

BLUE STAR EUROPE B.V.

Financial Statement for the year ended March 31, 2025

Blue Star Europe B.V.
Amsterdam, The Netherlands

(Financial statement for the period 1st April 2024 to 31st March 2025)

Address	:	Opaallaan 1180, 2132LN Hoofddorp
Chamber of Commerce	:	Amsterdam, The Netherlands
File Number	:	88 321 959



S.R.

Table of Contents:

	Page
Balance sheet as at 31 st March 2025	3
Profit and loss account for the period 1 st April 2024 to 31 st March 2025	4

Notes

Notes to the Financial Statements	5-9
Other information	10



Balance sheet as at 31st March 2025*(Before proposed result appropriation)*

	<u>Notes</u>	<u>31-Mar-25</u>	<u>31-Mar-24</u>
		EUR	EUR
ASSETS			
Current assets			
Account receivables	1	829,565	-
Other receivables, including prepayments	2	15,213	9,827
Cash and cash equivalents	3	185,523	482,738
		<u>1,030,301</u>	<u>492,565</u>
Short term liabilities	4	1,184,425	619,594
Balance of current assets less short-term liabilities		(154,124)	(127,029)
Balance of assets less short term-liabilities		<u>(154,124)</u>	<u>(127,029)</u>
Shareholder's equity	5		
Share capital		2,100,000	1,000,000
Retained earnings		(1,127,029)	-
Result for the period		(1,127,095)	(1,127,029)
Total shareholder's equity		<u>(154,124)</u>	<u>(127,029)</u>



Profit and Loss account for the period 1st April 2024 to 31st March 2025

	<u>Notes</u>	<u>1st Apr 2024 to 31st Mar 2025</u>	<u>28th Nov 2022 to 31st Mar 2024</u>
		EUR	EUR
Revenue	6	850,981	-
Cost of sales	7	(778,816)	-
Gross operating income		72,165	-
Employment costs	8	(517,169)	(830,455)
General and administrative expenses	9	(663,202)	(301,014)
Total operating result		(1,108,206)	(1,131,469)
Financial income & expenses	10	(18,889)	4,440
Result before taxation		(1,127,095)	(1,127,029)
Corporate income tax		-	-
Result after taxation		(1,127,095)	(1,127,029)



Notes to the Financial Statements

General

Blue Star Europe B.V. (the Company) is a private limited liability company, incorporated under the laws of The Netherlands on 28th November 2022, and have its corporate seat in Amsterdam, with office at Opaallaan 1180, 2132LN Hoofddorp. The Company is registered at the Chamber of Commerce under number 88 321 959.

The sole shareholder is Blue Star Limited, India.

Activities

The principal business activities of the Company consist mainly of designing, manufacturing, trading and installation of air conditioning, heating and cooling equipments.

Financial year

The financial year of the Company starts on 1st April and ends on 31st March of the immediate following year. However, the first financial period of the Company is from 28th November 2022 to 31st March 2024.

Reporting currency

The financial statements of the company are prepared and presented in EUR which is both presentation and functional currency of the company.

Going concern

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

Principles of valuation of assets and liabilities

Accounting policies

The financial statements have been prepared in accordance with accounting principles generally accepted in the Netherlands (Title 9, Book 2 of the Dutch Civil Code) and are denominated in Euro, which is the Company's functional currency.

Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost. When a receivable is considered uncollectible, it is written off against the allowance account for receivables. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank balances, remittance in transit and deposits. Cash and cash equivalents are stated at nominal value.

Accounts payable

All accounts payable are stated at nominal value and are expected to be paid within one year after the balance sheet date.

Provisions

Provisions are formed for liabilities which are deemed probable or certain at the balance sheet date, but which are still unknown as to the amount or timing of outflow of funds.

Notes to the Financial Statements (continued...)

Current liabilities

The current liabilities concern the liabilities with a duration of shorter than one year. These liabilities are valued at nominal value unless stated otherwise.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholder's equity as a part of the profit distribution.

