

Prospectus for Issue of Commercial Paper worth Nu. 300 million.

The following constitutes full, true, and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the Companies Act and in line with the relevant provisions of the Corporate Regulatory Authority.

1. General Information:

- a) Name of the company: Tashi Air Private Limited
- b) Registered Office: Tashi Mall, Opposite Pernako Thimphu.
- c) Auditors: M/s Mookherjee Biswas & Pathak, Chartered Accountants.
- d) Bankers: T Bank Limited.
- e) Registration/License Number: U20110613BHU0137/1026864

2. The objective of the Issue: To meet the short-term fund requirements of the Company.

3. Particulars of offer:

Issue Price/CP	Nos of CP Offered	Subscription Date	Allotment Date	Securities
Face value of Nu. 100,000/-	3000	01.01.2026 04/02/2026	08.01.2026 17/02/2026	Secured by the letter of credit facility rendered by Bhutan National Bank worth Nu. 300 million and secondarily secured by the 600000 RICBL shares owned by Tashi Commercial Corporation @ Nu.75 per share which is worth Nu. 450,000,000/-.

4. Term of the Commercial Paper and Coupon Rate:

Term	Coupon Rate	Payment Amount
3 months	6 % per annum	Nu. 4,500,000/-

5. Maturity Period: The maturity period for the Commercial Paper shall be ninety (90) days from the date of allotment.

6. Methods of Allocation: In lumpsum through RSEBL facility.

7. Use of Fund (Details): To meet the short-term fund requirements of the Company.

8. Payment of Coupon: The coupon as specified above shall be paid on an annual basis calculated from the date of allotment.

9. Risk factors (Disclose all the risks associated with the business): The investors should make their own assessment on the general market risks while deciding to invest in the commercial papers. However, following risks are directly related to the Investment business:

- a. The Company has taken several measures to reduce risk and improve liquidity. However, it has had to rely on its financing facilities to meet high interest costs and working capital needs, and may need to continue doing so.
- b. The pace of tourism recovery after Covid-19 and changes in tourism policy remains uncertain which continues to pose a significant challenge for the airline industry.



competition from Druk Air on Bhutan routes and from other airlines on International sectors such as Kathmandu, Kolkata, Delhi, Gaya and Bangkok.

d. Demand for Tashi Air's services may also be affected by global fluctuations in foreign currency and interest rates.

e. Fuel price volatility remains a major risk. Since fuel accounts for over 40% of operating costs, any significant increase can directly impact the airline's revenue.

10. Present Capital Structure of the Company:

Authorized Capital: Nu, 1,000,000,000/-

Issued and paid-up capital: Nu. 411,059,200/-.

11. Eligibility of Investors: All companies/institutions registered within the Kingdom are eligible. Private individuals holding Bhutanese Citizenship will be eligible, while minors are not eligible to either apply or get allotment of the scripts.

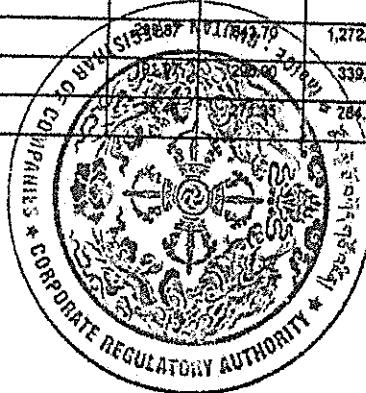
12. Financial Highlights for last three years (Audited)- tabular format and next three years projections.

Statement of Financial Position

Source of Fund	Actual			Projected Balance sheet			
	2022	2023	2024	2025	2026	2027	2028
Share Capital	293,376,647.00	411,059,200.00	411,059,200.00	411,059,200.00	411,059,200.00	411,059,200.00	411,059,200.00
Reserves & Surplus	608,604,117.00	-1,267,734,894.00	-1,480,326,407.00	-1,672,306,407.00	-1,462,379,907.00	-1,080,592,082.00	-502,522,865.75
Non Current Liabilities	1,336,210,644.00	2,203,946,590.00	2,593,179,239.00	2,320,343,404.00	2,205,482,001.00	2,202,025,868.00	2,200,941,717.00
Current Liabilities	1,084,462,190.00	698,373,362.00	1,041,969,897.00	998,555,574.87	639,634,191.00	553,429,385.00	479,181,233.00
Total	2,105,445,364.00	2,045,844,258.00	2,565,881,929.00	2,057,651,771.87	1,793,785,485.00	2,085,922,351.00	2,588,659,284.25
Application of Fund							
Non Current Assets	1,982,850,567	1,957,931,924.00	1,957,452,867.00	1,647,797,846.87	1,565,407,954.53	1,487,137,556.80	1,412,780,878.96
Current Assets	142,594,797	87,712,334.00	608,428,062.00	409,853,925.00	228,387,530.47	598,784,794.20	1,175,878,605.29
Total	2,105,445,364	2,045,844,258.00	2,565,881,929.00	2,057,651,771.87	1,793,785,485.00	2,085,922,351.00	2,588,659,284.25
Profit before Tax				-191,980,000.00	203,926,500.00	381,787,825.00	579,069,216.25

