group is unable to access cash and assets held by KTLPL without the approval of the Resolution Professional;
- The transfer of funds from KTLPL to the Group is restricted and subject to the applicable provisions of the IBC and directions of the Resolution Professional and the relevant adjudicating authority;
- The Group has limited ability to participate in operational and financing decisions of KTLPL during the subsistence of the CIRP; and
- Access to financial records, supporting documentation and counterparty information maintained by KTLPL is subject to procedural limitations under the CIRP framework.

The above restrictions are considered pervasive and have materially affected the preparation of these consolidated financial statements

### **Non-controlling interest**

Non-controlling interest, presented as part of equity, represents the portion of a subsidiary's profit or loss and net assets that are not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

### **d) FOREIGN CURRENCY TRANSLATION**

The consolidated financial statements are presented in UK Sterling (£), which is the Company's functional currency. The functional currency for all the subsidiaries within the Group is as detailed below:

- Karanja Terminal & Logistics (Cyprus) Ltd ("KTLCL") - Euro
- Karanja Terminal & Logistics Private Limited ("KTLPL") - Indian Rupees

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the date of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation of monetary items denominated in foreign currency at the year-end exchange rates are recognized in the Consolidated Statement of Comprehensive Income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date). In the Group's financial statements, all assets,

liabilities and transactions of Group entities with a functional currency other than GBP are translated into GBP upon consolidation.

On consolidation, the assets and liabilities of foreign operations are translated into GBP at the closing rate at the reporting date. The income and expenses of foreign operations are translated into GBP at the average exchange rate over the reporting period. Foreign currency differences are recognized in other comprehensive income in the translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserves shall be transferred to the profit or loss in the Consolidated Statement of Comprehensive Income.

#### **e) REVENUE RECOGNITION**

Revenue mainly consists of services relating to use of the port by customers and includes services such as hiring of land, wharfage, hiring of equipment, loading/unloading, stevedoring, storage and from value added activities i.e. trading activities which is incidental to providing port services.

Revenue is measured based on the consideration to which the group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Performance obligations are satisfied on handing over the land and / or equipment to the customer / lessee, completion of loading/unloading, stevedoring services, providing storage facilities and shipment of goods on customers' vehicle.

To determine whether to recognize revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue as and when performance obligation(s) are satisfied.

The total transaction price for a contract is allocated amongst the various performance obligations based on their relative standalone selling prices. The transaction price for a contract excludes any amount collected on behalf of third parties.

Revenue is recognized either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

**Contract asset** – The Group's recognizes contract asset i.e. right to consideration in exchange for goods or services that the Group has transferred to a customer,

**Contract liability** – The Group's obligation to transfer goods and services to a customer for which the Group has received consideration (or the amount is due) from the customer.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives consideration, the

Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due. Invoicing for services is set out in the contract.

The group does not believe there are elements of financing in the contracts. There are no warranties or guarantees included in the contract.

The specific recognition criteria described below must also be met before revenue is recognised.

### **Port operation and logistics services**

Revenue from port operation services including cargo handling, storage, other ancillary port and logistics services including the end-to-end value-added services with respect to coal supply and delivery are measured based upon cargo handled at rates specified under the contract and charged on a per metric ton basis.

The performance obligation is satisfied using the output method; this method recognises revenue based on the value of services transferred to the customer, for example, quantity of cargo loaded and unloaded and/or transported.

Revenue is recognized in the accounting period in which the services are rendered and completed till reporting date. Amounts are invoiced based on the estimated arrival date of the vessel provided by the customer, and revenue recognised when the service is provided.

Management determines if there are separate performance obligations from which customer are being able to benefit from, for example, barging, stevedoring or transportation.

Performance obligations are considered on a contract-by-contract basis against the requirements of IFRS 15. For each service the customer can benefit from the good or service with “resources that are readily available to the customer”. The nature of the promise to the customer is considered within the context of the individual customer contract and whether the promise to transfer a combined item of overall port services, which can vary on a per customer basis.

### **Revenue from sale of traded goods**

Revenue from sale of traded goods i.e. coal is recognized on transfer of control to the customers, which is generally on dispatch of goods to the customer. The delivery is handled by the customer and therefore control is deemed to have been transferred to the customer at this point and is invoiced on delivery.

Sales are stated exclusive of Goods and Service Tax (“GST”).

### **Income from long-term leases**

As a part of its business activity, the Group sub-leases land on a short-term basis to its customers.

The head lease is not a short-term lease and thus the sublease must be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the economic useful life of the underlying asset.

As a part of its business activity, the Group sub-leases land on a short-term basis to its customers. It is concluded that the subleases are an operating lease because none of the indicators for a finance lease in IFRS 16 are present.

The lease income is recognised from the sublease on a straight-line basis over the period of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period and annual lease rentals are recognised on an accrual basis.

Amounts are invoiced as the service provided, on either a monthly or ad hoc usage basis depending on the customer.

### **Interest income**

Interest income is reported on an accrual basis using the effective interest method.

### **f) Borrowing cost**

Borrowing costs directly attributable to the construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the period in which they are incurred and reported under finance costs.

### **g) Share based payments**

The Group has entered an equity-settled share-based arrangement with its service provider in 2023.

All services received in exchange for the grant of any share-based payment are measured at the fair value of services received. The service provider is rewarded with share-based payments, the number of shares issued in exchange for the services received based on the fair values of services.

All share-based payments is recognised as an expense in the Statement of Comprehensive Income with a corresponding credit to Share Capital up to the nominal value of the shares issued with any excess being recorded as Share Premium.

### **h) EMPLOYEE BENEFITS**

#### **i) Defined contribution plan (Provident Fund)**

In accordance with Indian Law, eligible employees receive benefit from Provident Fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the government authorities, each equal to the specific percentage of employee's basic salary. The Group has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Consolidated Statement of Comprehensive Income when incurred.

#### **ii) Defined benefit plan (Gratuity)**

In accordance with applicable Indian Law, the Group provides for gratuity, a defined benefit plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Group. The Group's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted. The discount rate is a yield at reporting date on risk free government bonds that have maturity dates approximating the term of the Group's obligation. The calculation is performed annually by a qualified actuary using the

projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Group recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presents them within equity.

### **iii) Short term benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group 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.

### **i) Leases**

#### **As a lessee**

The Company mainly has lease arrangements for converting the waterfront into reclamation of land for construction of Port for terminal and logistics operations. The land thus reclaimed consist of the open space and offices, warehouse spaces and equipment.

