

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN A DRAFT RED HERRING PROSPECTUS

To
Board of Directors
Waterways Leisure Tourism Limited
(formerly known as Waterways Leisure Tourism Private Limited)
A-1601, Marathon Futorex, NM Joshi Marg
Lower Parel, Delisle Road
Mumbai
Maharashtra – 400 013

Report on the Compilation of Proforma Consolidated Financial Information included in a Draft Red Herring Prospectus

We have completed our assurance engagement to report on the compilation of proforma consolidated financial information of Waterways Leisure Tourism Limited ('the Company') prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") in connection with its proposed initial public offering ("IPO"). The proforma consolidated financial information consists of the proforma balance sheet as at 31 December 2024 and 31 March 2024 and the proforma statement of profit and loss for the nine months period ended 31 December 2024 and year ended 31 March 2024 and related notes (collectively referred to as "Proforma Consolidated Financial Information"). The applicable criteria on the basis of which management of the Company has compiled the proforma consolidated financial information pursuant to the requirement of clause (11)(I)(B)(iii) of Part A of Schedule VI of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI Regulations') as described in note 1 of the accompanied proforma consolidated financial information.

The proforma consolidated financial information has been compiled by management to illustrate the impact of the proposed acquisition as described in note 2 on the Company's financial position as at 31 December 2024 and 31 March 2024 and its financial performance for the nine months period ended 31 December 2024 and year ended 31 March 2024 as if the proposed acquisition had taken place at 31 December 2024 and 31 March 2024 respectively. As part of this process and as described in note 2, information about the Company's financial position and financial performance has been extracted by the management from:

1. The Company's Restated Financial Information comprising of Restated Statement of Assets and Liabilities as at 31 December 2024, 31 March 2024, 31 March 2023 & 31 March 2022, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Changes in Equity and the summary of material accounting policies and explanatory & related notes thereon for the nine months period ended 31 December 2024 ('stub period') and each of the years ended 31 March 2024, 31 March 2023 & 31 March 2022 (together referred as 'Restated Financial information').
2. The management certified Ind AS financial information of the proposed acquisition being immaterial to the Company as per the condition laid down in SEBI Regulations.

Management Responsibility for the Proforma Consolidated Financial Information

The management is responsible for compiling the proforma consolidated financial information on the basis as described in note 1 of the proforma consolidated financial information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the proforma consolidated financial information on the basis of the above mentioned criteria that is free from material misstatement, whether due to fraud or error. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Consolidated Financial Information.



Auditor's Responsibilities

Our responsibility is to express an opinion, as required by SEBI Regulations, about whether the proforma consolidated financial information has been compiled, in all material respects, by the management on the basis of the criteria described in note 1 of the proforma consolidated financial information.

We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India ('ICAI'). This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the proforma financial information on the basis of the applicable criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the proforma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the proforma consolidated financial information.

The purpose of proforma consolidated financial information included in a prospectus is solely to illustrate the impact of a proposed acquisition on unadjusted restated financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2024 and 31 March 2024 would have been as presented.

A reasonable assurance engagement to report on whether the proforma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by management in the compilation of the proforma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related proforma adjustments give appropriate effect to those criteria; and
- The proforma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Company, the event or transaction in respect of which the proforma consolidated financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the proforma consolidated financial information.

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

Opinion

In our opinion, the proforma consolidated financial information has been compiled, in all material respects, on the basis of the requirement of clause (11)(I)(B)(iii) of Part A of Schedule VI of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI Regulations') and in accordance with the requirements of The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.



Other matters

For the purpose of our engagement, we have relied on the:

- a. The Company's Restated Financial Information comprising of Restated Statement of Assets and Liabilities as at 31 December 2024, 31 March 2024, 31 March 2023 & 31 March 2022, Restated Statement of Profit and Loss, Restated Statement of Cash Flows, Restated Statement of Changes in Equity and the summary of material accounting policies and explanatory & related notes thereon for the nine months period ended 31 December 2024 ('stub period') and each of the years ended 31 March 2024, 31 March 2023 & 31 March 2022 on which we have issued an examination report dated 22 May 2025.
- b. Management certified Ind AS financial information of Bay Cruise Investments Inc. (Proposed acquiring entity) for nine months period ended 31 December 2024 and year ended 31 March 2024. As represented to us, the proposed acquisition is immaterial to the Company based on the criteria specified in SEBI Regulations.

Our opinion is not modified in respect of these matters.

