

JINDAL SAW HOLDINGS FZE

**SEPARATE FINANCIAL STATEMENTS AND REPORT
YEAR ENDED 31 MARCH 2026**

JINDAL SAW HOLDINGS FZE

SEPARATE FINANCIAL STATEMENTS AND REPORT YEAR ENDED 31 MARCH 2026

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of **JINDAL SAW HOLDINGS FZE**

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of **JINDAL SAW HOLDINGS FZE** (the "Entity"), which comprise the separate statement of financial position as at 31 March 2026, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the entity as at 31 March 2026, and of its separate financial performance and its separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) issued or adopted by the International Accounting Standards Board (IASB).

Basis for Opinion

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

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INDEPENDENT AUDITOR'S REPORT

(continued)

Responsibilities of Management and Those Charged with Governance for the Separate financial statements

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992, and for such internal control as management determines is necessary to enable the preparation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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.

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INDEPENDENT AUDITOR'S REPORT

(continued)

- 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 Entity'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 Entity'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 separate 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements

Further, as required by the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992, We confirm that;

- i) We have obtained all the information we considered necessary for the purpose of our audit.

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INDEPENDENT AUDITOR'S REPORT

(continued)

- ii) The separate financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992 and Articles of Incorporation of the Entity.
- iii) The Entity has maintained proper books of account.
- iv) Note 10 to the separate financial statements reflects material related party transactions, and the terms under which these were conducted.
- v) Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened provisions of the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992 ,during the financial year ended 31 March 2026 any of the or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 March 2026 and there are no significant penalties imposed on the Entity.

For PKF - Abu Dhabi Branch



Jyotin M. Dholakia

Partner

Registration No. 5788

Abu Dhabi, United Arab Emirates

17 April 2026

JINDAL SAW HOLDINGS FZE

STATEMENT OF SEPARATE FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	2026 AED	2025 AED
ASSETS			
Non-current assets			
Investments	6	137,271,290	66,300,000
Non-current financial assets	7	127,136,976	127,136,976
		<u>264,408,266</u>	<u>193,436,976</u>
Current assets			
Security deposits	8	74,000	74,000
Other current assets	9	110,000	110,671
Cash and cash equivalents	11	3,932,377	316,687
		<u>4,116,377</u>	<u>501,358</u>
Total assets		<u><u>268,524,643</u></u>	<u><u>193,938,334</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	198,350,000	124,900,000
Accumulated losses		(70,684,114)	(69,136,392)
Equity		<u>127,665,886</u>	<u>55,763,608</u>
Non-current liabilities			
Loans from related parties	13	58,778,498	58,011,696
Convertible preference shares	14	79,680,000	79,680,000
Provision for staff end-of-service benefits	15	72,120	11,507
		<u>138,530,618</u>	<u>137,703,203</u>
Current liabilities			
Accruals	16	22,500	12,500
Other current liabilities	17	64,156	23,060
Due to related parties	10	2,241,483	435,963
		<u>2,328,139</u>	<u>471,523</u>
Total liabilities		<u>140,858,757</u>	<u>138,174,726</u>
Total equity and liabilities		<u>268,524,643</u>	<u>193,938,334</u>

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JINDAL SAW HOLDINGS FZE

STATEMENT OF SEPARATE FINANCIAL POSITION AS AT 31 MARCH 2026

(Continued)

The accompanying notes form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 1 to 4.

Approved and authorised for issue by the shareholder and signed on its behalf by directors Mr. Amit Kumar and Mr. Sandeep Prahladrail Agarwal on 17 April 2026.

For **JINDAL SAW HOLDINGS FZE**



AMIT KUMAR
DIRECTOR



SANDEEP PRAHLADRAI AGARWAL
DIRECTOR



JINDAL SAW HOLDINGS FZE

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 AED	2025 AED
Gain on sale of investment in a subsidiary	19	--	17,996
Expenses recovered from a related party (net)		1,086,609	255,589
Credit balances written back		--	18,889
Legal and professional expenses		(388,825)	(525,047)
Staff costs	20	(1,711,531)	(375,589)
Foreign exchange loss (net)		(55)	(387,885)
Other expenses	21	(108,712)	(76,529)
Interest income	22	--	503,413
Finance costs	23	(425,208)	(126,208)
LOSS FOR THE YEAR		(1,547,722)	(695,371)
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,547,722)	(695,371)

The accompanying notes form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 1 to 4.



JINDAL SAW HOLDINGS FZE

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

		Share capital AED	Accumulated losses AED	Total AED
Balance at 1 April 2024		124,900,000	(68,441,021)	56,458,979
Comprehensive income				
- Loss	(a)	--	(695,371)	(695,371)
- Other comprehensive income	(b)	--	--	--
Total comprehensive income for the year	(a+b)	--	(695,371)	(695,371)
Balance at 31 March 2025		124,900,000	(69,136,392)	55,763,608
Issue of share capital		73,450,000	--	73,450,000
Comprehensive income				
- Loss	(c)	--	(1,547,722)	(1,547,722)
- Other comprehensive income	(d)	--	--	--
Total comprehensive income for the year	(c+d)	--	(1,547,722)	(1,547,722)
Balance at 31 March 2026		198,350,000	(70,684,114)	127,665,886

The accompanying notes form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 1 to 4.