The Group assesses whether a contract contains a lease at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability in the statement of financial position for all lease arrangements where it is the lessee, except for short-term leases with a term of twelve months or less and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments from the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the asset and company specific incremental borrowing rates. Lease liabilities are recognized within borrowings on the statement of financial position. 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 Group re-measures the lease liability, with a corresponding adjustment to the related right-of-use assets, whenever:

- The lease term changes 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 re-measured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to the changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is re-measured by discounting the revised lease payments using an unchanged 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 re-measured 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 modification.

The right-of-use assets are initially recognised on the SOFP at cost, which comprises the amount of the initial measurement of the corresponding lease liability, adjusted for any lease payments made at

or prior to the commencement date of the lease, any lease incentive received and any initial direct costs incurred, and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used. Right-of-use assets are recognised within property, plant and equipment on the statement of financial position. Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term.

### **As a lessor**

The Group enters into lease arrangements as a lessor with respect to some of its time charter vessels. Leases for which the Group is an intermediate lessor are classified as finance or operating leases by reference to the right-of-use asset arising from the head lease. Income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Amounts due from lessee under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of these leases.

As a lessor the Group classifies its leases as either operating or finance leases. The Group assessed whether it transfers substantially all the risks and rewards of ownership. Those assets that do not transfer substantially all the risks and rewards are classified as operating leases. The Group has currently not entered into any lease that is classified as finance lease.

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless a systematic basis more representative of the pattern in which benefit from the use of the underlying asset is diminished is suitable

## **j) INCOME TAX**

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been substantively enacted by the end of the reporting period.

### **Deferred tax**

The income tax is being accounted under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we determine deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

Deferred tax assets are recognized to the extent that management believes that these assets are more probable than not to be realized. In making such a determination, it considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If it is determined that it would be able to realize the deferred tax assets in the future in excess of the net recorded amount, the necessary adjustment would be made to the deferred tax asset valuation allowance, which would reduce the provision for income tax.

## **k) FINANCIAL ASSETS**

The Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

### **Classification and initial measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (“FVTPL”)
- fair value through other comprehensive income (“FVOCI”).

In the periods presented, the corporation does not have any financial assets categorised as FVTPL or FVOCI.

The classification is determined by both:

- the entity’s business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

### **Subsequent measurement of financial assets**

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

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IFRS 9.

## **Impairment of financial assets**

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IFRS 9's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

## **l) FINANCIAL LIABILITIES**

### **Classification and measurement of financial liabilities**

As the accounting for financial liabilities remains largely the same under IFRS 9, the Group's financial liabilities were not impacted by the adoption of IFRS 9. However, for completeness, the accounting policy is disclosed below.

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). In the periods presented, the corporation does not have any financial liabilities categorised as FVTPL or FVOCI.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

## **m) PROPERTY, PLANT AND EQUIPMENT**

MPL's balance sheet contains significant property, plant and equipment, and right-of-use assets primarily comprising of assets relating to port, office, plant and machinery, vehicles and other movable assets. Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

All the expenditures directly attributable in respect of the port and logistics facility under development are carried at historical cost under Capital Work in Progress as the Board believes that these expenses will generate probable future economic benefits. These costs include borrowing cost, professional fees, construction costs and other direct expenditure. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Cost includes expenditures that are directly attributable to the acquisition of the asset and income directly related to testing the facility is offset against the corresponding expenditure. The cost of constructed asset includes the cost of materials, sub-contractors and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Parts of the property, plant and equipment are accounted for as separate items (major components) on the basis of nature of the assets.

The Indian subsidiary has constructed and developed the port which is now fully operational. The basic infrastructure is ready, however, depending on the specification of the customer and cargo dimension, the ground improvement etc. will be carried out and made worthy for operation and once complete will be accordingly transferred from Capital Work-in-Progress to Property, Plant and Equipment when the assets deemed ready to use. Hence, the Group has been prudently transferring the assets to Property, Plant and Equipment on the basis of utilisation of space for operations.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets are recognised in profit or loss within other income or other expenses.

### **Right-of-use assets:**

Right-of-use assets, the cost is equivalent to the present value of the future lease payments relating the leased assets. This note also details any additions and disposals during the year, and shows depreciation, which is an expense in the income statement to reflect the usage of these assets.

Right of use assets are initially measured at cost, which is an amount equal to the corresponding lease liabilities (present value of future lease payments) adjusted for any lease payments made at or before the commencement date, less any lease incentives received. (See note on lease liabilities accounting policy).

Depreciation is calculated by estimating how many years the asset is expected to be in use, which is also known as the useful economic life (UEL) of the asset. The depreciation charge reduces the initial value of the assets over the time and spread evenly over their UELs. The value after deducting accumulated depreciation is known as the net book value.

No depreciation is charged during the course of construction on the Port Assets. Depreciation is calculated for all other assets to write off the cost or valuation, less residual value, on a straight-line basis over the following expected UELs:

### **Useful economic lives**

The estimated useful lives for the current year are as -

Assets	Estimated Life of assets
Lease hold Land Development	Over the period of Concession Agreement by Maharashtra Maritime board (MMB).
Marine Structure, Dredged Channel	Over the period of Concession Agreement by Maharashtra Maritime board (MMB).
Non-Carpeted Road other than RCC	3 Years
Office equipment	3-5 Years
Computers	2-3 Years
Computer software	5 Years

Plant & machinery	15 Years
Furniture	5-10 Years
Vehicles	5-8 Years

Depreciation methods, useful lives and residual value are reassessed at each reporting date.

Right-of-use assets depreciated over the shorter of the lease period and estimated useful life.

### **Impairment Of Non-Financial Assets**

Internal and external sources of information are reviewed at the end of the reporting period to identify indications that the property, plant and equipment may be impaired. When impairment indicators exist, Management compares the carrying value of the property, plant and equipment with the fair

value determined as the higher of fair value less cost of disposal or value in use, "refer to the Critical Accounting Estimates section before Note 3 to the financial statements".

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

MPL has a sole Cash Generating Unit (CGU) namely, Karanja Port in India since inception. The Port Assets are reviewed for evidence of a trigger for potential impairment at least annually or whenever events or circumstances indicate that the value on the balance sheet may not be recoverable. Impairment testing is performed on cash generating units (CGUs) which is the Port itself, this being the lowest level of separately identifiable cash flows.

IAS 36 requires the Group to assess at each reporting date whether there are indicators that an asset or CGU may be impaired, and where such indicators exist, to estimate the recoverable amount of the relevant asset or CGU.

The Group has considered the requirements of IAS 36 in relation to the carrying amounts of assets attributable to its sole operating CGU, being KTLPL. The commencement of CIRP proceedings represents a significant indicator of impairment under IAS 36.12, requiring the Group to estimate the recoverable amount of the CGU.