The Company's ordinary shares are classified as equity instruments.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

Translation of foreign currencies

All monetary assets and liabilities denominated in foreign currencies have been translated into EUR at the rate of exchange ruling at the balance sheet date, where as non-monetary assets denominated in foreign currencies are translated at historical rate when transaction took place. All transactions denominated in foreign currencies made during the period under review are translated into EUR at rates of exchange ruling on or around the date of the transactions. Foreign exchange gains and losses arising as a result of the application of the above accounting policies are disclosed separately in the profit and loss account.

Related party transactions

An entity is considered as a related party if any of the following conditions prevail:

- The financial and operating activities are controlled by The Company or are controlled by The same party, which includes common control, joint control or significant influence.
- The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

Transaction with related parties were made on terms equivalent to those that prevail in arm's length transaction.

Principles for the determination of the result

The result is determined as the difference between the value of the goods delivered and the costs and other charges related to the period. Profits on transactions are recognised in the period in which they are realised, losses are taken into account as soon as they are foreseeable.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax,

Income and expenses denominated in foreign currencies are accounted for at the official rates of exchange prevailing on the date on which the transaction took place. Translation differences due to exchange rate fluctuations between the transaction date and the settlement date or balance sheet date are recognized in the profit and loss account.

Tax on result will be calculated by applying the tax rate on the result for the financial year in the profit & loss account at year end, taking into account tax losses carry-forward and tax exempt elements and after inclusion of non-deductible costs.



Notes to the Financial Statements (continued...)

	31-Mar-25	31-Mar-24		
	EUR	EUR		
1. Account receivables				
Trade debtors	829,565	-		
2. Other receivables, including prepayments				
Security deposit- Rent	700	-		
Prepaid expenses	-	6,667		
VAT receivable	14,513	3,160		
	15,213	9,827		
3. Cash and cash equivalents				
Citi bank (EUR)	181,470	482,827		
Citi bank (USD)	4,053	(89)		
	185,523	482,738		
4. Short term liabilities				
Account payables	(969,351)	(488,258)		
Accrued liabilities	(124,282)	(39,836)		
Provision for bonus	(90,792)	(91,500)		
	(1,184,425)	(619,594)		
5. Shareholders' equity				
	Share Capital	Retained earnings	Result	Total
Balance as at 1 st Apr 2024	1,000,000	-	(1,127,029)	(127,029)
Movements during the period	1,100,000	(1,127,029)	1,127,029	1,100,000
Result for the year	-	-	(1,127,095)	(1,127,095)
Allocation of result	-	-	-	-
Balance as at 31 st Mar 2025	2,100,000	(1,127,029)	(1,127,095)	(154,124)
	Share Capital	Retained earnings	Result	Total
Balance as at 28 th Nov 2022	-	-	-	-
Movements during the period	1,000,000	-	-	1,000,000
Result for the year	-	-	(1,127,029)	(1,127,029)
Allocation of result	-	-	-	-
Balance as at 31 st Mar 2024	1,000,000	-	(1,127,029)	(127,029)

The paid up share capital amounts to EUR 2,100,000 and consists of 210,000 ordinary shares with a nominal value of EUR 10 each.



Notes to the Financial Statements (continued...)

	1 st Apr 2024 to 31 st Mar 2025 EUR	28 th Nov 2022 to 31 st Mar 2024 EUR
6. Revenue		
Sales - Export	850,981	-
	850,981	-
7. Cost of sales		
Cost of goods sold	778,816	
	778,816	-
8. Employment costs		
Salaries and wages	(326,574)	(524,602)
Other employee benefits	(75,067)	(236,702)
Other welfare expenses	(115,529)	(69,151)
	(517,169)	(830,455)
9. General and administrative expenses		
Audit fees	(11,551)	(13,300)
Boarding & lodging expenses	(34,797)	(9,181)
Conference expenses	(2,486)	(6,456)
Central management expenses	(207,478)	(139,074)
Fare expense	(91,276)	(43,091)
Insurance expenses	(7,099)	-
Legal fees	(5,900)	(12,396)
Miscellaneous expenses	(19,178)	(19,099)
Membership & subscription fee	(7,820)	(2,222)
Management fee	(7,552)	-
Postage & courier expenses	-	(161)
Professional fees	(138,972)	(54,801)
Printing & stationery	-	(77)
Research & development	(10,617)	-
Sales promotion expense	(116,783)	-
Telephone expenses	(1,694)	(1,156)
	(663,202)	(301,014)
10. Financial income/(expense)		
Interest and bank charges	(2,564)	(2,519)
Interest income	9,444	10,110
Foreign exchange result	(25,769)	(3,151)
	(18,889)	4,440



Notes to the Financial Statements (continued...)

