BAS

GROUP OF COMPANIES

2025-26 ANNUAL REPORT

TABLE OF CONTENTS

Certain statements in this report may be deemed to include "forward-looking statements" and are based on Management's current expectations and are subject to uncertainty and change in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors including worldwide economic conditions, success in business retention and obtaining new business and other factors.

REPORT TO SHAREHOLDERS

We are pleased to report that Bermuda Aviation Services Limited ("the Company") and its group of subsidiaries ("the Group") delivered a resilient financial performance for the year ended March 31, 2026. Despite operating in a more challenging environment, the Group remained profitable, generating total comprehensive income of $1.29 million through disciplined cost management, operational efficiencies, and a continued focus on long-term value creation.

A Year of Resilience

Revenue from continuing operations totalled $12.5 million, representing a modest decrease from the prior year. Through careful management of the cost base and ongoing operational efficiencies, the Group maintained cost of revenue at levels consistent with the previous year while reducing overall operating expenses. Total operating expenses declined by $0.1 million to $6.9 million, reflecting continued cost discipline. Income for the year was $1.29 million, down $0.15 million from the prior year. The Group's financial performance reflects the strength of its underlying business, with disciplined execution and prudent financial management enabling the Company to navigate a more challenging operating environment while maintaining profitability.

Strengthening the Organisation

During the year, the Group continued to enhance its organisational structure by investing in a more skilled and capable workforce while aligning resources with the evolving needs of the business. Through a combination of operational efficiencies, workforce optimisation, and a greater focus on specialised expertise, the Group strengthened its ability to deliver high-quality services while maintaining a disciplined approach to costs.

Strategic Investment and Growth

The Group's long-term strategy remains centred on sustainable growth through diversification, innovation, and targeted expansion. During the year, meaningful progress was made in broadening service capabilities and reinforces the importance of continued investment in those areas most likely to drive durable, long-term growth.

Returning Value to Shareholders

Reflecting the Group's continued financial stability, the Board of Directors has approved a dividend totalling $0.10 per share for the fiscal year, comprising a regular dividend of $0.03 per share and a special dividend of $0.07 per share. This determination reflects the Board's confidence in the Group's underlying financial health and its ongoing commitment to delivering value to shareholders.

Looking Ahead

The Group enters fiscal 2027 with a strong financial foundation and a clear strategic direction. Building on the progress made over the past year, the Board remains focused on driving sustainable growth through operational excellence, disciplined capital allocation, and continued investment in opportunities that strengthen the Group's long-term competitive position.

While the broader operating environment remains dynamic, the Board is confident that the actions taken to enhance the business have positioned the Group well to capitalise on future opportunities and continue delivering long-term value for shareholders.

Certain statements in this report may be deemed to include "forward-looking statements" and are based on Management’s current expectations and are subject to uncertainty and change in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors including worldwide economic conditions, success in business retention and obtaining new business and other factors.

Thank You

On behalf of the Board of Directors and the executive leadership team, we wish to express our sincere appreciation to our employees for their continued professionalism and dedication throughout the year. We also extend our gratitude to our shareholders for their ongoing confidence and support.

Gail E. M. Miller
Chairman

Navdeep Dhesi
Chief Executive Officer

July 23, 2026

Certain statements in this report may be deemed to include "forward-looking statements" and are based on Management's current expectations and are subject to uncertainty and change in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors including worldwide economic conditions, success in business retention and obtaining new business and other factors.

FINANCIAL HIGHLIGHTS

FIVE YEAR SUMMARY

FOR THE YEAR ENDED MARCH 31 (Expressed in thousands of Bermuda Dollars)

	2026	2025	2024	2023	2022
Revenue from continuing operations	12,551	12,883	12,387	13,648	12,433
Income from continuing operations	1,285	1,435	1,005	562	1,160
Income for the year	1,285	1,435	1,005	562	1,160
Income attributable to non-controlling interests	(64)	(16)	(11)	(46)	(108)
Income attributable to shareholders of the Company	**1,221**	**1,419**	**994**	**516**	**1,052**
Dividends	492	492	492	492	-

FINANCIAL POSITION — AS AT MARCH 31 (Expressed in thousands of Bermuda Dollars)

	2026	2025	2024	2023	2022
Total assets	24,141	22,957	21,775	21,349	21,606
Total liabilities	3,025	2,592	2,315	2,357	2,577
Equity attributable to shareholders of the Company	**20,949**	**20,220**	**19,293**	**18,791**	**18,767**

FINANCIAL RATIOS

	2026	2025	2024	2023	2022
Earnings per share	$0.25	$0.29	$0.20	$0.10	$0.21
Return on shareholders' equity	6.09%	7.05%	5.16%	2.96%	6.10%

SHAREHOLDER DATA

	2026	2025	2024	2023	2022
Shares in issue	4,922,301	4,922,301	4,922,301	4,922,301	4,922,301
Book value per share	$4.26	$4.11	$3.92	$3.82	$3.81

AS AT MARCH 31

	2026	2025	2024	2023	2022
Number of employees	56	76	83	84	81

The accompanying report of KPMG Audit Limited ("KPMG") is for the sole and exclusive use of Bermuda Aviation Services Limited (the "Company"). No person, other than the Company, is authorized to rely upon the report of KPMG unless KPMG expressly so authorizes. Furthermore, the report of KPMG is as at July 23, 2026 and KPMG has carried out no procedures of any nature subsequent to that date which in any way extends that date.