The recoverable amount of a CGU is the higher of its fair value less costs of disposal ('FVLCD') and its value in use ('VIU'). In undertaking the impairment assessment, management considered all financial information made available in respect of KTLPL, including the Trial Balance and financial statements which management was able to obtain directly, together with all relevant facts and circumstances existing at the reporting date, including the status of the CIRP proceedings.

Due to the limitations in access to underlying accounting records, third-party valuations, future cash flow projections and other information ordinarily required to support a reliable estimate of recoverable amount, management has been unable to determine a sufficiently reliable recoverable amount for the CGU at the reporting date.

Accordingly, management has been unable to quantify the impairment loss, if any, attributable to the CGU. This represents a scope limitation of a pervasive nature, and the carrying amounts of non-financial assets attributable to KTLPL as reflected in these financial statements may not represent their recoverable amount. The auditors have been unable to obtain sufficient appropriate audit evidence in

respect of the impairment assessment, which forms part of the basis for the Disclaimer of Opinion on these financial statements.

Management will reassess the impairment position in future reporting periods as additional information arising from the CIRP proceedings becomes available, in accordance with IAS 36.

#### **n) Trade receivables and payables**

Trade receivables are financial assets at amortised costs, initially measured at the transaction price, which reflects fair value, and subsequently at amortised cost less impairment. In measuring the impairment, the Group has applied the simplified approach to expected credit losses as permitted by IFRS9. Expected credit losses are assessed by considering the Group's historical credit loss experience, factors specific for each receivable, the current economic climate and expected changes in forecasts of future events. Changes if any in expected credit losses are recognised in the Statement of Comprehensive Income.

Trade receivables are stated at their carrying amounts. As the Company is currently under the CIRP, the recovery of these receivables is being actively pursued by the Resolution Professional. The realization of these balances is subject to the regular course of business operations as maintained by the Resolution Professional under the going concern assumption. Any potential impairment or write-off necessitated by the resolution process will be accounted for upon the final determination and reconciliation of assets towards the end of the CIRP assessment.

Trade payables are financial liabilities at amortised cost, measured initially at fair value and subsequently at amortised cost using an effective interest rate method.

Trade payables include amounts due to various operational creditors. The Company is currently undergoing the CIRP under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC), which prohibits the institution or continuation of suits or proceedings against the Corporate Debtor. The claims of all creditors are being invited and is being verified by the Resolution Professional in accordance with the CIRP regulations. The final settlement of these trade payables is subject to the approval of the Resolution Plan by the Adjudicating Authority, and accordingly, the liabilities are reflected at their book values, subject to the outcome of the CIRP.

#### **o) Advances**

Advances paid to the contractor and suppliers for construction of the facility are categorized as advances and will be offset against future work performed by the contractor.

#### **p) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and bank deposits that can easily be liquidated into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **q) Share capital and reserves**

Shares have 'no par value'. Stated capital includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from stated capital, net of any related income tax benefits.

Foreign currency translation differences are included in the translation reserve. Retained earnings include all current and prior year retained profits.

#### **r) New standard and interpretation**

There are no accounting pronouncements, which have become effective from 1 January 2025 that have a significant impact on the Group's consolidated financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the group.

## **CRITICAL ACCOUNTING ESTIMATE**

### **a) Impairment**

The Group has considered the requirements of IAS 36 in relation to the carrying amounts of assets attributable to its sole operating CGU in India.

In undertaking this assessment, management considered the financial information available in respect of the Indian subsidiary, together with all relevant facts and circumstances existing at the reporting date, including the commencement and status of the CIRP proceedings.

The assessment of recoverable amounts involves significant judgement and estimates regarding future outcomes and assumptions. Such assessment has been performed using information available to management at the reporting date.

The carrying amounts recognised in these financial statements reflect management's assessment based on information presently available and will be reassessed in future reporting periods should additional relevant information become available.

### **b) Recognition of income tax assets in respect of tax**

MPL group's Indian subsidiary had filed a writ petition in Hon'ble High court for seeking relief against the order passed by the Income Tax Appellate Tribunal (ITAT) for the two assessment years 2011- 12 and 2012-13, which was decided in favor of the group's Indian subsidiary. During the year, the company received Income Tax refund along with Interest thereon, in full for the two assessment years viz. 2011-12 & 2012-13.

As per these orders, the matter was sent back to the files of Principal Commissioner of Income Tax (Appeals) for re-adjudication following the ITAT orders for assessment years 2013-14 to 2015-16. The status of open litigations for AY 2013-14 to AY 2015-16 remain unchanged during FY 2025 i.e., the matter is yet to be adjudicated and the outcome of appeal before Hon'ble Bombay High Court is pending.

### **c) Going Concern Assessment**

Management has exercised significant judgement in concluding that the going concern basis of preparation remains appropriate notwithstanding the CIRP proceedings affecting the Group's sole CGU. This judgement is based on available information at the date of approval and involves inherent uncertainty regarding the outcome of the CIRP. The Board continues to monitor developments closely and remains actively engaged in pursuing all available avenues to protect shareholder value and achieve a favourable resolution of the CIRP proceedings.

### **d) Control Assessment over KTLPL**

Management has exercised judgement in assessing whether the Group retains control of KTLPL within the meaning of IFRS 10, notwithstanding the appointment of a Resolution Professional and the associated restrictions on management's ability to direct the financial and operating policies of KTLPL.

### **e) Recoverability of Intercompany and Financial Assets; Expected Credit Losses**

Management has applied judgement in assessing the recoverability of financial assets held by the Group in relation to KTLPL, including intercompany loan balances and other receivables. Given the CIRP status of KTLPL, these assets are assessed as credit-impaired (Stage 3 under IFRS 9), and the measurement of expected credit losses ('ECL') involves significant estimation uncertainty regarding future cash recoveries.

## f) Completeness and Accuracy of Consolidated Balances

Due to limitations in access to underlying accounting records and supporting documentation of KTLPL, management has been unable to fully verify the completeness and accuracy of all balances and transactions consolidated into these financial statements. This represents a pervasive source of estimation uncertainty affecting multiple line items in the consolidated financial statements.

The estimates and assumptions described above are based on information available at the reporting date. They will be reviewed and revised in future reporting periods as additional information becomes available, with any changes recognised in the period in which the revision is made, in accordance with IAS 8.

## 3. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors are the Chief operating decision maker. The Group has only one operating and geographic segment, being the project on hand in India and hence no separate segmental report presented.

