

Independent Auditor's report on Special purpose IND-AS Financial Statements

To the members / Management / Board of Directors

OYO Hospitality and Technology (Shenzhen) Co., Ltd.

We have audited the accompanying Special purpose standalone financial statements of **OYO Hospitality and Technology (Shenzhen) Co., Ltd.** ("the Company") comprise the Balance sheet as at December 31, 2020, the Statement of Profit and Loss, including the statement of changes in Equity, the Cash Flow Statement and the Statement of Changes in Equity for the period from January 01, 2020 to December 31, 2020 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (together herein referred to as "Special Purpose Standalone Financial Statements" or "financial statements" or "Standalone Financial Statements"). This Special purpose financial information has been prepared solely in connection with the proposed Initial Public Offer ("IPO") of Oravel Stays Private Limited (the "Group Company") in India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Standalone Financial Statements are in compliance with the basis of preparation explained in the financial statements including Basis for Opinion paragraph below.

Basis for Opinion

The underlying Standalone Financial Statements of the Company for the financial year ended December 31, 2020 has been prepared in accordance with the applicable Accounting Standards for Business Enterprises ("ASBEs") in China and converted into Indian rupee (INR) as per IND-AS 21 – "The Effects of Changes in Foreign Exchange Rates". We have not audited the financial statements as per the local GAAP; and have relied upon the report from the local auditor in China used for the purpose of converting the balances from local currency into Indian rupee (INR) which is the Group company's (Oravel Stays Private Limited) functional and presentation currency.

The Special Purpose Standalone Financial Statements do not include all the information and disclosures normally included in annual financial statements. Only those disclosures as considered appropriate by the Management have been considered in these Standalone Financial Statements. Further, management opts not to disclose comparative numbers in the financial statements.

Responsibilities of Management for the Standalone Financial Statements

The Company's Management / Board of Directors is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles of the Company. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the



preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Management / Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.

Restriction on Use and Distribution

As disclosed in basis of opinion paragraph; these Special Purpose Standalone Financial Statements have been prepared solely for management's internal financial reporting purpose and is intended solely for the information and use of the Management / Board of directors of the Company or Group Company. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For and on behalf of
Mukesh Raj & Co.
Chartered Accountants
Firm Registration No. 016693N


Mukesh Goel
Partner
Membership no: 094837
UDIN: 21094837AAAKP4694



Place: Delhi
Date: September 25, 2021

OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Balance sheet as at 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

	Notes IV	As at 31 December 2020	As at 31 December 2019
ASSETS			
Current assets			
Currency funds	1	26.72	98.62
Receivable and accounts receivable	2	1.06	40.03
Prepayments	3	3.20	-
Other receivables	4	1,924.07	478.36
Inventories	6	-	-
Other current assets	5	266.44	417.43
Total current assets		2,221.49	1,034.44
Non-current assets			
Fixed assets	7	1.33	4.34
Intangible assets	8	107.43	202.55
Development expenditures	9	-	-
Long-term prepaid expenses	10	-	13.41
Total non-current assets		108.75	220.30
Total assets		2,330.24	1,254.74
EQUITY AND LIABILITIES			
Current liabilities			
Employee benefits payable	12	2.79	37.45
Taxes and surcharges payable	13	3.23	5.63
Other payables	14	2,892.95	762.86
Other current liability	17	30.19	0.00
Total current liabilities		2,929.16	805.94
Total liabilities		2,929.16	805.94
Equity			
Paid-in capital	15	15,425.10	15,425.10
Uncompensated losses	16	(15,962.72)	(14,918.30)
Foreign currency translation	29	(61.30)	(58.00)
Total equity		(598.92)	448.80
Total liabilities and equity		2,330.24	1,254.74

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Mukesh Raj & Co.
Chartered Accountants
ICAI Firm Registration Number: 016693N

Mukesh.
per Mukesh Goel
Partner
Membership No. : 094837

Place: New Delhi
Date: 25 September 2021



For and on behalf of
OYO Hospitality and Technology (Shenzhen) Co. Ltd.

R.K.
Rakesh Kumar
Authorized signatory

Place: Gurugram
Date: 25 September 2021

OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Statement of Profit and Loss for the period 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

	Notes IV	For the year ended December 31, 2020	For the year ended December 31, 2019
REVENUE	18	136.93	1,552.05
Less: Cost of sales		263.22	2,677.69
Taxes and surcharges		-1.14	3.76
Selling expenses		113.25	1,410.99
Administrative expenses		344.25	1,439.74
Research and development expenses		104.38	116.64
Finance income (net of finance cost)	19	-3.71	21.56
Other income	20	(5.54)	(8.68)
Impairment losses	22	(273.80)	(2,369.91)
Investment income	21	-	0.63
Operation Loss		(951.57)	(6,478.93)
Add: Non-operating income	23	1.55	0.60
Less: Non-operating expenses	24	94.40	210.78
Loss before income taxes		(1,044.42)	(6,689.10)
Less: Income tax expenses	26	-	-
Other Comprehensive Income			
Foreign currency translation			
Other comprehensive income/(expense) to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations	29		
Total comprehensive loss of the year, net of tax		(3.08)	(58.00)
		(1,047.49)	(6,747.10)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Mukesh Raj & Co.
Chartered Accountants
ICAI Firm Registration Number: 016693N

Mukesh
per Mukesh Goel
Partner
Membership No. : 094837

Place: New Delhi
Date: 25 September 2021



For and on behalf of
OYO Hospitality and Technology (Shenzhen) Co. Ltd.