Projected Statement of Comprehensive Income & Other Comprehensive Income

Particulars	Actual			Projected			
	2022	2023	2024	2025	2026	2027	2028
Operating Revenue:							
I. Traffic Revenue	282.93	915.80	1,753.05	2,428.34	2,948.45	3,243.30	3,567.62
II. Other Operating Revenue	165.76	277.08	499.32	260.85	286.05	315.65	347.21
Total Operating Revenue	438.69	1,192.88	2,252.37	2,689.29	3,235.40	3,558.94	3,814.83
Operating Expenditure:							
I. Cost of Materials Consumed							
II. Flight operation costs							
III. Other operation cost							
IV. Aircraft maintenance costs							



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v. Commission charges	2.89	23.08	28.75	40.69	42.71	44.85	47.09
vi. Employee costs	87.98	158.08	183.44	203.68	213.88	224.58	235.79
vii. General administration	62.68	120.97	193.23				
viii. Finance charges	141.57	129.07	246.07	228.74	240.18	252.19	264.80
ix. Marketing & sales promotion	0.20	3.23	5.18				
x. Depreciation & Amortization	22.55	8.07	2.03	5.60	5.88	6.17	6.48
Total Operating Expenditure	845.27	1,363.03	2,540.83	2,870.07	3,013.57	3,164.35	3,322.46
Operating Profit/(Loss) before Tax	-406.59	-660.15	-288.48	-180.78	221.83	394.69	592.37
Provision for Tax	-	-	-	-	-	-	-
Assessed Tax of earlier Years Paid	-	-	-	-	-	-	-
Profit/(Loss) after Tax for the Financial Year	-406.59	-660.15	-288.48	-180.78	221.83	394.69	592.37
Statement of Other Comprehensive Income							
Profit/(Loss) from Income Statement	-406.59	-660.15	-288.48	-180.78	221.83	394.69	592.37
Currency Translation Differences	-23.89	-4.12	-9.71	-6.70	-7.40	-8.40	-9.80
Interest Income on Fixed Deposits	0	0	0	-	-	-	-
Actuarial Gain/Loss	0	0	0	-4.50	-4.60	-4.50	-4.50
Total Comprehensive Income Before Tax	-430.48	-664.27	-298.17	-181.98	208.93	381.79	576.07
(Less) Provision for Current Tax	0	0	0	-	62.98	114.54	173.42
Add/(Less): Deferred Tax Adjustments	0	0	0	-	-	-	-
Less: Assessed Tax of earlier Years Paid	0	0	0	-	-	-	-
Total Comprehensive Income after Tax	-430.48	-664.27	-298.17	-181.98	146.95	267.25	404.65

13. Particulars of the Present Board of Directors:

Name	Designation
Mr. Wangchuk Dorji	Chairman
Mr. Tenzin Dorji	Director
Ms. Savitri Dorji	Director
Mr. Pema Namgyel Nadik	Member Secretary/CEO

14. Statutory Dues and Pending Cases: None

15. Declaration:

We hereby declare that most of the relevant provisions of the Companies Act of Bhutan 2016 and the Prudential Regulation 2017 issued by the Royal Monetary Authority and Royal Securities Exchange of Bhutan have been complied with and no statement made in the prospectus contrary to the provisions of Companies Act.

Jens Nachi

Chief Executive Officer

Place: Thimphu
Date: 29.12.2025



Approval for Issuance of Commercial Papers

Serial No: CP/2026/VOL-1
 Days to Maturity: 90
 Quantity/Amount: 300,000/300,000,000/-
 Date of Issue: 17/02/2026

Terms and Conditions (CheckList)

1. Maximum Maturity of the Instrument:

1.1: Not more than 90 Days
 1.2: Above 90 Days
 1.3: Up to One year

2. Potential Investors:

2.1: Only the Financial Institutions
 2.2: Others (please specify)

3. Additional Requirements:

3.1: The Instrument is backed by:

3.1.1: Deposits/Receivables/Inventories and other qualified assets (attach the document)

OR

3.1.2: Corporate/FIs Guarantee (attach the document)

3.2: The Instrument is in the denominations of Nu. 100,000/ with multiples of with total face value of Nu. 300,000,000/-

3.3: The CIB clearance obtained (attach the CIB report)

3.4: Authorization from the Board obtained (attach the document)



Deva Nadd

Chief Executive Officer
Bhutan Airlines (Tashi Air Private Limited)
Tashi Mall, Opposite Taj Tashi
THIMPHU:BHUTAN



CEO OF THE COMPANY(Seal and Sign of Issuer)

1) Approval Form (Official purpose only) CP 12025 / VOL - I
1) The MMI Registration No:.....