## 4. REVENUE FROM OPERATION

	Year ended 31 Dec 25	Year ended 31 Dec 24
Sale of goods	444	1,410
Cargo handling income	268	2,178
Other operating income	543	357
Lease income	143	408
	<b>1,397</b>	<b>4,352</b>

Revenue from Sale of goods is "Point in time" and other revenue heads are "Over the time". Other operating incomes relate to income from dredging, coal handling and distribution income and wharf age.

Certain portions of the port have been designated for leasing portions. The lease has been classified as operating lease because it does not transfer substantially all the risks and rewards incident to ownership and it does not fulfil other conditions mentioned in IFRS 16 applicable to be classified as finance lease.

Currently the Major Contributor to Lease Income is Esquire Shipping & Trading Pvt. Ltd.

## 5. COST OF SALES

	Year ended 31 Dec 25	Year ended 31 Dec 24
	£000	£000
Wharf-age expense	298	412
Other operating expense	806	2,171
Changes in inventory	304	(253)
	<b>1,407</b>	<b>2,330</b>

**6. ADMINISTRATIVE EXPENSES**

	Year ended 31 Dec 25	Year ended 31 Dec 24
Balances written off	6,984	--
Employee costs	76	518
Directors' remuneration and fees	484	302
Foreign exchange loss	13	7
Provision for doubtful debts	--	26
Other administration costs	2,973	1,988
	<b>10,530</b>	<b>2,841</b>

**7. (a) FINANCE INCOME**

	Year ended 31 Dec 25	Year ended 31 Dec 24
Interest on bank deposits	<b>16</b>	<b>34</b>

**7. (b) FINANCE EXPENSES**

	Year ended 31 Dec 25	Year ended 31 Dec 24
Interest on term loan	6,631	5,432
Interest others	1	1,859
	<b>6,632</b>	<b>7,291</b>

Since the consortium of banks have classified the Indian Subsidiary as a non-performing asset due to default in instalments, the interest is currently stopped being levied on the said loan as the IBC proceedings are ongoing.

**8. INCOME TAX**

	Year ended 31 Dec 25	Year ended 31 Dec 24
Loss Before Tax	(28,790)	(18,667)
Applicable tax rate in India*	26.00%	26.00%
Expected tax credit	(7,485)	(4,853)
Reconciling items		
Non-deductible losses of MPL and Cyprus entities	630	308
Un-recognised deferred tax asset on tax losses	6,855	4,545
	--	--

\* Considering that the Group's operations are presently based in India, the effective tax rate of the Group of 26% (prior year 26%) has been computed based on the current tax rates prevailing in India. In India, income earned from all sources (including interest income) are taxable at the prevailing tax rate unless exempted. However, administrative expenses are treated as non-deductible expenses until commencement of operations.

The Company is incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended. The Guernsey tax rate for companies is 0%. The rate of withholding tax on dividend payments to non-residents by companies within the 0% corporate income tax regime is also 0%. Accordingly, the Company will have no liability to Guernsey income tax on its income and there will be no requirement to deduct withholding tax from payments of dividends to non-resident shareholders.

In Cyprus, the tax rate for companies is 12.5% with effect from 1 January 2014. There is no tax expense in Cyprus.

As at 31st December 2025 due to uncertainty that Indian entity will generate sufficient future taxable income to offset business losses incurred to realise deferred tax assets, the management has not recognised the Deferred Tax Asset and hence calculation is unascertainable.

As a result of amendments to IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction' deferred tax has been recognised in respect of IFRS 16 leases. In applying the standard at the beginning of the earliest comparative period presented, a deferred tax asset has been recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised resulting in an amendment to the amounts recognised at 31st December 2025.

### 9. AUDITORS' REMUNERATION

The following are the details of fees paid to the auditors, Mc Millan Woods Audits Limited and Indian auditors, in various capacities for the year:

	Year ended 31 Dec 25	Year ended 31 Dec 24
Audit Fees		
Audit fees payable to McMillan Woods Audits Limited for the Group accounts audit	45	85
Audit fees payable to auditors of subsidiary companies *	10.8	8
Non-audit service:		
Interim Financial Statement Review	0	5
	<u>55.8</u>	<u>98</u>

\* Audit fees for the Subsidiary companies for the year 2025: –

Indian entity is	£.9988
Cyprus entity is	£.811
<b>Total</b>	<b>£.10799</b>

### 10. EARNINGS PER SHARE

Both basic and diluted earnings per share for the year ended 31 December 2025 have been calculated using the loss attributable to equity holders of the Group of £28.73 million (prior year loss of £18.62 million).

	Year ended 31 Dec 25	Year ended 31 Dec 24
Loss attributable to equity holders of the parent	£ (28,733,038)	£ (18,629,522)
Weighted average number of shares used in basic and diluted earnings per share	356,312,692	356,312,692
<b>EARNINGS PER SHARE</b>	<b>(0.0081p)</b>	<b>(0.0052p)</b>

Commercial in confidence

**11 (a). PROPERTY, PLANT AND EQUIPMENT**

Details of the Group's property, plant and equipment and their carrying amounts are as follows:

	Computers	Office Equipment	Furniture	Vehicles	Plant & Machinery	Port Asset	Right of use Asset	Capital Work in Progress	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Gross carrying amount</b>									
Balance 1 Jan 2025	48	595	347	522	81	110,867	1,618	16,622	130,705
Net Exchange Difference	(1)	7	(87)	(7)	(1)	(1,638)	(21)	261	(1,487)
Additions	--	--	--	--	--	--	--	--	--
Transfers from CWIP ^	--	--	--	--	--	--	--	--	--
Disposals	--	--	--	--	--	--	--	(9,244)	(9,244)
<b>Balance 31 Dec 2025</b>	<b>47</b>	<b>602</b>	<b>260</b>	<b>520</b>	<b>80</b>	<b>109,229</b>	<b>1,597</b>	<b>7,639</b>	<b>119,974</b>
<b>Depreciation</b>									
Balance 1 Jan 2025	(44)	(435)	(146)	(412)	(16)	(35,670)	(440)	--	(37,163)
Net Exchange Difference	1	(9)	4	5	--	449	11	--	461
Charge for the year	(3)	(109)	(23)	(26)	(6)	(5,220)	(64)	--	(5,480)
Disposals	--	--	--	--	--	--	--	--	--
Impairment	--	--	--	--	--	(6342)	--	--	(6342)
<b>Balance 31 Dec 2025</b>	<b>(46)</b>	<b>(553)</b>	<b>(165)</b>	<b>(434)</b>	<b>(22)</b>	<b>(46,783)</b>	<b>(493)</b>	<b>--</b>	<b>(48,495)</b>
<b>Carrying amount 31 Dec 2025</b>	<b>1</b>	<b>49</b>	<b>95</b>	<b>86</b>	<b>58</b>	<b>62,446</b>	<b>1,104</b>	<b>7,639</b>	<b>71,479</b>