KPMG Audit Limited
Crown House
4 Par-la-Ville Road
Hamilton
HM 08
Bermuda

Telephone +1 441 295 5063
Fax +1 441 295 9132
Internet www.kpmg.bm

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of Bermuda Aviation Services Limited

Opinion

We have audited the consolidated financial statements of Bermuda Aviation Services Limited and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2026, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public entities in Bermuda. We have also 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Goodwill impairment assessment ***See Notes 2(J), 2(K) and 10 of the consolidated financial statements for details of the goodwill impairment*** As at March 31, 2026, goodwill arising from the acquisition of the Automotive Garages and Facilities Management cash generating units ("CGUs") was $4,529 thousand. During the year ended March 31, 2026, management performed an impairment assessment and concluded that the goodwill was not impaired.	We evaluated internal future cashflow forecasts for the CGUs and the process by which they were developed. We compared previous forecasts to actual results to assess the performance of each CGU and the accuracy of internal forecasting and assessed explanations received by reference to our cumulative audit knowledge and also obtained support for deviations from previous forecasts.

KPMG

<table>
<tr>
<td>The annual goodwill impairment assessment is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount. This results in an increased risk of error due to estimation uncertainty.
The recoverable amount of the CGUs, which is based on the higher of the value in use or fair value less costs of disposal, has been derived from discounted future cash flow models. The most significant judgements and key assumptions used related to:
▪ projected cashflows from revenue and expense growth/contraction;
▪ discount rate;
▪ budgeted growth rate; and
▪ time period over which cashflows are projected to occur.</td>
<td>We tested the Group’s calculations for accuracy and the judgements and assumptions that supported the directors’ conclusions that goodwill was not impaired as follows:
▪ We evaluated the valuation techniques, assumptions and data used by the directors to make their accounting estimates (and range thereof) used for calculation of the CGUs’ value in use by reference to internal and external supporting documentation.
▪ We evaluated the appropriateness and likelihood of the sensitivities and their impact on the overall impairment test outcome and assessed whether additional sensitivity analysis would have been appropriate in light of our cumulative audit knowledge.
▪ We evaluated whether judgements and decisions made by the directors when measuring recoverable amount are indicators of possible “management bias”. Specifically, we evaluated the assumptions made in arriving at internally developed operating budget and cashflow forecasts for each CGU based on historical results and actual performance against budget, and externally available information including current and recent Bermuda inflation rates.
▪ We compared the discount rate used of 11% to the Group’s internal weighted average cost of capital and our independent assessment of the rate of return required by an external investor based on market data.
▪ We tested the allocation of overheads to CGUs against both historic internal allocations to the CGUs and also through evaluating the supporting methodology for the costs included within the forecast allocations.

There were no material exceptions or contradictory information as a result of the procedures performed.</td>
</tr>
</table>

Other information

Management is responsible for the other information. The other information comprises the Report to Shareholders 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 the 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 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 IFRS, 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.

Auditor's responsibilities for the audit of the consolidated 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 ISA 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 ISA, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 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.

- Plan and perform the group audit to 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The Engagement Partner on the audit resulting in this independent auditor's report is Felicia Wilsen.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
July 23, 2026

CONSOLIDATED
FINANCIAL STATEMENTS

MARCH 31, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026 (Expressed in thousands of Bermuda Dollars)

	2026	2025
CURRENT ASSETS		
Cash and cash equivalents (note 4)	5,477	4,285
Fixed term deposit (note 5)	5,898	5,683
Accounts receivable (notes 6 and 17)	2,019	1,978
Prepaid expenses (note 7)	197	181
Inventories (note 8)	590	555
	14,181	**12,682**
NON-CURRENT ASSETS		
Property, plant and equipment (note 9)	5,431	5,746
Goodwill (note 10)	4,529	4,529
	9,960	**10,275**
TOTAL ASSETS	**24,141**	**22,957**
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (notes 3 and 11)	1,510	1,337
Deferred revenue (note 6)	1,515	1,255
TOTAL LIABILITIES	**3,025**	**2,592**
EQUITY		
Attributable to shareholders of the Company:		
Share capital (note 12)	4,922	4,922
Share premium	12,371	12,371
Retained earnings	3,656	2,927
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**20,949**	**20,220**
Attributable to non-controlling interests (note 13)	167	145
TOTAL EQUITY	**21,116**	**20,365**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**24,141**	**22,957**

Signed on behalf of the Board

Director

Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2026 (Expressed in thousands of Bermuda Dollars except earnings per share data)