RK
Rakesh Kumar
Authorized signatory

Place: Gurugram
Date: 25 September 2021

OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Statement of Cash Flows for the period 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

	Notes IV	For the year ended December 31, 2020	For the year ended December 31, 2019
Operating activities			
Cash receipts from the sale of goods and the rendering of services		223.34	1,578.79
Other cash receipts relating to operating activities		94.63	8.72
Receipts of taxes and surcharges refunds		104.74	31.63
Total cash inflows from operating activities		422.71	1,619.15
Cash payments for goods and services		248.42	2,483.32
Cash payments to and on behalf of employees		167.42	1,197.15
Payments of all types of taxes and surcharges		254.89	2.33
Other cash payments relating to operating activities			2,544.72
Total cash outflows from operating activities		670.73	6,227.53
Net cash flows from operating activities	(A)	(248.02)	(4,608.38)
Investing activities			
Cash payments to acquire fixed assets, intangible assets and other long-term assets		(0.47)	-
Other cash payments relating to investing activities		153.09	183.61
assets and other long-term assets			0.63
Cash payments for investments			(115.66)
Other cash payments relating to investing activities		(1,785.17)	(1,624.36)
Net cash flows from investing activities	(B)	(1,632.55)	(1,739.39)
Financing activities			
Cash proceeds from investments by others		130.82	-
Other cash payment relating to financing activities		1,942.57	4,789.40
Cash repayment for debts			
Total cash outflows from financing activities	(C)	1,811.75	4,789.40
Net foreign exchange difference	(D)	-3.08	10.22
Add: Cash and cash equivalents at beginning of the year		98.62	1,658.91
Cash and cash equivalents at the end of the year	(A+B+C+D)	26.72	98.62
Components of cash and cash equivalents			
Balances with banks			
- Current accounts		26.72	98.62
Total cash and cash equivalents		26.72	98.62

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Mukesh Raj & Co.
Chartered Accountants
ICAI Firm Registration Number: 016693N

Mukesh
per Mukesh Goel
Partner
Membership No. : 094837

Place: New Delhi
Date: 25 September 2021



For and on behalf of
OYO Hospitality and Technology (Shenzhen) Co. Ltd.

Rakesh Kumar
Rakesh Kumar
Authorized signatory

Place: Gurugram
Date: 25 September 2021

OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Statement of changes in equity for the period 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

	Paid-in capital	Uncompensated losses	Total equity
At 1 January 2019	10,589.37	-	(8,229.20) 2,360.18
Loss for the period	-	-	(6,689.10) (6,689.10)
Foreign Currency Translation Reserve	-	-	(58.00) (58.00)
Capital contribution by owners	4,835.72	-	4,835.72
At 31 December 2019	15,425.10	-14,976.30	448.80
Loss for the period		(1,044.42)	(1,044.42)
Share issued during the period			
Foreign Currency Translation Reserve		-3.08	-3.08
At 31 December 2020		(16,023.79)	(598.70)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Mukesh Raj & Co.
Chartered Accountants
ICAI Firm Registration Number: 016693N

Mukesh
per Mukesh Goel
Partner
Membership No. : 094837



Place: New Delhi
Date: 25 September 2021

For and on behalf of
OYO Hospitality and Technology (Shenzhen) Co. Ltd.

Rakesh Kumar
Rakesh Kumar
Authorized signatory

Place: Gurugram
Date: 25 September 2021

OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

6. Financial instruments (continued)

Recognition and derecognition (continued)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's account and balance sheet) when:

- (1) the rights to receive cash flows from the financial asset have expired; or
- (2) the Company has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised using trade date accounting. The trade date is the date that the Group committed to purchase or sell a financial asset.

Classification and measurement of financial instruments

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recorded at fair value plus any directly attributable transaction costs that are attributable to the acquisition of the financial assets, and are subsequently measured at amortised cost using the effective interest method. Gains or losses arising from amortisation or impairment are recognised in profit or loss.

The Company recognises a loss for impairment where there is objective evidence that an impairment loss on a financial asset has been incurred. The Company assesses whether impairment exists individually for financial assets that are individually significant. If there is objective evidence that an impairment has been incurred, an impairment loss is recognised in profit or loss. The Company assesses whether impairment exists for financial assets that are not individually significant, collectively on the basis of groups of financial assets with similar credit risk characteristics. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

5. Financial instruments (continued)

Classification and measurement of financial instruments (continued)

The carrying amount of the financial asset is reduced to the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred) through the use of an allowance account and the loss is recognised in profit or loss. If there is objective evidence of a recovery in the value of the financial asset and the recovery is related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed and recognised in profit or loss.

Other financial liabilities

Such financial liabilities are initially recognised at fair value less any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Transfer of financial assets

A financial asset is derecognised when the Company has transferred substantially all the risks and rewards of the financial asset to the transferee. A financial asset is not derecognised when the Company retains substantially all the risks and rewards of the financial asset.