Group has leased various assets including land and buildings. As at 31 December 2025, the net-book value of recognised right-of-use assets relating to land and buildings was £ 1.10 million (2024: £ 1.18 million). The depreciation charge for the period relating to those assets was £ 0.06 million (2024: £ 0.03 million)

Amounts recognised in the statement of income are detailed below:

Particular	£000 31 Dec 2025	£000 31 Dec 2024
Depreciation on right-of-use assets	64	66
Interest expense on lease liabilities	--	161
Expense relating to short-term leases	--	--
	<b>64</b>	<b>227</b>

	Computers	Office Equipment	Furniture	Vehicles	Plant & Machinery	Port Asset	Right of use Asset	Capital Work in Progress	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Gross carrying amount									
Balance 1 Jan 2024	47	579	434	569	59	104,171	1,659	24,057	131,575
Net Exchange Difference	(1)	7	(87)	(7)	(1)	(1,63,838)	(21)	261	(1,487)
Additions	2	9	--	--	23	8,333	--	639	9,007
Transfers from CWIP ^	--	--	--	--	--	--	--	(8,335)	(8,335)
Disposals	--	--	--	(35)	--	--	(20)	--	(55)
<b>Balance 31 Dec 2024</b>	<b>48</b>	<b>595</b>	<b>347</b>	<b>527</b>	<b>81</b>	<b>110,867</b>	<b>1,618</b>	<b>16,622</b>	<b>130,705</b>
Depreciation									
Balance 1 Jan 2024	(41)	(320)	(122)	(420)	(12)	(24,902)	(403)	--	(26,220)
Net Exchange Difference	1	(9)	4	5	--	449	11	--	461
Charge for the year	(3)	(106)	(29)	(28)	(4)	(4,475)	(66)	--	(4,711)
Disposals	--	1	--	32	--	--	18	--	50
Impairment	--	--	--	--	--	(6,742)	--	--	(6,742)
<b>Balance 31 Dec 2024</b>	<b>(44)</b>	<b>(435)</b>	<b>(146)</b>	<b>(412)</b>	<b>(16)</b>	<b>(35,670)</b>	<b>(440)</b>	<b>--</b>	<b>(37,162)</b>
<b>Carrying amount 31 Dec 2024</b>	<b>4</b>	<b>160</b>	<b>201</b>	<b>115</b>	<b>65</b>	<b>75,197</b>	<b>1,178</b>	<b>16,622</b>	<b>93,543</b>

Particular	£000 31 Dec 2024	£000 31 Dec 2023
Depreciation on right-of-use assets	66	177
Interest expense on lease liabilities	161	173
Expense relating to short-term leases	--	--
	<b>227</b>	<b>350</b>

The Group has leased various assets including land and buildings. As at 31 December 2024, the net book value of recognised right-of use assets relating to land and buildings was £ 1.18 million (2023: £ 1.26 million). The depreciation charge for the period relating to those assets was £ 0.03 million (2023: £ 0.18 million).

All other immovable and movable property with a carrying value of £ 77,466,000 (2024: £ 93,895,239) is under hypothecation in favour of the "Term lenders".

## 11 (b). Intangible Asset

	Intangible Asset Software
	£000
Gross carrying amount	
Balance 1 Jan 2025	95
Exchange Difference	(1)
Additions	--
Transfers from CWIP ^	--
Disposals	--
<b>Balance 31 Dec 2025</b>	<b>94</b>
Depreciation	
Balance 1 Jan 2025	(62)
Exchange Difference	--
Charge for the year	(29)
Disposals	--
<b>Balance 31 Dec 2025</b>	<b>(91)</b>
<b>Carrying amount 31 Dec 2025</b>	<b>3</b>

	Intangible Asset Software
	£000
Gross carrying amount	
Balance 1 Jan 2024	96
Exchange Difference	(1)
Additions	--
Transfers from CWIP ^	--
Disposals	--
Balance 31 Dec 2024	<b>95</b>
Depreciation	
Balance 1 Jan 2024	(33)
Exchange Difference	--
Charge for the year	(29)
Disposals	--
Balance 31 Dec 2024	<b>(62)</b>
Carrying amount 31 Dec 2024	<b>33</b>

## 12. TRADE AND OTHER RECEIVABLES

	Year ended 31 Dec 25	Year ended 31 Dec 24
Deposits	145	805
Advances		
- Related Party	4,102	3,823
- Others	158	6,142
Accrued Interest of fixed deposits	6	6
Debtors		
- Related Party	--	--
- Prepayment	45	45
- Trade Debtors	240	2,502
Less: Provision for doubtful debts	--	(26)
	<b>4,696</b>	<b>13,296</b>

'Advances to Related Party' include receivables towards share application money of £ 3.82 million (Dec 2024: £ 3.82 million).

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivable. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk and aging. The assets have similar risk characteristics to the trade receivables for similar types of contracts.

The expected loss rates are based on the Group's historical credit losses experienced. The historical loss rates are then adjusted to reflect current and forward-looking information, any known legal and specific economic factors, including the credit worthiness and ability of the customer to settle the receivables.

In accordance with IFRS 9, the Group is required to measure ECL on financial assets. Given that KTLPL is subject to CIRP proceedings under the IBC — which constitutes objective evidence of credit impairment — all financial assets of the Group that are receivable from or relate to KTLPL have been assessed as credit-impaired.

Due to the limitations in access to financial information of KTLPL arising from the CIRP, a reliable lifetime ECL estimate could not be determined at the reporting date. Accordingly, the ECL provision recognised in these financial statements is based on management's best estimate using available information and involves significant estimation uncertainty. The ultimate ECL may differ materially from amounts currently recognised.

### 13. INVESTMENTS

	Year ended 31 Dec 25	Year ended 31 Dec 24
Deposits*	169	180
	<b>169</b>	<b>180</b>

\*Deposits are placed under lien against Bank Guarantees issued by bank on behalf of the group to various Government Authorities and the Debt Service Reserve (DSR) as per the loan agreement with lenders. The fair value of short-term deposits is £ 0.17 million (2024: £ 0.18 million).