11. Average number of employees

During the financial period, the Company had two employees.

12. Directors

The Company had five directors and none of them receives remuneration. During the period under report, Mr. Vir Suneel Advani had resigned from the directorship in the company and Mr. Mr. Darwood Bin Ozair, Mr. Thomas F Overs and Mr. Thomas Jose Pallithanam has been appointed as director in the company with effect from 24 April, 2024.

13. Post balance sheet date events

Since balance sheet date no events occurred, which would change the financial position of the Company and which would require adjustments of or disclosure in the financial statements now presented.

Signed on, 23rd April, 2025

Mr. Thiagarajan Balasubramanian
Director

Mr. Nikhil Sohoni
Director

Mr. Dawood Bin Ozair
Director

Thomas Overs

Mr. Thomas F Overs
Director

Mr. Thomas Jose Pallithanam
Director



Other Information

Audit information

Based on article 2:396 section 6 of Dutch Civil Code, the Company is exempt from the obligation to have annual accounts audited. However, a voluntary audit has been conducted.

Statutory provision on appropriation of result

According to the Articles of Association of the Company the result shall be appropriated by the General Meeting of Shareholders.



INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Blue Star Europe B.V.

A. Report on the audit of the financial statements 2024 - 2025 included in the annual report

We were engaged to audit the accompanying financial statements for the period ended 31st March 2025 of Blue Star Europe B.V. based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Blue Star Europe B.V. for the period ended 31st March 2025 and of its result for the period 1st April 2024 up to and including 31st March 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the balance sheet as at 31st March 2025;
 - the profit and loss account for the period 1st April 2024 up to and including 31st March 2025
- and
- the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Blue Star Europe B.V. in accordance with the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics).

Audit approach to fraud risks

The level of detail that must be provided in the auditor's report to describe how fraud risks that may lead to material misstatement have been addressed during the audit is a matter of professional judgment and is adapted to the specific circumstances and complexity of the audit.

In accordance with paragraph 29B of SA 700, the auditor can describe:

- the risks of fraud that required attention during the audit.
- a reference to any disclosures in the financial statements.
- a brief overview of the work carried.
- an indication of the outcome of the auditor's work.
- important observations regarding the matter.

Or a combination of these elements.

We believe the audit evidence for fraud risks we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach going concern

The financial statements have been prepared in accordance with the going concern assumption. The appropriateness of this assumption depends on management's estimate of future cash flows.

The Board of Directors has drawn up the financial statements based on the going concern assumption of all the activities for the period of 12 months from the date of the preparation of the annual accounts. Our work to evaluate the management's going concern assessment includes:

- Consider whether the management's going concern assessment contains all relevant information of which we have knowledge as a result of our audit of the financial statements and make inquiries with the board about the most important assumptions and considerations;
- Verify that management has not identified any events or circumstances that may cast reasonable doubt on the entity's ability to continue as a going concern (hereinafter: going concern risks);
- Evaluate the operating results forecast and the related cash flows compared to the previous financial year, developments in the business and any information of which we are aware as a result of our audit;
- Analyse whether the current and the necessary financing for the continuation of the entire business activities is guaranteed; and
- Inquiries with the management about its knowledge of going concern risks after the period of the going concern assessment carried out by management.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment. However, future events or conditions may cause a company to cease to continue as a going concern.

Other matter paragraph

This auditor's report is intended solely for Blue Star Europe B.V. and her shareholders.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code;

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing.

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed according to the Dutch Auditing Standards with a high level of assurance. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion. We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control ;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The Hague, 23rd April 2025

IAC Audit & Assurance B.V.


drs. S. Ramdas RA

Initials for authentication purposes:



S.R.