When the Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, it either (i) derecognises the financial asset and recognises the assets and liabilities created in the transfer when it has not retained control of the asset; or (ii) continues to recognise the financial asset to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability.

Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the carrying amount of the financial asset and the guarantee amount. The guarantee amount is the maximum amount of consideration that the Company could be required to repay.

6. Inventories

Inventories are initially carried at cost. Cost of inventories are mainly costs of purchase. Cost is determined on the first-in, first-out basis. Turnover materials include low value consumables and packing materials, which are on the immediate write-off basis.



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

6. Inventories (continued)

At the balance sheet date, inventories are stated at the lower of cost and net realisable value. The inventories are written down below cost to net realisable value and the write-down is recognised in profit or loss if the cost is higher than the net realisable value. When the circumstances that previously caused the inventories to be written down below cost no longer exist, in which case the net realisable value of inventories becomes higher than the carrying amount, the amount of the write-down is reversed. The reversal is limited to the amount of the original write-down, and is recognised in profit or loss.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. Raw materials and finished goods are written down item by item when the reserve for stock price reduction is calculated.

Inventories include using materials. The using materials purchased by our company for hotels in operation are mainly cotton fabrics, including towels and bedding which need to be replaced periodically. Using materials shall be amortized according to the actual service life after they are taken over, and the amortization life shall be one year. Using materials are reported as purchasing cost deducts amortized amount.

7. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Company and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss as incurred.

Fixed assets are initially measured at cost. The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any directly attributable expenditure for bringing the asset to working condition for its intended use.

Depreciation is calculated using the straight-line method. The useful lives, estimated residual value rates and annual depreciation rates of each category of the fixed assets are as follows:

	Useful life	Estimated residual value rate	Annual depreciation rate
Computer Equipment	3 years	0%	33.33%
Office Equipment and Furniture	3 years	0%	33.33%

The Company reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at each year end, and make adjustments if necessary.



YO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

8. Intangible assets

An intangible asset shall be recognised only when it is probable that the economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. And intangible assets are measured initially at cost.

The useful life of an intangible asset is determined according to the period over which it is expected to generate economic benefits for the Company. An intangible asset is regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Company.

The useful lives of the intangible assets are as follows:

	Useful life
Software	3 years

An intangible asset with a finite useful life is amortised using the straight-line method over its useful life. For an intangible asset with a finite useful life, the Company reviews the useful life and amortisation method at least at each year end and makes adjustment if necessary.

9. Research and development expenditures

The Company classifies the expenditures on an internal research and development project into expenditure on the research phase and expenditure on the development phase. Expenditure on the research phase is recognised in profit or loss as incurred.

Expenditure on the development phase is capitalised only when the Company can demonstrate all of the following: (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (ii) the intention to complete the intangible asset and use or sell it; (iii) how the intangible asset will generate probable future economic benefits (among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset); (iv) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and (v) the ability to measure reliably the expenditure attributable to the intangible asset during the development phase. Expenditure on the development phase which does not meet these above criteria is recognised in profit or loss when incurred.

10. Long-term prepaid expenses

Long-term prepaid expenses are amortised using the straight-line method as follows:

	Amortisation period
Expenditure on decoration and renovation of operating hotels	3 years



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

11. Impairment of assets

The Company determines the impairment of assets, other than the impairment of inventories, financial assets, using the following methods:

The Company assesses at the balance sheet date whether there is any indication that an asset may be impaired. If any indication exists that an asset may be impaired, the Company estimates the recoverable amount of the asset and performs impairment testing.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The Company estimates the recoverable amount on an individual basis unless it is not possible to estimate the recoverable amount of the individual asset, in which case the recoverable amount is determined for the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Company. The reduction in the carrying amount is treated as an impairment loss and recognised in profit or loss. A provision for impairment loss of the asset is recognised accordingly.

Once the above impairment loss is recognised, it cannot be reversed in subsequent accounting periods.

12. Employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits given by the Company to an employee's spouse, children and dependents, family members of deceased employees and other beneficiaries are also employee benefits.

Post-employment benefits (defined contribution plan)

The employees of the Company participate in a pension scheme and unemployment insurance managed by the local government, the corresponding expenses shall be included in the cost of related assets or profit or loss.

13. Revenue

Revenue is recognised when it is probable that the associated economic benefits will flow into the Company and when the revenue can be measured reliably, on the following bases:



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

13. Revenue (continued)

Revenue from the rendering of services

Where the Company provides hotel room service to a directly operated hotel, revenue is recognized when the hotel room service has been provided and the right to receive a service fee has been obtained.

Franchise fee income

According to relevant contracts or agreements, revenue is recognized on an accrual basis. **Interest income**

Interest income is recognised on a time proportion basis for which the Company's currency funds are used by others and by the effective interest rate.

14. Income tax

Income tax comprises current and deferred tax. Income tax is recognised as income or expense in profit or loss, or recognised directly in equity if it arises from a business combination or relates to a transaction or event which is recognised directly in equity.

Current tax liabilities or assets arising from the current and prior periods at the amount expected to be paid by the Company or returned by the tax authority calculated according to related tax laws.