### 14. CASH AND CASH EQUIVALENTS

	Year ended 31 Dec 25	Year ended 31 Dec 24
Cash at bank and in hand	460	911
	<b>460</b>	<b>911</b>

Cash at bank earns interest at floating rates based on bank deposit rates. The fair value of cash at bank and in hand is £ 0.46 million (2024: £ 0.91 million).

### 15. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### Risk Management

The Group's principal exposures to financial risk arise from its interests in and transactions with KTLPL, being the Group's sole operating CGU. The Group's financial assets comprise primarily its investment in KTLPL and intercompany receivables due from KTLPL.

**(a)Market Risk**

The Group's exposure to market risk, including foreign currency risk and interest rate risk, arises principally from financial assets and liabilities denominated in Indian Rupees. Given the restrictions on the transfer of funds from KTLPL to the Group, and the uncertainty regarding the outcome of the CIRP proceedings, the financial impact of market risk exposures may differ materially from those indicated by the carrying amounts of financial instruments in these financial statements.

Due to the limitations in access to underlying financial information of KTLPL, the Group has been unable to fully quantify all financial risk exposures as at the reporting date.

**(i)Translation risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market foreign exchange rates. The Company's functional and presentation currency is the UK Sterling (£). The functional currency of its subsidiary Karanja Terminal & Logistics Private Limited (KTLPL) is INR and functional currency of Karanja Terminal & Logistics (Cyprus) Ltd. is Euro.

The exchange difference arising due to variances on translating a foreign operation into the presentation currency results in a translation risk. These exchange differences are recognised in other comprehensive income. As a result, the profit, assets and liabilities of this entity must be converted to GBP in order to bring the results into the consolidated financial statements. The exchange differences resulting from converting the profit and loss account at average rate and the assets and liabilities at closing rate are transferred to the translation reserve.

While consolidating the Indian subsidiary accounts the group has taken closing rate of GBP 1: INR 121.0237 for SOFP items and for profit and loss item GBP 1: INR 114.2441.

**Translation risk sensitivity**

The foreign currency risk management are referring to is the translation of the Indian subsidiary from INR to GBP, which impacts on the translation reserve through OCI. As such this is not considered relevant to the disclosure requirements of IFRS 7.

The amounts included in KTLPL are all denominated in INR (including the loan) which is disclosed as the functional currency and the amounts in MPL parent in GBP which is disclosed. As such there isn't considered to be any material foreign currency risk.

**(ii) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The base rate set by the bank may be changed periodically as per the discretion of the bank in line with Reserve Bank of India (RBI) guidelines. Based on the current economic outlook and RBI Guidance, management expects the Indian economy to enter a lower interest rate regime as moderating inflation will enable RBI and the banks to lower the base rate in the near future.

**(b) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date.

The Group determines credit risk by checking a company's creditworthiness and financial strength both before commencing trade and during the business relationship at initial recognition and subsequently. Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

The Group's policy is to deal only with creditworthy counterparties. The Group has no significant concentrations of credit risk.

The Group considers default to be when there is a breach of any of the terms of agreement.

The Group writes off a financial asset when there is no realistic prospect of recovery and all attempts to recover the balance have been exhausted. An indication that all credit control activities have been exhausted and where the asset due is greater than 365 days old or where there are insolvency issues relating to the trade and other receivables.

The Group does not concentrate any of its deposits in one bank. This is seen as being prudent and credit risk is managed by the management having conducted its own due diligence. The balances held with banks are on a short-term basis. Management reviews quarterly bank counter-party risk on an on-going basis.

### **(c) Liquidity risk**

Liquidity risk is the risk that the Group might be unable to meet its financial obligations. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities.

As a consequence of the CIRP proceedings, the Group is unable to access cash and other liquid assets held by KTLPL without the approval of the Resolution Professional. The Group's ability to service its own obligations at the parent entity level is therefore dependent on resources available independently of KTLPL. Management monitors the Group's liquidity position and takes into account the restrictions arising from the CIRP framework in assessing the adequacy of available liquid resources.

The debt that is outstanding is not classified into current and non-current as the consortium of banks has classified Indian subsidiary as NPA, hence the total debt is classified as current liabilities.

## **Financial Instruments**

### **Fair Values**

The different levels per the IFRS 13: Fair Value Measurement fair value hierarchy have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either

directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

Set out below is a comparison by category of carrying amounts and fair values of the entire Group's financial instruments that are carried in the financial statements.

	Note	Year ended 31 Dec 25	Year ended 31 Dec 24
<b>Financial Assets at Amortised Cost</b>			
Trade and other receivables	12	240	6,492
Investments	13	169	180
Cash and cash equivalents	14	460	911
		<u>869</u>	<u>7,583</u>
<b>Financial Liability at Amortised Cost</b>			
Borrowings	19	50,042	50,498
Trade and other payables	20	3,032	4,048
Lease liabilities	20	1,987	1,796
		<u>55,061</u>	<u>56,342</u>

All the financial assets and financial liabilities are considered to be level 1, except for borrowings which are level 2.

The fair value of the Group's financial assets and financial liabilities significantly approximate their carrying amount as at the reporting date.

The carrying amount of financial assets and financial liabilities are measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 16. EQUITY

### 16.1 Issued Capital

The share capital of MPL consists only of fully paid ordinary shares of no-par value. The total number of issued and fully paid-up shares of the Company as on each reporting date is summarised as follows:

Particulars	Year ended 31 December 25		Year ended 31 December 24	
	No of shares	£000	No of shares	£000
Shares issues and fully paid: Beginning of the year	356,312,692	152,354	356,312,692	152,354
Addition in the year#	--	--	--	--
Share issue cost	--	--	--	--
Closing number of shares	<u>356,312,692</u>	<u>152,354</u>	<u>356,312,692</u>	<u>152,354</u>

The issued capital amounts to £152.35 million (2024: £152.35 million) after reduction of share issue costs. Holders of the ordinary shares are entitled to receive dividends and other distributions and to attend and vote at any general meeting. During the year the Company has allotted Nil (2024: Nil) equity shares to various institutional and private investors, by way of a rights issue.

## 16.2 Other Components of Equity

### Retained Earnings

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Opening Balance	(65,846)	(47,217)
Addition during the year	(28,733)	(18,630)
Re-measurement of net defined benefit liability	--	1
Closing balance	<u>(94,579)</u>	<u>(65,846)</u>

Accumulated losses of £ 95.58 million (2024: £ 65.85 million) include all current year retained profits.

### Translation Reserve

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Opening Balance	(31,904)	(31,444)
Addition during the year	(3,970)	(460)
Closing balance	<u>(35,874)</u>	<u>(31,904)</u>

The translation reserve of £ 35.87 million (2024: £ 31.90 million) is on account of exchange differences relating to the translation of the net assets of the Group's foreign operations which relate to subsidiaries, from their functional currency into the Group's presentational currency being Sterling.

