

ECU WORLDWIDE (KENYA) LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Ecu Worldwide (Kenya) Limited
Annual report and consolidated financial statements
For the year ended 31 December 2024

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COMPANY INFORMATION

BOARD OF DIRECTORS	: Saleem Mohamed Nazir (British) : Sanjeev Sukumaran (Indian)
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	: Inchcape House : 3rd Floor, Archbishop Makarios cls : Off Moi Avenue : P. O. Box 94066 - 80107 : Mombasa
INDEPENDENT AUDITOR	: PKF Kenya LLP : Certified Public Accountants : P. O. Box 90553 - 80100 : Mombasa
COMPANY SECRETARIES	: Africa Registrars LLP : Certified Public Secretaries : P. O. Box 1243 - 00100 : Nairobi
PRINCIPAL BANKER	: Stanbic Bank Kenya Limited : P. O. Box 90131 - 80100 : Mombasa : KCB Bank Kenya Limited : P. O. Box 90254 - 80100 : Mombasa
LEGAL ADVISORS	: Cootow & Associates Advocates : Social Security House : P. O. Box 16858 - 80100 : Mombasa
SUBSIDIARY	: Ecu Shipping Logistics (K) Limited : Mombasa
PARENT COMPANY	: EcuHold NV : Belgium
ULTIMATE PARENT COMPANY	: AllCargo Global Logistics Limited : India

REPORT OF THE DIRECTORS

The directors submit their report and the audited consolidated financial statements for the year ended 31 December 2024, which disclose the state of affairs of the company and the group.

PRINCIPAL ACTIVITIES

The principal activities of the company are those of provision of freight shipping and air services, clearing, forwarding, warehousing agents and investment in property letting. The principal activity of the subsidiary company, Ecu Shipping Logistics (K) Limited, is lodging of import manifests.

BUSINESS REVIEW

The turnover of the company decreased from Shs 870,550,100 in 2023 to Shs 862,046,215 in 2024. The decrease was mainly due to a combination of effects in exchange rate fluctuations, stiff competition along with geo-political factors on a global scale which impacted the company's operations. The profit before tax decreased from Shs 59,616,631 in 2023 to a loss before tax of Shs 6,256,200 in 2024 as a result of the above drop in revenue together with lower margin realised.

Key performance indicators	Group		Company	
	2024	2023	2024	2023
Turnover (Shs)	861,896,215	870,550,100	861,896,215	870,550,100
Gross profit (Shs)	205,264,284	259,720,004	203,926,284	258,632,004
Gross profit margin (%)	24	30	24	30
(Loss)/profit for the year (Shs)	256,416	41,309,965	(54,107)	41,305,044
Net assets (Shs)	4,644,264	45,687,848	4,621,891	45,975,998

PRINCIPAL RISKS AND UNCERTAINTIES

The overall business environment continues to remain challenging and this has a resultant effect on overall demand of the group's/company's services. The group's/company's strategic focus is to enhance sales growth whilst maintaining profit margins, the success of which remains dependent on overall market conditions and other factors.

In addition to the business risks discussed above, the group's/company's activity exposes it to a number of financial risks including credit risk, cash flow and foreign currency risk and liquidity risk as set out below:

Credit risk

The group's/company's principal financial assets are cash and bank balances and trade and other receivables which consist primarily of related party balances. The group's/company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made in line with impairment accounting policy outlined under Note 2(b) (significant accounting policies). The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The group/company has no significant concentration of credit risk, with exposure spread over a number of counterparties. Management does not deem related party receivables to carry any credit risk.

.....continued on page 3

REPORT OF THE DIRECTORS

Cash flow and foreign currency risk

The majority of the group's/company's transactions are in foreign currency, thus it is exposed to currency risk. This risk is managed through appropriate operational offset of open receivable and payable foreign currency positions.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group/company monitors its need for cash on a regular basis and takes appropriate action through financing arrangements.

DIVIDEND

The directors do not recommend the declaration of a dividend for the year (2023: Shs 41,300,000).

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each director at the time this report was approved:

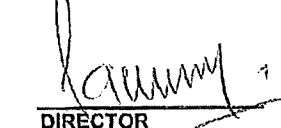
- (a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- (b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

PKF Kenya LLP, continues in office in accordance with the company's Articles of Association and Section 719 of the Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fee.