	2026	2025
Total revenue (note 18)	**12,551**	**12,883**
Total cost of revenue (note 8)	(4,825)	(4,832)
GROSS PROFIT	**7,726**	**8,051**
Rental income (note 14)	299	287
OPERATING EXPENSES		
Wages and benefits (note 17)	(5,159)	(5,139)
Other direct expenses and overheads (notes 8 and 15)	(1,327)	(1,455)
Depreciation (note 9)	(477)	(464)
TOTAL OPERATING EXPENSES	**(6,963)**	**(7,058)**
Impairment gain (loss) on trade receivables (note 6)	11	(24)
TOTAL OPERATING INCOME	**1,073**	**1,256**
Finance costs	(3)	(4)
Investment income	215	183
TOTAL INCOME FROM CONTINUING OPERATIONS	**1,285**	**1,435**
TOTAL COMPREHENSIVE INCOME	**1,285**	**1,435**
INCOME ATTRIBUTABLE TO:		
Shareholders of the Company	1,221	1,419
Non-controlling interests (note 13)	64	16
INCOME FOR THE YEAR	**1,285**	**1,435**
EARNINGS PER SHARE		
Basic and diluted from income for the year (note 16)	0.25	0.29

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2026 (Expressed in thousands of Bermuda Dollars)

	Share capital	Share premium	Retained earnings	Total	NCI	Total equity
April 1, 2024	**4,922**	**12,371**	**2,000**	**19,293**	**167**	**19,460**
TRANSACTIONS WITH OWNERS RECOGNISED DIRECTLY IN EQUITY						
Dividends to non-controlling interests (note 13)	-	-	-	-	(38)	(38)
Dividends to shareholders (note 12)	-	-	(492)	(492)	-	(492)
Total Comprehensive Income	**4,922**	**12,371**	**1,508**	**18,801**	**129**	**18,930**
Income for the year	-	-	1,419	1,419	16	1,435
March 31, 2025	**4,922**	**12,371**	**2,927**	**20,220**	**145**	**20,365**
April 1, 2025	**4,922**	**12,371**	**2,927**	**20,220**	**145**	**20,365**
TRANSACTIONS WITH OWNERS RECOGNISED DIRECTLY IN EQUITY						
Dividends to non-controlling interests (note 13)	-	-	-	-	(42)	(42)
Dividends to shareholders (note 12)	-	-	(492)	(492)	-	(492)
Total Comprehensive Income	**4,922**	**12,371**	**2,435**	**19,728**	**103**	**19,831**
Income for the year	-	-	1,221	1,221	64	1,285
MARCH 31, 2026	**4,922**	**12,371**	**3,656**	**20,949**	**167**	**21,116**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026 (Expressed in thousands of Bermuda Dollars)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income for the year	1,285	1,435
Adjustments:		
Depreciation (note 9)	477	464
Impairment (gain) loss on trade receivables (note 6)	(11)	24
Investment income	(215)	(183)
Changes in non-cash working capital:		
Accounts receivable (note 6)	(30)	489
Prepaid expenses (note 7)	(16)	(60)
Inventories (note 8)	(35)	71
Accounts payable and accrued liabilities (note 11)	173	208
Deferred revenue (note 6)	260	69
NET CASH PROVIDED BY OPERATING ACTIVITIES	**1,888**	**2,517**
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investment in fixed term deposit (note 5)	-	(2,500)
Additions to property, plant and equipment (note 9)	(162)	(32)
NET CASH USED IN INVESTING ACTIVITIES	**(162)**	**(2,532)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to non-controlling interests (note 13)	(42)	(38)
Dividends paid to controlling interests (note 12)	(492)	(492)
NET CASH USED IN FINANCING ACTIVITIES	**(534)**	**(530)**
CASH AND CASH EQUIVALENTS		
Increase (decrease) during the year	1,192	(545)
Beginning of the year	4,285	4,830
END OF THE YEAR	**5,477**	**4,285**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 — OPERATIONS

Bermuda Aviation Services Limited ("BAS" or the "Company") is domiciled and registered in Bermuda. The Company's registered office is Clarendon House, 2 Church Street, Hamilton, Bermuda. BAS and its subsidiaries (the "Group") distribute automotive parts and provide automotive services; and provide facilities management services including elevator maintenance and installation, customised electrical, generator and fire detection solutions. BAS, the ultimate controlling entity of the Group, is listed on the Bermuda Stock Exchange. The principal place of business is located at 19 Bakery Lane, Pembroke, HM 07, Bermuda.

These consolidated financial statements were approved by the Board of Directors on July 23, 2026.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES

A) BASIS OF PREPARATION

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 interpretations issued by the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements have been prepared on the historical cost basis except for assets and liabilities held-for-sale, which are measured at fair value. These consolidated financial statements are presented in Bermuda Dollars which is the Group's functional currency.

Based on its current operations subsequent to the year-end, and future operating budgets, financial forecasts and cashflow projections, management expects the level of activity will be sufficient to enable the Group to continue to adopt the going concern basis in preparing its consolidated financial statements.

B) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made various estimates.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES

B) Significant accounting judgements, estimates and assumptions (continued)

(i) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Notes 2.E(iii) and 6 — Impairment of financial instruments: measurement of the expected credit loss allowance for trade receivables
- Notes 2.J, K and 10 — Intangible assets and goodwill: key assumptions underlying the goodwill impairment assessment including discount rate, cashflows and growth rate

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

C) NEW STANDARDS AND INTERPRETATIONS

There are a number of new or amended standards that are effective for annual periods beginning after April 1, 2025, which the Group has not early adopted in preparing its consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements, except for the new presentation and disclosure requirements of IFRS 18:

- Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7
- IFRS 18 Presentation and Disclosure in Financial Statements
- Annual Improvements to IFRS Accounting Standards — Volume 11
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. The new accounting standard introduces the following key new requirements:

(i) Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.

(ii) Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

(iii) Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES
C) New Standards and Interpretations (continued)

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's consolidated statement of comprehensive income, the statement of cash flows, and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

D) CONSOLIDATION

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in these consolidated financial statements from the date on which control commences until the date on which control ceases.

These consolidated financial statements include the financial statements of BAS and its wholly owned subsidiaries: BAS Facilities Management Ltd. ("BASFM"), Eastbourne Properties Ltd. ("EPL"), and Weir Enterprises Ltd. ("Weir"). These consolidated financial statements also include the Group’s interest in Otis Elevator Company (Bermuda), Ltd. ("Otis"), whereby the Group has an 80.1 percent interest (2025 – 80.1 percent).

All transactions and balances within the Group have been eliminated on consolidation. The financial statements of the subsidiaries are prepared for the same reporting period as BAS, using consistent accounting policies.

(ii) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and any equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group’s share of the identifiable net assets acquired, is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

Acquisition-related costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

E) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Accounts and other receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments. Accounts and other receivables are initially measured at the transaction price which reflects fair value. All other financial assets and financial liabilities are initially measured at fair value plus transactions costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Management determines the classification of its financial instruments at the time of initial recognition. The classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Group's designation of such instruments.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and if its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio, how the performance of the portfolio is evaluated and reported to the Group's management and the risks that affect the performance of the business model and how those risks are managed. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument, including assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The following summarises the classification the Group applies to each of its significant categories of financial instruments:

Categories	Classification
Cash and cash equivalents	Amortised cost
Fixed term deposit	Amortised cost
Accounts and other receivables	Amortised cost
Accounts payable	Amortised cost

Financial assets and financial liabilities are subsequently accounted for based on their classification as described below.

Financial assets measured at amortised cost

Financial assets measured at amortised cost are accounted for at amortised cost using the effective interest method less any impairment losses.

Other financial liabilities

Other financial liabilities are recorded at amortised cost using the effective interest method.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES

E) Financial Instruments (continued)

(iii) Impairment of financial instruments

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For financial assets measured at amortised cost, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Impairment losses are recognised in the consolidated statement of comprehensive income and reflected in an allowance account against accounts and other receivables. If, in a subsequent period, an event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the consolidated statement of comprehensive income.

F) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash balances with banks in current and demand accounts and deposits with an original maturity date of 90 days or less. The Group maintains bank accounts with three financial institutions in Bermuda. Cash and cash equivalents are classified as financial assets measured at amortised cost

G) ACCOUNTS RECEIVABLE

Accounts receivable are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected within one year, they are classified as current assets. If not, they are presented as non-current assets under accounts receivable. Accounts receivable also include unbilled revenue on contracts in progress, which represent amounts recognised as revenue for which invoices have not yet been issued.

H) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based either on a first-in/first-out basis or a weighted average basis. Inventories include a provision, assessed by management, for slow moving and obsolete inventory items.

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period, to the extent that such events confirm conditions existing at the end of the period.

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

I) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Land is not depreciated. Property, plant and equipment are being depreciated over their estimated useful lives using the straight-line method, which are as follows:

Buildings	From 20 to 40 years
Machinery and equipment	From 2 to 15 years
Furniture and fixtures	From 3 to 10 years
Leasehold improvements	From 2 to 10 years

The assets' residual values and useful lives are reviewed at the end of each reporting period. If an asset's carrying amount is greater than its recoverable amount, it is written down to its recoverable amount.Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds of the disposal with the carrying amount of the asset and are recognised in the consolidated statement of comprehensive income.

J) INTANGIBLE ASSETS AND GOODWILL

Intangible assets acquired separately are initially measured at cost. The goodwill acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, goodwill is carried at cost less accumulated impairment losses.

K) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the CGU, or the group of CGUs, that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

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

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

L) ACCOUNTS PAYABLE

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

M) DEFERRED REVENUE

Collection of sales revenue from customers for future products and services are recorded as deferred revenue (contract liabilities) until the contracts are completed or the products and services are delivered.

N) FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the financial statements of each of the Group’s subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates (‘the functional currency’). These consolidated financial statements are presented in Bermuda Dollars (“BMD”), which is the functional currency of all subsidiaries.

(ii) Transactions and balances

Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to BMD at the rates of exchange prevailing at the date of the consolidated financial statements.