## 17. EMPLOYEE BENEFIT OBLIGATIONS

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Non- Current		
Pensions – defined benefit plans	25	42
	<u>25</u>	<u>42</u>
Current		
Wages, salaries	262	250
Pensions – defined benefit plans	8	9
	<u>270</u>	<u>259</u>

## 18. BORROWINGS

Borrowings consist of the following:

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Non-Current		
Bank loan (refer note 26)	--	28,461
Loan from others *		--
	<u>--</u>	<u>28,461</u>
Current		
Bank loan (refer note 26)	35,896	11,851
Interest payable	14,146	10,186
	<u>50,042</u>	<u>22,037</u>

## Borrowing

The borrowings done by the Indian subsidiary from the consortium of bankers has been classified as non-performing assets as per the IBC and the interest on the same is stopped and recovery proceedings are underway through CIRP. Hence the total non-current borrowings are classified as current liabilities.

### 19 (a). CURRENT TAX ASSETS

	31 Dec 25 £000	31 Dec 24 £000
Income tax *	311	2,879
Current tax assets	<b>311</b>	<b>2,879</b>

(Refer Note 25 for disclosure of Contingent liabilities in respect of these matters)

### 19 (b). CURRENT TAX LIABILITIES

Current tax liabilities consist of the following:

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Duties & taxes	17	17
Current tax liabilities	<b>17</b>	<b>17</b>

The Group recognises liabilities for anticipated tax issues based on assessment of whether additional taxes will be due, and whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing.

Where the outcome of assessment by the Income Tax department on these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made. The Group discharges the tax liability based on income tax assessment.

## 20. TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Non-Current		
Lease liability (refer note 26)	--	1,206
Current		
Lease Liability – (refer note 26)	1,987	590
Trade creditors	3,032	4,048
	<b>3,032</b>	<b>4,048</b>

Because of ongoing CIRP proceedings against the Indian subsidiary the lease liability is classified as current liability.

## 21. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of the Company and the subsidiaries listed in the following table:

Name	Country of Incorporation	Field Activity	Ownership Interest	Type of share Held
<b><u>HELD BY The Company (MPL):</u></b>				
Karanja Terminal & Logistics (Cyprus) Ltd.	Cyprus	Holding Company	100%	Ordinary
Karanja Terminal & Logistics Private Ltd.	India	Operating company - Terminal Project	8.49%	Ordinary
<b><u>HELD BY Karanja Terminal &amp; Logistics (Cyprus) Ltd:</u></b>				
Karanja Terminal & Logistics Private Ltd.	India	Operating company - Terminal Project	91.30%	Ordinary

The Group has the following related parties with whom it has entered into transactions with during the year.

### a) Shareholders having significant influence

The following shareholders of the Group have had a significant influence during the year under review:

- Jay Mehta holds 0.97% of issued share capital as on 31 December 2025 (as on 31 December 2024 – 0.99%) of Mercantile Ports & Logistics Limited at the year end.
- John Fitzgerald holds 0.35% of issued share capital as on 31 December 2025 (as on 31 December 2024 – 0.18%) of Mercantile Ports & Logistics Limited at the year end.
- Jeremy Warner Allen holds 1.08% of issued share capital as on 31 December 2025 (as on 31 December 2024 – 1.08%) of Mercantile Ports & Logistics Limited at the year end.
- Dimitry Tsvetkov holds 0.26% of issued share capital as on 31 December 2025 (as on 31 December 2024 – 0.26%) of Mercantile Ports & Logistics Limited at the year end.
- Karanpal Singh via Hunch Ventures and Investments Private Limited holds 38.40% of issued share capital as on 31 December 2025 (as on 31 December 2024 – 38.40%) of Mercantile Ports & Logistics Limited at the year end.

### b) Key Managerial Personnel of the parent

Non-executive  
Directors

- Mr. John Fitzgerald
- Mr. Jeremy Warner Allen
- Mr. Amit Dutta
- Mr. Dmitri Tsvetkov
- Mr. Stefan Passantino

**Executive  
Directors**

- Mr. Jay Mehta (CEO)
- Mr. Pavan Bakshi (Managing Director)

**c) Transaction with related parties**

The following transactions took place between the Group and related parties during the year ended 31 December 2025

Nature of transaction		Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Athos Hq Group Bus. Ser. Cy Ltd	Administrative fees	23	23
		<b>23</b>	<b>23</b>

The following table provides the total amount outstanding with related parties as at year ended 31 December 2025:

Transactions with Key Managerial Personnel of the subsidiaries

See Key Managerial Personnel Compensation details as provided below -

Advisory services fee

None

**Compensation to Key Managerial Personnel of the parent**

Fees accrued to persons or entities considered Key Managerial Personnel of the Group include:

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Non-Executive Directors fees		
– John Fitzgerald	45	45
– Jeremy Warner Allen	40	40
– Amit Dutta	35	35
– Dmitri Tsvetkov	45*	45*
	<b>340</b>	<b>165</b>
Executive Directors Fees		
– Jay Mehta	144	144
– Pavan Bakshi	175	
	<b>319</b>	<b>144</b>
<b>Total compensation paid to Key Managerial Personnel</b>	<b>484</b>	<b>309</b>

## Compensation to Key Managerial Personnel of the subsidiaries

	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Directors' fees		
KTLCL – Cyprus	3	3

## Transactions with shareholders / entity having significant influence

	Nature of transaction	Year ended 31 Dec 25 £000	Year ended 31 Dec 24 £000
Provision created for doubtful advances for advance given to SKIL Infrastructure Ltd.	Provision for doubtful advances	--	--
Shares issued to Hunch Ventures and Investment Limited	Share subscription	--	--
Shares issued to Jay Mehta	Share subscription	-	--

\*At the time of the placing and subscription in August 2021, the Company intended for the proceeds of the fundraising to be held in the Company's bank account in Guernsey. The subscription monies from Hunch Ventures required Reserve Bank of India ("RBI") approval in order to be remitted to Guernsey. However, at the time of the Company's General Meeting on 9th September 2021, the Company confirmed that it had directed Hunch Ventures to transfer the subscription monies to one of the Company's Indian bank accounts and that was done.

Subsequently, the Board resolved that it did wish the funds to be transferred to Guernsey and, as a result, requested that Hunch Ventures pursue the "RBI approval" route once more. In pursuing this, Hunch Venture's bank required the subscription monies to be transferred to Hunch Venture's account so that application could be made for the funds to be moved to Guernsey.