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except: when the taxable temporary difference arises from a transaction that is not a business combination and, at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except: when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

14. Income tax (continued)

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, in accordance with the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the balance sheet date, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the balance sheet date and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if and only if the Company has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

15. Leases

A finance lease is a lease that transfers substantially all the risks and rewards of ownership of an asset. An operating lease is a lease other than a finance lease.

As lessee of an operating lease

Lease payments under an operating lease are recognised by a lessee on a straight-line basis over the lease term, and either included in the cost of the related asset or charged to profit or loss.

16. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities at the balance sheet date. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

III. Significant accounting policies and estimates (continued)

16. Significant accounting judgements and estimates (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of non-current assets other than financial assets

The Company assesses whether there are any indications of impairment for all non-current assets other than financial assets at the balance sheet date. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. The calculation of the fair value less costs of disposal based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. When the calculations of the present value of the future cash flows expected to be derived from an asset or asset group are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Development expenditures

Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash flows from the assets, discount rates to be applied and the expected period of benefits.

17. Other changes in accounting policies and accounting estimates

Changes in presentation of financial statements

To meet the requirements of the Notice on Revising and Issuing Format of 2019 Financial Statements for General Business Enterprises (Cai Kuai [2019] No.6) and the Notice on Revising and Issuing Format of Consolidated Financial Statements (2019 edition) (Cai Kuai [2019] No.16), in the balance sheet, the amount previously presented in "accounts receivable" shall be presented separately in "accounts receivable"; the amount previously presented in "accounts payable" shall be presented separately in "accounts payable". In the income statement, the amount presented in "research and development expenses" not only include the expenditures incurred and directly charged to profit or loss during the research and development process, but also the amortisation of self-developed intangible assets previously presented in "administrative expenses". The Company has retrospectively adjusted the comparative amounts correspondingly. The changes in accounting policies have had no impact on the net profit and equity.



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

IV. Taxes

The Company is mainly subject to the following taxes and the respective tax rates of the Company for the current year are as follows:

Value-added tax	-	VAT payable is the difference between VAT output and less deductible VAT input for the current period. VAT output has been calculated by applying a rate of 6% to the taxable value.
Corporate income tax	-	It is levied at 25% on the taxable profit.
Withholding Personal income tax	-	The salaries paid by the company to employees shall be withheld by the company in accordance with the Tax Law.

V. Notes to key items of the financial statements

1. Currency funds

	2019	2018
Cash at banks	<u>98.62</u>	<u>1,658.91</u>

At 31 December 2019, the company had no restricted currency funds.

2. Accounts receivable

	2019	2018
Accounts receivable	285.78	243.83
Less: Provision for bad debts	<u>245.75</u>	<u>17.51</u>
	<u>40.03</u>	<u>226.32</u>

At 31 December 2019, the company had no restricted accounts receivable. The credit period of accounts receivable is usually 1-3 months. Accounts receivable are not interest-bearing.

An ageing analysis of accounts receivable is as follows:

	2019	2018
Within 1 year	285.78	243.83
Less: Provision for bad debts	<u>245.75</u>	<u>17.51</u>
	<u>40.03</u>	<u>226.32</u>



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

IV. Notes to key items of the financial statements (continued)

2. Accounts receivable (continued)

The movements in provision for bad debts of accounts receivable are as follows:

	Opening balance	Provision	Reversal	Write-off	Closing balance
2019	17.69	228.06	-	-	245.75
	Opening balance	Provision	Reversal	Write-off	Closing balance
From 25 January 2018 (date of incorporation) to 31 December 2018	7.69	-	-	-	17.69

3. Prepayments

An ageing analysis of prepayments is as follows:

	2019	2018
Within 1 year	-	441.95

4. Other receivables

An ageing analysis of other receivables is as follows:

	2019	2018
Within 1 year	418.21	191.03
1 to 2 years	75.09	-
	493.30	191.03
Less: Provision for bad debts	14.94	-
Within 1 year	478.36	191.03

The movements in provision for bad debts of other receivables are as follows:

	Opening balance	Provision	Reversal	Write-off	Closing balance
2019	-	14.94	-	-	14.94



OPY Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

V. Notes to key items of the financial statements (continued)

4. Other receivables (continued)

A classification by nature of other receivables is as follows:

	2019	2018
Due from related parties	279.31	-
Office rental deposit	59.14	86.42
Operating hotels deposit	39.35	63.18
Computer rental deposit	36.72	22.22
Business travel platform deposit	10.20	10.10
Others	9.60	9.10
	<hr/>	<hr/>
	434.33	191.03

5. Inventories

	2019	2018
Using materials	<hr/>	331.04

At 31 December 2019, the company had no restricted inventory.