Exchange gains and losses are included in other direct expenses and overheads. For the year ended March 31, 2026, exchange losses were $10 (2025- $41) (note 15).

Non-monetary assets and liabilities denominated in foreign currencies are translated to BMD at historical rates of exchange.

For the purpose of the consolidated statement of cash flows, exchange gains and losses are treated as cash items and included along with movements in the relevant balances

(Expressed in thousands of Bermuda Dollars)

2 — SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

O) REVENUE RECOGNITION

Revenue is measured based on the consideration specified in a contract with a customer and is recorded when control of goods or services is transferred to a customer. For the sale of goods, revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods. For the sale of services, revenue recognition occurs over time given that the customer simultaneously receives and consumes the benefits provided by the Group. For services sold together with other services or equipment, the Group accounts for them as separate deliverables and allocates consideration between these deliverables based on relative stand-alone selling prices. Net, rather than gross, revenue is recorded for projects where the Group acts as an agent of the customer and manages a project on the clients' behalf. Total cost of revenue includes only expenses directly or indirectly attributable to the provision of goods and services such as the costs of inventory, labour and attributable overheads. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies

Revenue Stream	Nature and timing	Revenue recognition
Automotive garages	Customers obtain control of the automotive parts and services when the goods are dispatched from the Group's warehouse or when the services have been accepted at the Group's premises. Invoices are generated at that point in time.	Revenue is recognised at a point-in-time, when the customers take possession of the goods or when the services have been accepted.
Facilities management	Customers obtain control of the facilities management services as they are being rendered at their premises. Invoices are generated based on agreed contractual terms.	For maintenance, management and support contracts, revenue is recognised over the period of time covered by the contract. For all other contracts, revenue is recognised over time, in relation to the cost incurred for the project, as progress is determined based on the cost-to-cost method. Uninvoiced amounts are included in accounts receivable as unbilled revenue on contracts in progress and advances received are included in deferred revenue.

P) PENSION BENEFITS

The Group maintains defined contribution pension plans covering certain employees. Employer contributions to the defined contribution plans are expensed as incurred and are included in wages and benefits expenses. The net defined contribution plan expenses for the Group for the year ended March 31, 2026 were $158 (2025 - $163). The net pension payable for the Group at March 31, 2026 is $33 (2025 - $23).

Q) COST OF REVENUE

The Group defines cost of revenue as expenses attributed to customers and projects incurred to generate revenue.

3 — FINANCIAL RISK MANAGEMENT

A) FINANCIAL RISK FACTORS

The Group's activities may expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk, and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(i) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the current year, the Group has no significant exposure to interest rate risk.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities.

The Group, in its normal course of business, is required to acquire both goods and services from overseas vendors requiring payment primarily in US Dollars (USD) and to a lesser extent Pounds Sterling (GBP) and Euro (EUR). However, foreign currency risk is minimal, due to the fact that the Bermuda dollar is pegged to the USD at a 1:1 rate and that the GBP and EUR exposure is not significant.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market other than interest rate, currency, credit or liquidity. At the reporting date the Group had no significant price risk exposure.

(ii) CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with financial institutions.

Cash and cash equivalents are held with financial institutions which have a minimal risk of default, rated by S&P Global Ratings with minimum credit ratings of BBB+, and as such do not expose the Group to significant credit risk. Customer credit risk is managed by each subsidiary subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group does not hold collateral as security, and the maximum exposure to credit risk at the reporting date is the carrying value of the accounts receivable and cash and cash equivalents balances.

(Expressed in thousands of Bermuda Dollars)

3 — FINANCIAL RISK MANAGEMENT

A) Financial Risk Factors (continued)

(iii) LIQUIDITY RISK

Liquidity risk is the risk that sufficient funds will not be available to meet financial requirements as they become due. The Group manages liquidity risk by continually monitoring actual and projected cash flows. The following are the contractual undiscounted cash flows of financial liabilities by contractual maturities at the end of each reporting period:

March 31, 2026	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Total
Accounts payable (note 11)	**738**	**-**	**-**	**-**	**-**	**738**

March 31, 2025	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Total
Accounts payable (note 11)	**549**	**-**	**-**	**-**	**-**	**549**

B) CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain investor, creditor and market confidence so as to sustain the future development of the business.

The Group sets the amount of capital in proportion to risk required. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, purchase its own shares for cancellation or sell its assets to reduce debt. As at March 31, 2026 the net debt to asset ratio is nil (2025 – nil).

C) FAIR VALUE ESTIMATION

Fair value is the amount for which a financial asset could be exchanged, or a financial liability settled, between knowledgeable, willing parties in an arm's length transaction.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable are reasonable estimates of their fair values due to the short-term maturity of these instruments or the fact that they attract interest at market rates.

(Expressed in thousands of Bermuda Dollars)

3 — FINANCIAL RISK MANAGEMENT
C) Fair Value Estimation (continued)

Judgements include considerations of inputs such as liquidity risk, credit risk and market conditions. Changes in assumptions relating to these factors could affect the reported fair value.