Restriction on Use

This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the us, nor should this be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for use of the management for inclusion in the Draft Red Herring Prospectus (DRHP) to be filed with SEBI, BSE and NSE in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm's Registration No.: 000050N/ N500045

Rahul Singhal

Partner

Membership No.: 096570

UDIN: 25096570BMEQNE2158



Place: Gurgaon

Date: 22 May 2025

Particulars	Reinstated Statement of Assets & Liabilities of Waterways Leisure Tourism Limited as at 31 December 2024	Day Cruise Investments Inc. Management certified Ind AS Balance Sheet as at 31 December 2024 (refer note 2)	Intragroup elimination (A) (Refer note 6)	Acquisition adjustment (B) (Refer note 5)	Total adjustments (A+B)	Proforma Consolidated Statement of Assets & Liabilities of Waterways Leisure Tourism Limited as at 31 December 2024	Reinstated Statement of Assets & Liabilities of Waterways Leisure Tourism Limited as at 31 March 2024	Day Cruise Investments Inc. Management certified Ind AS Balance Sheet as at 31 March 2024 (refer note 2)	Intragroup elimination (A) (Refer note 6)	Acquisition adjustment (B) (Refer note 5)	Total adjustments (A+B)	Proforma Consolidated Statement of Assets & Liabilities of Waterways Leisure Tourism Limited as at 31 March 2024
ASSETS												
Non-current assets												
(a) Property, plant and equipment	30.25	587.73	-	-	-	617.98	25.09	097.21	-	-	-	723.20
(b) Right of use assets	624.09	-	(500.44)	-	(500.44)	203.65	2,452.42	-	-	-	-	2,452.42
(c) Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
(d) Goodwill on consolidation	-	-	-	-	-	-	-	-	-	-	-	-
(e) Financial Assets												
i) Loans	120.08	-	-	-	-	120.08	110.28	-	-	-	-	110.28
ii) Other non-current financial assets	91.46	-	-	-	-	273.62	273.62	-	-	-	-	273.62
(f) Deferred tax assets (refer note 7)	13.00	-	-	-	-	13.00	-	-	-	-	-	-
Total non-current assets	1,084.38	587.73	(500.44)	-	(500.44)	1,107.07	2,868.01	097.21	-	-	-	3,965.27
Current assets												
(a) Inventories	48.54	-	-	-	-	48.54	97.99	-	-	-	-	97.99
(b) Financial assets												
i) Trade receivables (refer note 7)	58.99	77.06	-	-	-	136.02	18.28	-	-	-	-	18.28
ii) Cash and cash equivalents	79.26	729	-	-	-	80.55	169.15	1.95	-	-	-	171.10
(c) Bank balances other than cash and cash equivalents	235.50	-	-	-	-	235.50	7.05	-	-	-	-	7.05
(d) Other current financial assets	497.27	-	-	-	-	497.27	7.40	-	-	-	-	7.40
(e) Other current assets	20.05	34.52	(15.30)	-	(15.30)	40.27	27.40	-	-	-	-	27.40
Total current assets	1,307.51	84.52	(15.30)	-	(15.30)	1,406.73	411.55	10.12	-	-	-	257.54
Total Assets	2,457.89	672.25	(515.74)	-	(515.74)	2,563.75	3,279.55	109.48	-	-	-	3,988.81
EQUITY AND LIABILITIES												
Equity												
(a) Equity share capital	646.82	-	-	-	-	646.82	646.82	-	-	-	-	646.82
(b) Other equity (refer note 5)	(600.04)	(147.23)	-	-	-	(747.27)	(1,794.55)	(32.03)	-	-	-	(1,826.58)
Total equity	246.78	(147.23)	-	-	-	99.55	(1,147.73)	(32.03)	-	-	-	(1,180.68)
LIABILITIES												
Non-current liabilities												
(a) Financial Liability												
i) Lease liabilities	523.05	-	(322.89)	-	(322.89)	200.16	2,425.54	-	-	-	-	2,425.54
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-	-	-	-	-	-	-
(c) Other non-current liabilities	47.33	-	-	-	-	47.33	684.91	-	-	-	-	684.91
Total non-current liabilities	570.38	-	(322.89)	-	(322.89)	247.49	2,430.45	684.91	-	-	-	2,430.45
Current liabilities												
(a) Financial Liabilities												
i) Short term borrowings	44.01	322.81	-	-	-	366.82	-	51.76	-	-	-	318.06
ii) Trade payables	308.36	-	(237.55)	-	(237.55)	70.81	454.32	-	-	-	-	454.32
- Total outstanding dues of micro enterprises	40.48	-	-	-	-	40.48	30.05	-	-	-	-	30.05
- Total outstanding dues of creditors other than micro enterprises and small enterprises	117.74	0.01	-	-	-	117.75	495.28	-	-	-	-	495.28
(b) Other current financial liabilities	10.09	497.01	(12.30)	-	(12.30)	474.80	34.00	-	-	-	-	408.80
(c) Other current liabilities	1,120.22	-	-	-	-	1,120.22	1,070.54	-	-	-	-	1,070.54
(d) Other non-current liabilities	2.83	-	-	-	-	2.83	1.99	-	-	-	-	1.99
Total current liabilities	1,694.73	819.83	(240.85)	-	(240.85)	1,273.71	1,596.11	51.76	-	-	-	1,696.53
Total liabilities	2,265.11	819.83	(563.74)	-	(563.74)	2,511.20	3,026.56	736.67	-	-	-	3,263.23
Total equity and liabilities	2,457.89	672.25	(515.74)	-	(515.74)	2,563.75	3,279.55	709.48	-	-	-	3,988.81