The Company is able to rely on the support documentation to the RBI process, put in place at the time of Hunch Ventures' original investment in 2018. It should be noted that the Company continues to have access to the Subscription monies and, since the period end, has accessed these funds.

Given the time being taken to receive RBI approval, the Company and Hunch Ventures have received advice on an alternative structure to achieve the Company's desired treasury requirements, without the requirement to receive RBI approval.

**Ultimate controlling party**

The Directors do not consider there to be an ultimate controlling party.

## 22. CASH FLOW ADJUSTMENTS AND CHANGES IN WORKING CAPITAL

The following non-cash flow adjustments and adjustments for changes in working capital have been made to profit before tax to arrive at operating cash flow:

	Year ended 31 Dec 25	Year ended 31 Dec 24
	£000	£000
Non-cash flow adjustments		
Depreciation	5,480	4,740
Impairment loss	6,342	6,772
Finance Income	(16)	(34)
Finance cost	6,632	7,291
Re-measurement of net defined benefit liability	--	(1)
Provision for Gratuity	(11)	9
Loss on disposal of PPE	--	1
Balances written back		(87)
Provision for doubtful advances		(26)
PPE Written off	9,244	--
	<b>27,671</b>	<b>18,664</b>
Increase/(Decrease) in trade and other payables	(817)	422
Decrease/(Increase) in trade and other receivables	1,274	* 952
Current investments (deposits with bank)	(11)	(7)
Increase/(Decrease) in inventory	323	(251)
	<b>769</b>	<b>1,116</b>

\* Excludes £ Nil (2024: £ 0.3 million) receivable towards share application money.

## 23. CAPITAL MANAGEMENT POLICIES AND PROCEDURE

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern
- To provide an adequate return to shareholders

### Capital

The Company's capital includes share premium (reduced by share issue costs), retained earnings and translation reserve which are reflected on the face of the Statement of Financial Position and in Note 16.

## 24. EMPLOYEE BENEFIT OBLIGATIONS

### a. Defined Contribution Plan:

The following amount recognized as an expense in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

	31 Dec 25 £000	31 Dec 24 £000
Contribution to Provident Fund	8	9
Contribution to ESIC	1	1
	<b>9</b>	<b>10</b>

### b. Defined Benefit Plan:

The Company has an unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's tenure of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR 2 million with effect from 29 March 2018.

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. These assumptions were developed by management with the assistance of independent actuaries. Discount factors are determined close to each period-end by reference to market yields of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience. The assumptions used for the valuation of the defined benefit obligation are as follows:

Key Assumptions			
Particulars	31 Dec 24	31 Dec 23	
Discount rate	6.90% p.a.	7.40% p.a.	
Salary growth rate	6.00% p.a.	6.00% p.a.	
Withdrawal rate	2.00% p.a. at younger ages reducing to 7.00% p.a. at older ages	2.00% p.a. at younger ages reducing to 7.00% p.a. at older ages	

The actuarial valuation could not be arranged from an external agency as the data required for the same could not be arranged from the Indian subsidiary due to CIRP ongoing proceedings, hence, ascertainment of comprehensive income, movements in benefit obligation and impact on the Consolidated Statement of Financial Position as well as bifurcation into current and non-current liabilities could not be ascertained.

**25. CONTINGENT LIABILITIES**

Particulars	As at 31 Dec 25 £000	As at 31 Dec 24 £000
Bank guarantee issued to Maharashtra Pollution Control Board towards issuing the consent to operate the Port	30	30
The Commissioner of Customs - Jawaharlal Nehru Custom House towards the collateral for acting as a custodian of the Cargo handled at the Port	100	100
<p>There is an ongoing arbitration proceeding initiated by the Indian subsidiary with the dredging sub-contractor for claiming damages for non-performance under dredging contract to the tune of ₹214 crores (£19.91 million) and a counter claim made by the sub-contractor for ₹74.11 crores (£6.90 million) plus additional interest @18% p.a. considered as contingent.</p> <p>The matter is under arbitration act in the jurisdiction of Mumbai. Based on the legal opinion obtained, management is confident that the outcome will be in favour of the Company.</p> <p>The counter claim made by the sub-contractor on the Company is considered as a contingent liability.</p> <p>As of the Balance sheet date the cross examination of the witnesses of the Claimant is completed and the cross examination of the witnesses of the respondent is underway.</p>	10,458	10,458
<p>The Income tax liability to the tune of ₹30.94 crores (£2.88 million) (exclusive of any interest or penalties) for the Assessment years from 2013-14 to 2024-25.</p> <p>As per the orders, the matter was sent back to the files of Principal Commissioner of Income Tax (Appeals) for re-adjudication following the ITAT orders for assessment years 2013-14 to 2015-16. The status of open litigations for AY 2013-14 to AY 2015-16 remain unchanged during FY 2024-25 i.e., the matter is yet to be adjudicated and the outcome of appeal before Hon'ble Bombay High Court is pending.</p> <p>Cash outflows, if any, is determinable on receipt of judgments pending at respective authorities.</p>	2,879	2,879

## **27. EVENTS OCCURRING AFTER REPORTING PERIOD**

IAS 10 requires the Group to consider events occurring between the reporting date of 31 December 2025 and the date on which the financial statements are approved for issue, and to distinguish between adjusting events (which provide evidence of conditions existing at the reporting date) and non-adjusting events (which are indicative of conditions that arose after the reporting date).

During January 2026, the National Company Law Appellate Tribunal (“NCLAT”) upheld the admission order of the NCLT. Thereafter, KTLPL and certain stakeholders pursued various legal remedies and settlement proposals with a view to resolving the outstanding indebtedness of KTLPL and seeking withdrawal of the CIRP proceedings.

In February 2026, an application under Section 12A of the IBC was submitted proposing a settlement of the claims forming the basis of the insolvency proceedings. The proposal contemplated repayment of the financial indebtedness owed to the relevant creditor and withdrawal of the CIRP, subject to the approvals required under applicable law. The proposal was considered during the CIRP but was not approved.

The CIRP continued throughout the period subsequent to the reporting date, including the invitation of expressions of interest from prospective resolution applicants and the evaluation of resolution plans in accordance with the provisions of the IBC. The Committee of Creditors subsequently approved a resolution plan, which remains subject to the applicable approval process under the IBC.

## **28. AUTHORISATION OF FINANCIAL STATEMENTS**

The consolidated financial statements for the year ended 31 December 2025 were approved and authorized for issue by the Board of Directors as on 30 June 2026.