Approved by the board of directors on 26/06/2025 and signed on its behalf by:

BY ORDER OF THE BOARD


DIRECTOR
NAIROBI

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the group and company keeps proper accounting records that are sufficient to show and explain the transactions of the group and company; and that disclose, with reasonable accuracy, the financial position of the group and company and that enable them to prepare financial statements of the company that comply with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard and in the manner required by the Kenyan Companies Act, 2015. The directors also accept responsibility for:

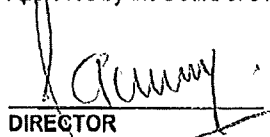
- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies;
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The directors confirm that the financial statements give a true and fair view of the financial position of the group and company as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act 2015.

Having made an assessment of the group's and company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the group's and company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Board of Directors on 26/06 2025 and signed on its behalf by:



DIRECTOR



DIRECTOR

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF ECU WORLDWIDE (KENYA) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Ecu Worldwide (Kenya) Limited and its subsidiary (the Group), set out on pages 8 to 29 which comprise the consolidated and company statements of financial position as at 31 December 2024, the consolidated and company statements of profit or loss, consolidated and company statements of changes in equity and the consolidated and company statements of cash flows the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the consolidated and company financial position as at 31 December 2024, and of the consolidated and company financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs[®] Accounting Standard and the requirements of the Kenyan Companies Act, 2015.

Basis for Opinion

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

Other information

The directors are responsible for the other information. The other information comprises the report of the directors, the statement of directors' responsibilities and the consolidated and company schedules of expenditure and schedule of net rental income but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

.....continued on page 6

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF ECU WORLDWIDE (KENYA) LIMITED (CONTINUED)**

Responsibilities of directors for the Consolidated Financial Statements (continued)

In preparing the consolidated financial statements, the directors are responsible for assessing the group's and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' 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 group's and 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the group or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

.....continued on page 7

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF ECU WORLDWIDE (KENYA) LIMITED (CONTINUED)**

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

Report on other matters prescribed by the Kenyan Companies Act, 2015

In our opinion the information given in the report of the directors on pages 2 and 3 is consistent with the financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Piyush Ramesh Devchand Shah Practising certificate No. 1521.

For and on behalf of PKF Kenya LLP
Certified Public Accountants
Mombasa, Kenya

_____ 2025

XXXX/2025

Ecu Worldwide (Kenya) Limited
Annual report and consolidated financial statements
For the year ended 31 December 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	2024 Shs	2023 Shs
Revenue	3	861,896,215	870,550,100
Cost of sales		<u>(656,631,931)</u>	<u>(610,830,096)</u>
Gross profit		205,264,284	259,720,004
Other income	4	5,007,533	7,498,084
Administrative expenses		(180,431,747)	(182,187,524)
Other operating expenses		<u>(35,785,747)</u>	<u>(25,210,144)</u>
Operating (loss)/profit		(5,945,677)	59,820,420
Finance cost	7	<u>-</u>	<u>(196,759)</u>
(Loss)/profit before tax		(5,945,677)	59,623,661
Tax credit/(charge)	8	<u>6,202,093</u>	<u>(18,313,696)</u>
Profit for the year		<u><u>256,416</u></u>	<u><u>41,309,965</u></u>
Attributable to:			
Owners of the company		256,105	41,309,916
Non-controlling interests		<u>311</u>	<u>49</u>
		<u><u>256,416</u></u>	<u><u>41,309,965</u></u>

The notes on pages 16 to 29 form an integral part of these financial statements.

Report of the independent auditor - pages 5 - 7.

Ecu Worldwide (Kenya) Limited
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COMPANY STATEMENT OF PROFIT OR LOSS

	Notes	2024 Shs	2023 Shs
Revenue	3	861,896,215	870,550,100
Cost of sales		<u>(657,969,931)</u>	<u>(611,918,096)</u>
Gross profit		203,926,284	258,632,004
Other income	4	5,007,533	7,498,083
Administrative expenses		(179,470,704)	(181,171,721)
Other operating expenses		<u>(35,719,313)</u>	<u>(25,144,976)</u>
Operating (loss)/profit		(6,256,200)	59,813,390
Finance cost	7	<u>-</u>	<u>(196,759)</u>
(Loss)/profit before tax		(6,256,200)	59,616,631
Tax credit/(charge)	8	<u>6,202,093</u>	<u>(18,311,587)</u>
(Loss)/profit for the year		<u><u>(54,107)</u></u>	<u><u>41,305,044</u></u>

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Report of the independent auditor - pages 5 - 7.