6. Other current assets

	2019	2018
Expenditure on decoration and renovation of franchised hotels	1,784.53	1,993.49
Input VAT to be credited	348.35	160.72
Others	69.08	
	<hr/>	<hr/>
	2,201.96	2,154.21
Less: Provision for impairment of other current assets	1,784.53	-
	<hr/>	<hr/>
	417.43	2,154.21

The movements in provision for impairment of other current assets are as follows:

	Opening balance	Provision	Reversal	Write-off	Closing balance
2019	<hr/>	1,784.53	-	-	1,784.53



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

V. Notes to key items of the financial statements (continued)

7. Fixed assets

2019

	Computer Equipment	Office Equipment and Furniture	Total
Cost			
Opening balance	2.97	0.65	3.62
Purchases	1.42	3.95	5.37
Disposals or retirements	(0.24)	(0.11)	(0.34)
Closing balance	4.16	4.49	8.65
Accumulated depreciation			
Opening balance	0.31	0.01	0.32
Depreciation provided during the year	1.36	0.68	2.04
Disposals or retirements	(0.11)	(0.01)	(0.13)
Closing balance	1.56	0.68	2.23
Provision for impairment			
Opening balance	-	-	-
Impairment	-	2.08	2.08
Disposals or retirements	-	-	-
Closing balance	-	2.08	2.08
Carrying amount			
At end of year	2.60	1.74	4.34
At beginning of year	2.63	0.63	3.26



OYO Hospitality and Technology (Shenzhen) Co., Ltd.
Notes to Financial Statements (continued)
Year ended 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

VI. Notes to key items of the financial statements (continued)

7. Fixed assets (continued)

Period from 25 January 2018 (date of incorporation) to 31 December 2018

	Computer Equipment	Office Equipment and Furniture	Total
Cost			
Opening balance	-	-	-
Purchases	2.94	0.64	3.59
Closing balance	2.94	0.64	3.59
Accumulated depreciation			
Opening balance	-	-	-
Depreciation provided during the year	0.31	0.01	0.32
Closing balance	0.31	0.01	0.32
Carrying amount			
At end of year	2.63	0.63	3.26
At beginning of year	-	-	-



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

7. Property, plant and equipment

Particulars	Computer Equipment	Office equipment and Furniture	Total
Gross block (At cost)			
At January 01 ,2019	2.97	0.65	3.62
Add: Additions	1.42	3.95	5.37
Less: Disposals	-0.24	-0.11	-0.35
As at December 31, 2019	4.15	4.49	8.64
Add: Additions			-
Less: Disposals	-2.15	-3.46	-5.61
As at December 31, 2020	2.00	1.03	3.03
Accumulated Depreciation			
At January 01 ,2019	0.31	0.01	0.32
Depreciation provided during the year	1.36	0.68	2.04
Less: Disposals	-0.11	-0.01	-0.12
Less: Impairment		2.08	2.08
As at December 31, 2019	1.56	2.76	4.32
Add: Additions	1.52	0.69	2.20
Less: Disposals	-1.61	-0.51	-2.13
Less: Impairment		-2.28	-2.29
Less: Adjustment of FCTR		-0.38	-0.39
As at December 31, 2020	1.43	0.27	1.70
Net carrying value			
As at December 31, 2019	2.59	1.73	4.32
As at December 31, 2020	0.57	0.76	1.33



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

8. Intangible assets

Particulars	Software from Purchase	Software of internal R&D	Total
Gross block (At cost)			
At January 1, 2019	1.28	296.64	297.92
Add: Additions	16.18	-	16.18
Add: Transfers from development expenditures		1.57	1.57
Less: Disposals	-	-0.04	-0.04
As at December 31, 2019	17.46	298.17	315.67
Add: Additions			16.18
Add: Transfers from development expenditures	-	1.52	1.52
Less: Disposals	-	2.87	2.87
As at December 31, 2020	33.64	302.57	336.25
Accumulated Depreciation			
At January 1, 2019	0.10	8.16	8.25
Add: Charge	5.45	99.34	104.79
Adjustment of FCTR	0.00	0.08	0.08
As at December 31, 2019	5.55	107.58	113.12
Add: Charge	6.53	108.95	115.48
Adjustment of FCTR	0.00	0.22	0.22
As at December 31, 2020	12.07	216.75	228.82
Net carrying value			
As at December 31, 2019	28.09	194.99	202.55
As at December 31, 2020	21.56	85.82	107.43



OYO Hospitality and Technology (Shenzhen) Co. Ltd.

Notes to financial statements for the period ended on 31 December 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

IV. Notes to Key items of the financial statements

1. Currency funds

	As at 31 December 2020	As at 31 December 2019
Cash at banks	17.84	98.62
Others	8.88	-
	26.72	98.62

At 31 December 2020, the company has 15.08 Mn (equivalent to RMB 1.49 Mn) restricted currency funds. (At 31 December 2019, the company had no restricted currency funds.)

2. Receivable and accounts receivable

	As at 31 December 2020	As at 31 December 2019
Accounts receivable	236.64	285.78
Less: Provision for bad debts	235.58	245.75
	1.06	40.03

The credit period of accounts receivable is usually 1-3 months. Accounts receivable are not interest-bearing.