See accompanying notes forming part of the proforma consolidated financial information

In terms of our report of even date

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No. 00050N N50045

Partner

Membership No.: 000570

Place : Gurugram

Date : 22 May 2025

For and on behalf of the Board of Directors,

Waterways Leisure Tourism Limited

Jurgen Balam

Chief Executive Officer and Executive Director

DIN: 10373393

Place: Mumbai

Date: 22 May 2025

Aditya Gupta

Executive Director

DIN: 00411950

Place: Mumbai

Date: 22 May 2025

Nikhilant Usadshav

Chief Financial Officer

Place: Mumbai

Date: 22 May 2025

Ankit Shah

Company Secretary

Place: Mumbai

Date: 22 May 2025



Particulars	Reinstated Statement of Profit & Loss of Waterways Leisure Tourism Private Limited for period ended 31 December 2024	Buy Cruise Investments Inc., Management certified Ind AS Statement of Profit & Loss for the period ended 31 December 2024 (refer note 2)	Intragroup elimination (A)	Acquisition adjustment (B)	Total adjustments (A+B)	Proforma Consolidated Statement of Profit & Loss of Waterways Leisure Tourism Private Limited for the period ended 31 December 2024	Reinstated Statement of Profit & Loss of Waterways Leisure Tourism Private Limited for year ended 31 March 2024	Proforma Consolidated Statement of Profit & Loss of Waterways Leisure Tourism Private Limited for the year ended 31 March 2024
Revenue from operations	4,094.52	76.76	-	-	-	4,171.28	4,421.10	4,440.60
Other Income	47.60	3.38	-	-	-	50.98	80.94	80.94
Total Income	4,142.12	80.14	-	-	-	4,222.26	4,502.04	4,521.54
Expenses								
(a) Marketing Expenses	1,986.13	-	-	-	-	1,986.13	2,591.02	2,591.02
(b) Entertainment expense	205.75	0.16	-	-	-	205.75	172.68	172.68
(c) Finance costs	353.32	100.48	-	-	-	353.48	351.34	351.37
(d) Depreciation and amortisation expense	542.15	52.15	-	-	-	540.54	1,814.50	1,814.50
(e) Other expenses	542.15	52.15	-	-	-	608.64	627.13	626.53
Total expenses	3,519.03	173.51	-	-	-	3,694.54	5,556.76	5,603.96
Profit / Loss before exceptional items and tax	623.09	(93.37)	-	-	-	527.72	(1,054.72)	(1,082.42)
Exceptional Items	(755.89)	-	-	-	-	-755.89	144.45	144.45
Profit / (Loss) before tax	1,378.98	(93.37)	-	-	-	1,283.61	(1,199.17)	(1,226.87)
Tax expense:								
(a) Current tax	-	-	-	-	-	-	0.46	0.46
(b) Deferred tax charge / (benefit)	(13.50)	-	-	-	-	(13.50)	-	-
Total tax expenses/(benefit)	(13.50)	-	-	-	-	(13.50)	0.46	0.46
Profit / (Loss) for the period/year	1,392.54	(93.37)	-	-	-	1,297.17	(1,199.63)	(1,227.33)
Other Comprehensive loss for the year net of tax items that will not be reclassified to profit and loss								
- Remeasurement of post employment benefit obligations	1.37	-	-	-	-	1.37	(0.02)	(0.02)
- Tax impact on above	(0.34)	-	-	-	-	(0.34)	-	-
- Foreign currency translation adjustment	-	18.29	-	-	-	18.59	-	0.37
Total comprehensive income / (loss) for the year	1,391.51	(113.98)	-	-	-	1,277.55	(1,199.61)	(1,227.68)
Earnings per share (of Rs 10 each):								
Basic and Diluted earnings per share (Rs.)	21.53					20.05	(18.55)	(18.97)

See accompanying notes forming part of the proforma consolidated financial information

In terms of our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050/N/NS00045