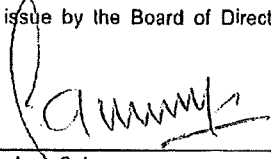
Ecu Worldwide (Kenya) Limited
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
	Notes	2024 Shs	2023 Shs
CAPITAL EMPLOYED			
Share capital	9	4,000,000	4,000,000
Proposed dividends		-	41,300,000
Retained earnings		645,230	389,125
Equity attributable to owners of the company		<u>4,645,230</u>	<u>45,689,125</u>
Non-controlling interests		(966)	(1,277)
		<u>4,644,264</u>	<u>45,687,848</u>
REPRESENTED BY			
Non-current assets			
Vehicles and equipment	10	11,624,242	16,537,374
Intangible asset	11	-	24,278
Deferred tax	12	16,363,395	11,566,268
		<u>27,887,637</u>	<u>28,127,920</u>
Current assets			
Trade and other receivables	14	138,110,104	200,655,134
Cash and cash equivalents	15	34,754,208	57,114,180
Tax recoverable		15,448,330	-
		<u>188,312,642</u>	<u>257,769,314</u>
Current liabilities			
Trade and other payables	16	211,556,015	234,711,362
Tax payables		-	5,498,024
		<u>211,556,015</u>	<u>240,209,386</u>
Net current (liabilities)/assets		<u>(23,243,373)</u>	<u>17,559,928</u>
		<u>4,644,264</u>	<u>45,687,848</u>

The financial statements on pages 8 to 29 were approved and authorised for issue by the Board of Directors on 26/06/2025 and were signed on its behalf by:


 Saleem Mohamed Nazir
 DIRECTOR


 Sanjeev Sukumaran
 DIRECTOR

The notes on pages 16 to 29 form an integral part of these financial statements.


Report of the independent auditor - pages 5 - 7.

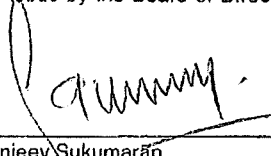
Ecu Worldwide (Kenya) Limited
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COMPANY STATEMENT OF FINANCIAL POSITION

		As at 31 December	
	Notes	2024 Shs	2023 Shs
CAPITAL EMPLOYED			
Share capital	9	4,000,000	4,000,000
Proposed dividends		-	41,300,000
Retained earnings		621,891	675,998
Equity attributable to owners of the company		<u>4,621,891</u>	<u>45,975,998</u>
REPRESENTED BY			
Non-current assets			
Vehicles and equipment	10	11,524,242	16,537,374
Intangible asset	11	-	24,278
Deferred tax	12	16,363,395	11,566,268
Investment in subsidiary	13	999,000	999,000
		<u>28,886,637</u>	<u>29,126,920</u>
Current assets			
Trade and other receivables	14	138,156,504	200,699,534
Cash and cash equivalents	15	34,038,502	56,666,897
Tax recoverable		14,882,233	-
		<u>187,077,239</u>	<u>257,366,431</u>
Current liabilities			
Trade and other payables	16	211,341,985	234,515,732
Tax payables		-	6,001,621
		<u>211,341,985</u>	<u>240,517,353</u>
Net current (liabilities)/assets		<u>(24,264,746)</u>	<u>16,849,078</u>
		<u>4,621,891</u>	<u>45,975,998</u>

The financial statements on pages 8 to 29 were approved and authorised for issue by the Board of Directors on 26/06/2025 and were signed on its behalf by:


 Saleem Mohamed Nazir
 DIRECTOR


 Sanjeev Sukumaran
 DIRECTOR

The notes on pages 16 to 29 form an integral part of these financial statements.

Report of the independent auditor - pages 5 - 7.

Ecu Worldwide (Kenya) Limited
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs	Retained earnings Shs	Proposed dividends Shs	Total equity attributable to the owners Shs	Non-controlling interests Shs	Total Shs
Year ended 31 December 2024						
As start of year	4,000,000	389,125	41,300,000	45,689,125	(1,277)	45,687,848
Profit for the year	-	256,105	-	256,105	311	256,416
Dividends: Final for 2023 (paid)	-	-	(41,300,000)	(41,300,000)	-	(41,300,000)
At end of year	4,000,000	645,230	-	4,645,230	(966)	4,644,264
Year ended 31 December 2023						
As start of year	4,000,000	379,209	26,000,000	30,379,209	(1,326)	30,377,883
Profit for the year	-	41,309,916	-	41,309,916	49	41,309,965
Dividends: Final for 2022 (paid)	-	-	(26,000,000)	(26,000,000)	-	(26,000,000)
Dividends: Final for 2023 (proposed)	-	(41,300,000)	41,300,000	-	-	-
At end of year	4,000,000	389,125	41,300,000	45,689,125	(1,277)	45,687,848

The notes on pages 16 to 29 form an integral part of these financial statements.

Report of the independent auditor - pages 5 - 7.