As at March 31, 2026, no group of assets or liabilities were measured at fair value. There have been no transfers between hierarchy levels during the years ended March 31, 2026, and 2025.

4 — CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash held in current accounts in the amount of $5,477 (2025 – $4,285).

5 — FIXED TERM DEPOSIT

In June 2023, the Group invested $3,000 in a fixed-term deposit to be held for a period of 1 year at an interest rate of 4%. Upon maturity in June 2024, the fixed-term deposit was reinvested in November 2024 at an interest rate of 3.5% for a further period of 1 year and earned income of $183. Upon maturity the fixed term deposit was reinvested to be held on a monthly basis at an interest rate of 2.75%. In addition, in January 2025, the Group invested a further $2,500 in a fixed-term deposit to be held on a monthly rollover basis at an interest rate of 2.5%.

6 — ACCOUNTS RECEIVABLE AND LIABILITIES

Accounts receivables are classified as follows:

	2026	2025
Trade receivables	1,554	1,461
Unbilled revenue on contracts in progress	487	556
Less: allowance for doubtful accounts	(22)	(39)
TOTAL ACCOUNTS RECEIVABLE	**2,019**	**1,978**

The aging of current trade accounts receivable at the reporting date was:

	Gross amount 2026	Weighted avg loss rate	Impaired amount 2026	Net 2026	Credit impaired
Not past due	531	-	-	531	No
1-30 days	831	-	-	831	No
31-60 days	187	-	-	187	No
61-90 days	29	-	-	29	No
More than 90 days	463	4.54%	(22)	441	Yes
TOTAL	**2,041**		**(22)**	**2,019**	

(Expressed in thousands of Bermuda Dollars)

6 — ACCOUNTS RECEIVABLE AND LIABILITIES (continued)

	Gross amount 2025	Weighted avg loss rate	Impaired amount 2025	Net 2025	Credit impaired
Not past due	599	-	-	599	No
1-30 days	797	-	-	797	No
31-60 days	170	-	-	170	No
61-90 days	96	-	-	96	No
More than 90 days	355	10.99%	(39)	316	Yes
TOTAL	**2,017**		**(39)**	**1,978**	

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2026	2025
Opening balance	39	43
(Reversal) charge for the year	(11)	24
Receivables written off during the period as uncollectible	(6)	(28)
CLOSING BALANCE	**22**	**39**

Deferred revenue (contract liabilities) of $1,515 (2025 - $1,255) is derived from the advance consideration received from customers for projects for which revenue is recognised over time. Of the $1,255 deferred in 2025, $913 was recognized as revenue in 2026. Unbilled revenue of $487 (2025 - $556) is as result of work performed or services provided and not billed at the reporting date.

7 — PREPAID EXPENSES

Prepaid expenses are classified as follows:

	2026	2025
Insurance	69	10
Taxes	52	50
Other prepaid expenses	76	121
TOTAL	**197**	**181**

(Expressed in thousands of Bermuda Dollars)

8 — INVENTORIES

Inventories are classified as follows:

	2026	2025
Automotive parts	586	551
Electrical parts and other	4	4
TOTAL	**590**	**555**

Cost of revenue includes expensed inventories in the amount of $945 (2025 – $1,061).

Other direct expenses and overheads includes a write-down of inventories in the amount of $39 (2025 – $65) (note 15).

Inventories are shown net of a provision for obsolete and slow-moving items in the amount of $26 (2025 – $11).

9 — PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment cost and related accumulated depreciation are classified as follows:

Cost	Land & buildings	Machinery & equipment	Furniture & fixtures	Leasehold improvements	Total
April 1, 2024	11,244	1,337	97	648	13,326
Additions	-	32	-	-	32
Disposals and retirements	-	(27)	-	-	(27)
March 31, 2025	**11,244**	**1,342**	**97**	**648**	**13,331**
Additions	-	42	-	120	162
March 31, 2026	**11,244**	**1,384**	**97**	**768**	**13,493**

Accumulated depreciation & impairment	Land & buildings	Machinery & equipment	Furniture & fixtures	Leasehold improvements	Total
April 1, 2024	5,330	1,179	97	542	7,148
Depreciation for the year	365	54	-	45	464
Disposals and retirements	-	(27)	-	-	(27)
March 31, 2025	**5,695**	**1,206**	**97**	**587**	**7,585**
Depreciation for the year	365	57	-	55	477
March 31, 2026	**6,060**	**1,263**	**97**	**642**	**8,062**

Carrying Amount	Land & buildings	Machinery & equipment	Furniture & fixtures	Leasehold improvements	Total
At April 1, 2024	5,914	158	-	106	6,178
At March 31, 2025	5,549	136	-	61	5,746
At March 31, 2026	**5,184**	**121**	**-**	**126**	**5,431**

(Expressed in thousands of Bermuda Dollars)

9 — PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment are reviewed annually for impairment indicators. Management has determined that there was no impairment of property, plant and equipment for the years ended March 31, 2026 or 2025.