2) Name of the issuer: TASHI AIR PRIVATE LIMITED

3) Date of Issue: 17/02/2026

4) Total face value of Issue: 100,000

5) Date of maturity: 17/05/2026



Official Seal

Approved Not approved



(REGISTRAR OF COMPANIES)

Appendix 1

Letter of Intent for Commercial Paper

Draft Letter to admit Commercial paper in Central Depository (to be submitted on the Issuers' Letterhead)

Date: 03.02.2026

The Chief Executive Officer
Royal Securities Exchange of Bhutan Limited
Thimphu

SUB: Admission of Commercial paper

Dear Sir,

Tashi Aro Pvt. Ltd. (TAPL)

We are pleased to inform you that our 1 (Company Name) has decided to offer the following Commercial Paper as eligible securities(s) under the Central Depository Rules. We confirm that these instruments will be governed by the terms and conditions indicated in the bilateral agreement entered between TAPL, and the Central Depository of the Royal Securities Exchange of Bhutan. The details of the instrument are as follows:

Sl. No	Description of the Security	Allotment date	Maturity date
<u>1</u>	<u>Commercial Paper</u>	<u>17.02.2026</u>	<u>17.05.2026</u>

Please find enclosed the duly filled Form. We request you to take necessary steps to induct our security into your Central Depository system and allocate USIN for the same.

Yours faithfully,

Tema Nach

Signature

Name & Designation of the Authorized Signatory

1. FILE CREATION FORM FOR COMMERCIAL PAPER

(Kindly ensure that all columns are properly filled. Write "N.A." wherever not applicable).

Full name of the Issuer:

7	A	S	H	I		A	I	R	P	V	7.
L	T	P.									

Whether the issuer has already signed agreement with the Central Depository for any other instrument?

YES/NO (Tick the relevant option)

2. (Information sought in section A to be provided for the first issue of commercial paper of the ISSUER through Central Depository For the subsequent issues, if there is no change in the information sought in section A, please proceed directly to section B)

Section A

Address of the Regd. Office including telephone, fax nos. and email addresses:

Tashi Mall, Opposite Remaha Thangte -
P.O Box No. 1517
email: info@ghotencarlines.bt

Section B

Security Details:

Description of the Security	Issue Date	Redemption Date	Tenure of the security (in days)
Commercial Paper	04.02.26	17.05.2026	90

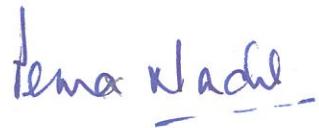
We hereby certify that:

All guidelines issued under the Companies Act, 2016 for the issue of Commercial Paper have been complied with.

We understand that Commercial Paper having the same maturity date will be allotted a single USIN irrespective of the date of allotment.

The information provided above is correct to the best of our knowledge and belief.

Signature:



Date: 03/02/2026

Name: Mr. Rema Nangyel Naddik

Stamp of the Issuer:

Designation: Chief Executive Officer.

Chief Executive Officer
Bhutan Airlines (Tashi Air Private Limited)
Tashi Mall, Opposite Taj Tashi
THIMPHU, BHUTAN

Appendix 3

Public Notification for Issuance of Commercial Paper (CP)

Name of Issuer Tashi Air Private Limited

Address Tashi Mall, Opposite Dewachen Thangtshu.

CD Code CP 042

Issue Amount: Nu. 300,000,000/-

Maturity Amount: Nu. 300,000,000/-

Discount Rate %: 6%

Issue Date: 17.02.2026

Maturity Date: 17.05.2026

Terms and Conditions

1. Application must be submitted to the RSEB not later than 12.00 noon on the closing date and applications will be irrevocable after submission.
2. Application must be accompanied by payment in full.
3. The RSEB on the advice of the issuer reserves the right to reject any Application or part of any Application and may allot to the applicants less than the full amount of the CP offered.
4. Allotments shall be made on the scheduled date by the RSEB. In the event of partial allotments of Applications, the excess amount paid shall be refunded or transferred by the RSEB to the Applicants bank account number. If no allotment is made, the amount paid will be returned in full in same manner.
5. No allotment shall be made for an amount less than Nu.100,000/- of the Certificate of CP
6. The CP ownership shall be issued in demat form and shall be registered electronically with the Central Depository of the Royal Securities Exchange of Bhutan (RSEB). The CP shall be registered in multiples of Nu.100, 000 (One hundred thousand). There will be no individual certificates issued to the applicants. However, the applicants can check their holdings and take statements from the Central Depository.



7. The Central Depository shall provide with the names of the beneficial owners to the issuer at least two working days in advance of the maturity date.
8. The CP shall be registered with the Central Depository upon successful completion of the allotment latest by the following working day along with the list of beneficial owners. Trading in such CP shall cease until the payment date has passed. Such record date will be no more than 2 working days prior to the maturity date.
9. Application forms are available from the RSEB and Issuer.



Seal and Signature of the Issuer

Chief Executive Officer
Bhutan Airlines (Tashi Air Private Limited)
Tashi Mall, Opposite Taj Tashi
THIMPHU:BHUTAN