An ageing analysis of accounts receivable is as follows:

Within 1 year	1.06	40.03
1 to 2 years	235.58	245.75
Less: Provision for bad debts	235.58	245.75
	1.06	40.03

The movements in provision for bad debts of accounts receivable are as follows:

Opening Provision	270.01	17.69
Provision during the year	-	228.06
Reversal	4.05	-
Write-off	30.38	-
Closing Balance	235.58	245.75

3. Prepayments

	As at 31 December 2020	As at 31 December 2019
Prepayments	3.20	-
	3.20	-

4. Other receivables

	As at 31 December 2020	As at 31 December 2019
Other receivables	1,924.07	478.36
	1,924.07	478.36

An ageing analysis of other receivables is as follows:

Within 1 year	2,210.07	418.21
1 to 2 years	-	75.08
	2,210.07	493.30
Less: Provision for bad debts	-285.99	14.94
	1,924.07	478.36

5. Other current assets

	As at 31 December 2020	As at 31 December 2019
Expenditure on decoration and renovation of franchised hotels	266.44	1,784.53
Input VAT to be credited	-	348.35
Others	-	69.07
	266.44	2,201.96
Less: Provision for impairment of other current assets	-	1,784.53
Net	266.44	417.43

6. Inventories

	As at 31 December 2020	As at 31 December 2019
Inventories	-	-
	-	-



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

9. Development expenditures	As at	As at
	31 December 2020	31 December 2019
Opening Balance	-	295.14
Increase	-	
Recognised as intangible assets	-	295.14
Closing Balance	-	

10. Long-term prepaid expenses	As at	As at
	31 December 2020	31 December 2019
Expenditure on decoration and renovation of direct-operated hotels	-	13.41
	-	13.41

11. Provision for impairment of assets	As at	As at
	31 December 2020	31 December 2019
Provision for impairment of fixed assets	-	
Provision for bad debts	-	260.68
Provision for impairment of other current assets	-	1,784.53
Provision for write-down of inventories	-	0.00
Provision for impairment of fixed assets	-	2.08
	-	2,047.29

12. Employee benefits payable	As at	As at
	31 December 2020	31 December 2019
Salaries, bonuses, allowances and subsidies	2.79	37.14
Staff welfare	-	
Social security Including:		
(i) Medical insurance	-	0.12
(ii) Work injury insurance	-	0.08
(iii) Maternity insurance	-	0.01
(iv) Guarantee for the Disabled	-	0.02
Housing funds	-	0.06
(A)	2.79	37.32
Defined contribution plan:		
Including: Basic pension insurance	-	0.14
Unemployment insurance	-	-
(B)	-	0.14
Total	(A+B)	2.79
		37.46

13. Taxes and surcharges payable	As at	As at
	31 December 2020	31 December 2019
Individual income tax	0.27	1.85
Stamp tax	2.96	3.78
	3.23	5.63

14. Other payables	As at	As at
	31 December 2020	31 December 2019
Within 1 year	2,892.95	762.86
	2,892.95	762.86



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

15. Paid-in-capital

As at 31 December 2020	INR	Percentage (%)
OYO Technology and Hospitality (China) PTE. LTD	21,130.27	100%
<u>Paid in Capital</u>		
OYO Technology and Hospitality (China) PTE. LTD	15,425.10	100%
As at 31 December 2019		
INR	Percentage (%)	
<u>Registered capital</u>		
OYO Technology and Hospitality (China) PTE. LTD	21,130.27	100%
<u>Paid in Capital</u>		
OYO Technology and Hospitality (China) PTE. LTD	15,425.10	100%

16. Uncompensated losses

	As at 31 December 2020	As at 31 December 2019
Balance at beginning of the current year	-14,918.30	-8,229.20
Add: net loss in current period	-1,044.42	-6,689.10
Balance at end of the current year	-15,962.72	-14,918.30

17. Other current liabilities

	As at 31 December 2020	As at 31 December 2019
Estimated liabilities	30.19	-
	30.19	-

18. Revenue

	As at 31 December 2020	As at 31 December 2019
Primary business	133.69	1,352.44
Other businesses	3.24	199.61
	136.93	1,552.05
Rendering of services	136.93	1,552.05

19. Finance Income

	As at 31 December 2020	As at 31 December 2019
Bank service charge	-4.07	3.50
Interest income	-0.18	-7.71
Foreign exchange differences	0.54	24.05
Others	-	1.71
	-3.71	21.56

20. Other income

	As at 31 December 2020	As at 31 December 2019
Fees refunded for individual income tax withheld	5.54	-8.68
	5.54	-8.68



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

21. Investment income

	As at 31 December 2020	As at 31 December 2019
Fees refunded for individual income tax withheld	-	0.63
	-	0.63

22. Impairment losses

	As at 31 December 2020	As at 31 December 2019
Loss from impairment of other current assets	273.80	1,775.31
Loss from write-down of inventories	-	350.79
Loss from bad debts	-	241.74
Loss from impairment of fixed assets	-	2.07
	273.80	2,369.91

23. Non-operating income

	As at 31 December 2020	As at 31 December 2019
Others	1.55	0.60
	1.55	0.60

24. Non-operating expenses

	As at 31 December 2020	As at 31 December 2019
Termination payments of operating hotels	89.35	102.04
Losses arising from damage and obsolescence of assets	0.70	91.28
Fine	0.00	0.11
Others	4.34	17.35
	94.40	210.78

25. Expenses by nature

	As at 31 December 2020	As at 31 December 2019
Depreciation and amortization	126.97	1,200.49
Related party service charges	254.04	870.84
Advertising promotion expenditure	2.84	702.39
Hotel material consumption	110.00	658.78
Employee benefits	125.29	559.14
Fixed income	125.95	489.61
Outsourcing labor costs	3.14	222.80
Communications	2.15	168.90
Recruitment fee	2.92	77.15
Rental fee	10.21	57.46
Others	61.55	637.49
	825.06	5,645.06