10 — GOODWILL

Goodwill is classified as follows:

	Automotive Garages	Facilities Mgmt CGU 1	Facilities Mgmt CGU 2	Total
Goodwill				
April 1, 2024	**891**	**1,175**	**2,463**	**4,529**
March 31, 2025, and 2026	**891**	**1,175**	**2,463**	**4,529**
Carrying amounts				
At April 1, 2024	**891**	**1,175**	**2,463**	**4,529**
At March 31, 2025, and 2026	**891**	**1,175**	**2,463**	**4,529**

During the year, management conducted impairment tests on the Group’s CGUs and determined that goodwill was not impaired. The recoverable amount of each CGU was based on its value in use, determined by discounting future cash flows to be generated from the continuing use of the CGUs. The carrying amount of the CGU is not higher than its recoverable amount therefore no impairment loss was recognised. The key assumptions used in the estimation of value in use were as follows:

	2026	2025
Discount rate	11.00%	11.00%
Period	50 years	50 years
Budgeted growth rate	2.00%	2.00%

Cash Flow Assumption
Based on cash flow projections for the year ending March 31, 2026 (presented and approved by the Board of Directors) as the constant annual future cash flows based on prior periods. No capital expenditures were factored into the cash flow projections, as no investment is needed to maintain the current level of operations of the CGUs, as they rely almost entirely on inventory and labour to generate revenues.

Discount rate
A discount rate of 11.00% (2025 – 11.00%) was used based on the estimated weighted-average cost of capital and inflation.

Growth rate
A growth rate of 2.00% (2025 – 2.00%) was used, which represents management’s assessment of future cash flows.

Time
Management elected to use a period of 50 years as the CGUs are well-established Bermuda businesses, at the end of which the terminal value would be the initial value of operating net assets.

10 — GOODWILL

Sensitivity Analysis (continued)

Sensitivity Analysis

The Company prepared a stress testing considering the following scenarios taking into account different discount rates and forecasts projected to a period of 50 years.

For Facilities Management CGU 1, a sensitivity analysis was conducted and the following was noted:

- Revenue would have to decrease by $27 each year for the impairment model to achieve break even.
- The discount rate would have to increase by 0.89% for the impairment model to achieve break even.
- The Company, having carried out the impairment tests above, concluded that no impairment needed to be recorded for the Facilities Management CGU 1 since the recoverable amount exceeded the carrying amount. However, according to the stress test scenarios above the Company would need to record impairment losses if at least once of these scenarios was to occur in isolation.

For the Facilities Management CGU 2, a sensitivity analysis was conducted and the following was noted:

- Revenue would have to decrease by $237 each year for the impairment model to achieve break even.
- The discount rate would have to increase by 5.97% for the impairment model to achieve break even.
- The Company, having carried out the impairment tests above, concluded that no impairment needed to be recorded for the Facilities Management CGU 2 since the recoverable amount exceeded the carrying amount. However according to the stress test scenarios above the Company would need to record impairment losses if at least once of these scenarios was to occur in isolation.

For the Automotive Garages CGU, a sensitivity analysis was conducted and the following was noted:

- Revenue would have to decrease by $151 each year for the impairment model to achieve break even.
- The discount rate would have to increase by 2.91% for the impairment model to achieve break even.
- The Company, having carried out the impairment tests above, concluded that no impairment needed to be recorded for the Automotive Garages CGU since the recoverable amount exceeded the carrying amount. However according to the stress test scenarios above the Company would need to record impairment losses if at least once of these scenarios was to occur in isolation.

(Expressed in thousands of Bermuda Dollars)

11 — ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are classified as follows:

	2026	2025
Trade payables (note 3)	738	549
Accrued liabilities	367	578
Accrued payroll and benefits liabilities	405	210
TOTAL	**1,510**	**1,337**

12 — SHARE CAPITAL

Share capital is as follows:

	2026	2025
Authorised: 9,999,996 shares of par value $1.00 each	10,000	10,000
Issued and fully paid: 4,922,301 shares (note 16)	4,922	4,922

Dividends of $492 were declared and paid during the year ended March 31, 2026 (2025 – $492).

13 — NON-CONTROLLING INTEREST

Otis Elevator (Bermuda) Limited is a subsidiary of the Group. Otis Elevator Limited holds 19.9% ownership and voting rights in Otis Elevator (Bermuda) Limited. The following is attributed to Otis Elevator (Bermuda) Limited:

	2026	2025
Dividends paid to non-controlling interests	42	38
Revenues attributed to Otis Elevator (Bermuda) Limited	2,437	2,126
Net income	256	64
Net cash flows used by operating activities	841	151
Total assets	2,320	1,519
Total liabilities	1,471	780

14 — RENTAL INCOME

Rental income from owned and sublet property under operating leases is recognised on a straight-line basis over the term of the lease. Other income includes rental income of $299 (2025 – $287).