Rahul Singhal
Partner
Membership No.: 096570
Place : Gurugram
Date: 22 May 2025

For and on behalf of the Board of Directors,
Waterways Leisure Tourism Limited



Jurgen Bailom
Chief Executive Officer and Executive Director
DIN: 10373283
Place: Mumbai
Date: 22 May 2025

Ankit Gupta
Company Secretary
DIN: 0817196
Place: Mumbai
Date: 22 May 2025

Nehant Usadhay
Chief Financial Officer
Place: Mumbai
Date: 22 May 2025

Ankit Shah
Company Secretary
Place: Mumbai
Date: 22 May 2025

WATERWAYS LEISURE TOURISM LIMITED (formerly known as WATERWAYS LEISURE TOURISM PRIVATE LIMITED)
(CIN: U63030MH2020PLC440323)
NOTES TO THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION
ALL AMOUNT IN INR MILLION UNLESS OTHERWISE STATED

1. The proforma consolidated financial information comprising of proforma consolidated balance sheet as at 31 December 2024 and 31 March 2024 and proforma consolidated statement of profit & loss for the nine months period ended 31 December 2024 and for year ended 31 March 2024 (together referred to "Proforma Consolidated Financial Information") have been compiled pursuant to the requirement of clause (11)(B)(iii) of Part A of Schedule VI of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI Regulations") and in accordance with the requirements of The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("The Guidance Note") to illustrate the impact of proposed acquisition of Bay Cruise Investments Inc., British Virgin Island ("proposed acquiring entity") as a subsidiary of the Company on the consolidated financial position and financial performance of Waterways Leisure Tourism Limited ("the Company") during nine months period ended 31 December 2024 and year ended 31 March 2024 as if the acquisition had taken place on those dates respectively. The Company and the proposed acquiring entity together referred to as 'the Group'. Subsequent to period ended 31 December 2024, the Board of Directors of the Company has approved vide resolution dated 14 February 2025 the acquisition of 99.99% stake in Bay Cruise Investments Inc., British Virgin Island by subscribing 30,000 equity shares at the fair value of USD 130 per equity share. Consequently, Bay Cruise Investments Inc. has become the subsidiary of the Company.
2. The proforma consolidated financial statements have been compiled from the 1) Restated Financial Information of Waterways Leisure Tourism Limited ("the Company") for the nine months period ended 31 December 2024 and for years ended 31 March 2024, 31 March 2023 and 31 March 2022, and 2) Management certified financial information of Bay Cruise Investments Inc., British Virgin Island ("BVI") ("proposed acquired entity") being immaterial acquisition to the Company as per the condition laid down in SEBI Regulations. Accordingly, these proforma consolidated financial statements have been provided voluntarily by the management as permitted under Securities and Exchange Board Of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025.
3. The proforma consolidated financial statements have been approved by the Board of Directors of the Company in its meeting held on 22 May 2025. These proforma consolidated financial statements is certified by the auditors of Waterways Leisure Tourism Limited in accordance with SAE 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus.
4. The management certified financial information of the proposed acquired entity is being compiled based on the accounting policies adopted by the Company for preparing the restated financial information of the Company i.e., Ind AS specified under section 133 of the Companies Act, 2013.
5. The acquisition accounting is being done based on Appendix C of Ind AS 103 on Business Combination among common control entities as the Company and the proposed acquired entity were part of the same holding company i.e., Global Shipping and Leisure Limited. Accordingly, all the assets and liabilities including the reserves of the proposed acquired entity has been stated at cost while preparing the proforma consolidated financial statements.
6. The intra group elimination refers to the elimination of intra balances in the books of account of the Company and the proposed acquired entity primarily the right of use asset and corresponding liability recognised in the books of the Company for proposed acquired entity. Shares subscribed by the Company has been adjusted with the share capital of the proposed acquired entity as elimination.
7. The investment in the books of account of the proposed acquired entity has not been considered due to round off to millions.
8. The proforma EPS calculation for nine months period ended 31 December 2024 and year ended 31 March 2024 are based on proforma consolidated statement of profit and loss of the respective period and the equity shares of the Company.

In terms of our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/ N500045


Rahul Singhal
Partner



Membership No.: 096570

Place : Gurugram
Date: 22 May 2025



For and on behalf of the Board of Directors,
Waterways Leisure Tourism Limited


Jurgen Bailom
Chief Executive Officer
and
Executive Director
DIN: 10373283

Place: Mumbai
Date: 22 May 2025


Aditya Gupta
Executive Director
DIN: 09581950

Place: Mumbai
Date: 22 May 2025


Nishikant Upadhyay
Chief Financial Officer

Place: Mumbai
Date: 22 May 2025


Ankit S. Shah
Company Secretary

Place: Mumbai
Date: 22 May 2025