26 Income tax expenses

The reconciliation between income tax expenses and loss before income taxes is as follows:

	As at 31 December 2020	As at 31 December 2019
Current Tax	-	-
	-	-
	-	-
	As at 31 December 2020	As at 31 December 2019
Total loss	-1,044.37	-6,850.09
Tax at the statutory tax rate (Note 1)	-261.09	-1,712.52
Expenses not deductible for tax	60.30	0.37
Unrecognized deductible loss	200.79	-1,712.15



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the period ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

27. Cash flow from operating activities

	As at 31 December 2020	As at 31 December 2019
Net loss	-1,044.37	-6,689.10
Add: Provisions for asset impairment	273.80	2,369.91
Depreciation of fixed assets	2.11	2.03
Amortization of intangible assets	110.59	104.25
Amortization of long-term prepaid expenses	14.27	52.24
Losses from the disposal of assets	0.70	91.28
Finance incomes	0.05	-10.17
Increase in inventories	-	-18.33
Investment income	-	-0.63
Increase in operating receivables	250.02	814.13
Increase in operating payables	148.58	-1,323.98
Net cash flows from operating activities	-244.26	-4,608.38

28. Cash and cash equivalents

	As at 31 December 2020	As at 31 December 2019
Cash	-	98.62
Including: bank deposits on demand	9.99	
Closing balance of cash	9.99	98.62
Less: Opening balance of cash	157.41	1,675.12
Net increase in cash and cash equivalents	-147.42	-1,576.50

V. Financial instruments and related risks

Financial assets

Currency funds	26.72	98.62
Notes receivable and accounts receivable	1.06	40.03
Other receivables	3.20	478.36
	30.98	617.01

Financial liabilities

Notes payable and accounts payable	2,892.95	762.86
Other payables	-	-
	2,892.95	762.86

29. Other Comprehensive Income

	As at 31 December 2020	As at 31 December 2019
Foreign currency translation	-3.08	-58.00
	-3.08	-58.00



OYO Hospitality and Technology (Shenzhen) Co. Ltd.
Notes to financial statements for the year ended on 31 December 2020
(Amount in Indian Rupees Millions, unless stated otherwise)

V. Taxes:

The Company is mainly subject to the following taxes and the respective tax rates of the company for the current year are as follows:

Value- added tax	VAT Payable is the difference between VAT output and less deductible VAT input for the current period. VAT output has been calculated by applying a rate of 6% to the taxable value
Corporate income tax	It is levied at 25% on the taxable Profit
Withholding personal income tax	The salaries paid by the company to employees shall be withheld by the company in accordance with the Tax Law.

VI. Financial instruments and related risks:

1. Financial instruments by category:

Carrying amounts of each category of financial instruments at the balance sheet date are as follows:

2020

Financial assets

	As at 31 December 2020	As at 31 December 2019
Currency funds	26.72	98.62
Accounts receivable	1,924.07	478.36
Other receivables	266.44	417.43

1. Financial instruments by category (continued)

Other payables

Financial liabilities

	As at 31 December 2020	As at 31 December 2019
	2,892.95	762.86
	2,892.95	762.86

2. Risks of financial instruments

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and market risk. The Group's policies are summarised below.

Credit risk

The Company has policies in place to evaluate credit risk when accepting new businesses and to limit its credit exposure to individual customers. The Company does not have a significant maximum exposure to credit risk of the Group's financial assets is equal to the carrying amounts

For each balance sheet date, the term of each financial asset is analyzed as follows;

2020

	Not overdue		Overdue		Total
	1 month	1-3 month	3 month		
Notes receivable and accounts receivable	1.06	-	-	-	1.06
Other receivables	1,924.07	-	-	-	1,924.07

2019

	Not overdue		Overdue		Total
	1 month	1-3 month	3 month		
Notes receivable and accounts receivable	40.03	-	-	-	40.03
Other receivables	478.36	-	-	-	478.36
	518.39	-	-	-	518.39

At 31 December 2020, accounts receivable and other receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Liquidity risk

The Company aims to maintain sufficient cash and credit lines to meet its liquidity requirements. The Company finances its working capital requirements through a combination of funds generated from operations and other borrowings.

The following table summarizes the maturity analysis of financial liabilities based on non-discounted contract cash flows:

2020

	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Notes payable and accounts payable	-	-	-	-	-
Other payables	2,892.95	-	-	-	2,892.95

2019

	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Notes payable and accounts payable	-	-	-	-	-
Other payables	658.88	103.97	-	-	762.86



Market risk

Currency risk: The Company has currency exposures arising from sales or purchased by operation units in currencies other than the unites 'functional currencies.

3. Capital management

The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for owners and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to owners, return capital to owners, issue new shares.

VII. Fair value

Management has assessed currency funds, accounts receivable, other receivables, accounts payable, other payables and other similar instruments. Given the short term maturities, the fair values approximate to the carrying values.

VIII. Related party relationships and transactions**1. Parent**

Name of the parent	Registered address	Nature of business	Proportion of ownership interest in the Company (%)	Proportion of voting power in the Company (%)	Registered capital
OYO Technology and Hospitality (China) PTE. LTD.	Singapore	Service	100%	100%	US\$2,200,000.00

The ultimate controller of the company is Oravel Stays Private Limited.