Contractual future income from rental properties is as follows:

	2026	2025
Less than one year	283	283
Between one and five years	778	1,060

(Expressed in thousands of Bermuda Dollars)

15 — OTHER DIRECT EXPENSES AND OVERHEADS

	2026	2025
Professional fees	307	339
Computer equipment and support	163	164
Insurance	124	124
Other staff costs	121	120
Utilities	103	103
Licenses, taxes & fees	100	98
Vehicle expenses	88	111
Repairs, tools & maintenance	82	75
Finance charges	73	78
Office expenses	51	43
Inventory provision	39	65
Marketing	36	37
Communications	19	31
Travel & training	11	26
Foreign exchange losses	10	41
TOTAL	**1,327**	**1,455**

16 — EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the consolidated income attributable to equity holders of the Company by the weighted average of common shares in issue during the year. The Company has no dilutive potential ordinary shares. Accordingly, diluted earnings per share is the same as basic earnings per share.

	2026	2025
Income attributable to common shareholders	1,221	1,419
Average number of common shares outstanding (note 12)	4,922	4,922
EARNINGS PER SHARE FROM INCOME FOR THE YEAR	**0.25**	**0.29**
DILUTED EARNINGS PER SHARE FROM INCOME FOR THE YEAR	**0.25**	**0.29**

(Expressed in thousands of Bermuda Dollars)

17 — RELATED PARTIES

A) RELATED PARTY TRANSACTIONS

During the year, BAS Facilities Management (BASFM) provided facilities management services to a company which is a major shareholder, in the normal course of business, for consideration of $2,174 (2025 – $2,153). As at March 31, 2026 the amount due to BASFM related to those services was $248 (2025 – $322), included in accounts receivable (note 6).

B) KEY MANAGEMENT

There are no contracts of significance existing during or at the end of the financial year in which a key management person was materially interested, directly or indirectly.

The total interests of all Directors and Officers of the Company as at March 31, 2026 were 257,574 (2025 – 257,574) shares.

Key management compensation paid during the year consists of:

	2026	2025
Short-term employee benefits	1,048	960

8 — SEGMENT REPORTING

The Group has three reportable segments as shown below. The Group's management has identified the operating segments based on the goods and services they provide. The accounting policies of each of the segments are the same as those described in note 2.

The following describes the composition of each of the Group's three reportable segments:

i. Administrative Services includes mainly the assets and administrative services related to the Group's corporate headquarters which are recharged to other Group entities and external customers.

ii. Automotive Garages includes the distribution of automotive parts and services.

iii. Facilities Management includes elevator maintenance and installation, property management and maintenance, customised electrical, generator and fire detection solutions.

Year Ended March 31, 2026	Admin Services	Automotive Garages	Facilities Mgmt	Total
Revenue from external customers	**40**	**3,216**	**9,295**	**12,551**
Inter-segment revenue	1,500	19	624	2,143
Depreciation	438	7	32	477
Total operating (loss) income	(1,679)	1,011	1,953	1,285
Total capital expenditure	140	2	20	162
Total operating assets	12,207	1,548	5,857	19,612
Total operating liabilities	409	121	2,495	3,025

(Expressed in thousands of Bermuda Dollars)

8 — SEGMENT REPORTING (continued)

Year Ended March 31, 2025	Admin Services	Automotive Garages	Facilities Mgmt	Total
Revenue from external customers	**40**	**3,271**	**9,572**	**12,883**
Inter-segment revenue	1,589	25	223	1,837
Depreciation	427	6	31	464
Total operating (loss) income	(1,713)	989	2,159	1,435
Total capital expenditure	-	10	22	32
Total operating assets	12,160	1,615	4,654	18,429
Total operating liabilities	395	138	2,059	2,592

19 — AUDIT FEES

The audit fees for the year ended March 31, 2026 for services rendered by KPMG are agreed to be $120 (2025 – $122).

DIRECTORS & OFFICERS

DIRECTORS

CHAIRMAN
Gail E. M. Miller

DEPUTY CHAIRMAN
E. Michael Leverock

SECRETARY
Conyers Corporate Services (Bermuda) Limited

Jeffrey G. Conyers
Dennis Fagundo
Scott Pearman
Leslie Rans, CPA
Glen Smtih

OFFICERS

Navdeep Dhesi, CPA, CMA
Chief Executive Officer, BAS Group of Companies

BERMUDA AVIATION
SERVICES LIMITED
P.O. Box HM 719
Hamilton, HM CX
Tel: 441-299-4889
Fax: 441-293-0513
www.basg.bm
www.bas.bm

BAS FACILITIES
MANAGEMENT LIMITED
P.O. Box HM 719
Hamilton, HM CX
Tel: 441-299-4889
Fax: 441-293-0513
www.basfm.bm

OTIS ELEVATOR COMPANY
(BERMUDA), LTD.
P.O. Box HM 719
Hamilton, HM CX
Tel: 441-295-3226
Fax: 441-292-7422
www.otisbermuda.bm

WEIR ENTERPRISES LTD.
P.O. Box HM 1425
Hamilton, HM FX
Tel: 441-292-5963
Fax: 441-295-1576
www.weir.bm

ADDRESS:
THE BAS BUILDING
19 Bakery Lane
Pembroke, HM07
Bermuda