2. Other related party**Related party relationships**

Beijing Shell Space Technology Co., Ltd.
 Beijing Jiayoulewan Technology Co., Ltd.
 Oravel Stays Private Limited
 Oravel Stays Singapore Pte. Ltd.
 OYO Hotel LLC USA
 OYO Rooms Indonesia
 OYO Room Japan
 OYO HOTELS AND HOMES PRIVATE LIMITED
 OYO APARTMENTS INVESTMENTS LLP
 OYO Hotel Management (Shanghai) Co., Ltd.
 OYO corporate service (Shanghai) Co., Ltd.
 OYO Investment (Shanghai) Co., Ltd.

Other entities controlled by the ultimate holding company
 Other entities controlled by the ultimate holding company
 Ultimate holding company
 Other entities controlled by the ultimate holding company

3. Major transactions between the Group and its related parties**(1) Purchase**

Purchase of Inventory
 OYO Hotel Management (Shanghai) Co., Ltd.

	As at 31 December 2020	As at 31 December 2019
Purchase of Inventory	2.20	-

(2) Receipts of services

OYO HOTELS AND HOMES PRIVATE LIMITED
 OYO APARTMENTS INVESTMENTS LLP
 OYO Hotel Management (Shanghai) Co., Ltd.
 Oravel Stays Private Limited

386.98	-
2.93	-
-	727.76
-	143.09
389.91	-

The prices paid by the Group for receiving services from its related parties were made by cost-plus method.

(3) Expense paid on behalf of a related party

OYO Hotel Management (Shanghai) Co., Ltd.
 Beijing Shell Space Technology Co. Ltd.
 Beijing Jiayoulewan Technology Co. Ltd.
 PT. OYO Rooms Indonesia
 OYO corporate service (Shanghai) Co. Ltd.
 OYO Hotel LLC USA
 Oravel Stays Singapore Pte. Ltd.
 OYO Rooms Indonesia
 OYO Room Japan

1,515.68	1,192.91
4.87	-
1.75	-
0.93	-
-	149.12
-	129.95
-	1.47
-	0.88
-	0.12



(4) A related party paid on behalf of the company		
OYO Investment (Shanghai) Co., Ltd.	2.73	
OYO Hotel Management (Shanghai) Co., Ltd.		420.50
Oravel Stays Singapore Pte. Ltd.		106.82
Oravel Stays Private Limited		87.74
OYO Technology and Hospitality (China) PTE. LTD		
OYO corporate service (Shanghai) Co., Ltd.	8.77	
OYO Investment (Shanghai) Co. Ltd	5.10	
	5.07	
(5) Financing		
Borrowed from		
OYO corporate service (Shanghai) Co., Ltd.	1,885.10	
OYO Investment (Shanghai) Co., Ltd	54.74	-
	1,939.84	-
Lent to		
OYO Hotel Management (Shanghai) Co., Ltd	236.74	
Beijing Shell Space Technology Co., Ltd	97.03	-
4. Balance of receivables and payables with related parties		
OYO Hotel Management (Shanghai) Co., Ltd.	1,879.52	0.00
Beijing Jiayoulewan Technology Co., Ltd.	1.83	
OYO Hotel LLC USA	1.62	44.03
OYO Rooms Indonesia	0.97	
Ouyou Enterprise Services (Shanghai) Co Ltd		144.77
Beijing Shell Space Technology Co., Ltd.		130.62
Oravel Stays Singapore Pte. Ltd.		1.48
OYO Rooms Indonesia		1.44
OYO Room Japan		0.88
	1,883.95	323.22

(2) Other payables

OYO corporate service (Shanghai) Co., Ltd.	1,972.25	
OYO HOTELS AND HOMES PRIVATE LIMITED	404.87	
Oravel Stays Singapore Pte. Ltd.	231.51	212.15
Oravel Stays Private Limited	112.78	232.03
OYO Investment (Shanghai) Co., Ltd.	65.74	5.10
OYO Technology and Hospitality (China) PTE. LTD.	10.88	10.39
OYO APARTMENTS INVESTMENTS LLP	3.67	
	2,801.09	459.67

There is no interest bearing, no mortgage and no fixed repayment period for the payables to related parties.

IX. Leases

1. As lessee

Significant operating leases: According to the leases entered into with the lessors, the minimum lease payments under non-cancellable leases are as follows:

	As at 31 December 2020	As at 31 December 2019
Within 1 year, inclusive	0.87	-
1 to 2 years inclusive	-	-
2 to 3 years inclusive	-	-

X. Events after the balance sheet date

Up to the date of approval of this financial statement, the company has no events after the balance sheet date that need to be disclosed.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Mukesh Raj & Co.
Chartered Accountants
ICAI Firm Registration Number: 016693N



per Mukesh Goel
Partner
Membership No. : 094837

Place: New Delhi
Date: 25 September 2021



For and on behalf of
OYO Hospitality and Technology (Shenzhen) Co. Ltd.



Rakesh Kumar
Authorised signatory

Place: Gurugram
Date: 25 September 2021