JINDAL SAW HOLDINGS FZE

SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
Loss for the year	(1,547,722)	(695,371)
Adjustments for:		
Gain on sale of investment in a subsidiary	--	(17,996)
Interest income	--	(503,413)
Expenses recovered from a related party (net)	(1,086,609)	(255,589)
Credit balances written back	--	(18,889)
Finance costs	425,208	126,208
Provision for staff end-of-service benefits	60,613	11,507
	<u>(2,148,510)</u>	<u>(1,353,543)</u>
Changes in:		
• Other current assets	671	29,392
• Accruals	10,000	(15,788)
• Other current liabilities	41,096	23,060
Net cash used in operations	<u>(2,096,743)</u>	<u>(1,316,879)</u>
Cash flows from investing activities		
Acquisition of investments	(70,971,290)	--
Receipts from related parties	1,086,609	30,377,099
Proceeds from disposals of investments	--	17,996
Interest received	--	503,413
Net cash (used in)/ from investing activities	<u>(69,884,681)</u>	<u>30,898,508</u>
Cash flows from financing activities		
Proceeds from issuance of shares	73,450,000	--
Proceeds from/(repayments of) loans from related parties	766,802	(26,088,554)
Interest paid	(425,208)	(126,208)
Receipt from/(payments to) related parties	1,805,520	(4,026,677)
Net cash from/(used in) financing activities	<u>75,597,114</u>	<u>(30,241,439)</u>

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JINDAL SAW HOLDINGS FZE

SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(continued)

	2026	2025
	AED	AED
Net increase/(decrease) in cash and cash equivalents	3,615,690	(659,810)
Cash and cash equivalents at beginning of period	316,687	976,497
Cash and cash equivalents at end of period (note 11)	<u>3,932,377</u>	<u>316,687</u>

The accompanying notes form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 1 to 4.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. LEGAL STATUS AND BUSINESS ACTIVITY

- a) **JINDAL SAW HOLDINGS FZE** ("The Entity") was incorporated on 19 October 2009 in the Fujairah Free Zone, Fujairah, under investment license no. 2640 as a Free Zone Establishment with Limited Liability and general trading license no. 2640A issued by the Fujairah, a Free Zone Authority, Government of Fujairah, Fujairah – United Arab Emirates under provisions of the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992. The registered office is PO Box 50556, Fujairah Free Zone, Fujairah, UAE.
- b) The Entity is licensed to invest in businesses and general trading.
- c) The shareholder of the Entity is M/s Jindal Saw Limited, a company registered in India and listed on National Stock Exchange of India ("NSE") and Bombay Stock Exchange ("BSE") in India, holding 100% of the share capital, which is also the ultimate controlling party."

2. BASIS OF PREPARATION

a) Statement of compliance

The separate financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 April 2025, and the requirements of the Rules and Regulations framed pursuant to Emri Decree No.6 of 1987 issued in Fujairah in respect of Free zone, amended by Emiri Decree No.1 for the year 1992.

These separate financial statements are the separate financial statements of the Entity presented only for the purpose of reporting to the shareholder. The consolidated separate financial statements of the Entity and its subsidiaries which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Separate financial statements, are presented separately.

b) Basis of measurement

The separate financial statements are prepared using historical cost except for certain financial assets carried at fair value.

Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

c) **Going Concern**

The financial statements are prepared on a going concern basis.

When preparing the separate financial statements, management makes an assessment of the Entity's ability to continue as a going concern. The separate financial statements are prepared on a going-concern basis unless management either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

d) **Adoption of new Standards**

Standards, amendments, improvements, and interpretations effective for the current period

The following amendments, improvements and interpretations which became effective for current period, did not have any significant impact on the Entity's separate financial statements:

- Amendments to IAS 21 – Lack of Exchangeability

New and revised IFRSs in issue but not yet effective and not early adopted

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the separate financial statements, have been issued by the IASB prior to the date the separate financial statements were authorised for issue, but have not been applied in these separate financial statements as their effective dates of adoption are for future accounting periods.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 April 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 April 2026)
- Annual Improvements to IFRS Accounting Standards—Volume 11 (1 April 2026)
- IFRS 18 Presentation and Disclosures in Separate financial statements (1 April 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (1 April 2027)

e) **Functional and presentation currency**

The separate financial statements are presented in UAE Dirhams ("AED") which is also the Entity's functional currency.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES

The significant accounting policies adopted, and which have been consistently applied, are as follows:

a) Investments in subsidiaries

Subsidiaries are companies over which the Entity exercises control. Control is achieved when the Entity is exposed, or has rights, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The investment in subsidiaries is accounted for at cost less impairment losses, if any. Consolidated separate financial statements of the parent and its subsidiary are prepared separately.

b) Investments in joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Such investments are treated as joint ventures and accounted under the equity method of accounting stating the investment initially at cost and adjusted for the Entity's share of changes in net assets of the investee company after the date of acquisition, and for any impairment in value.

c) Value added tax

As per the Federal Decree-Law No. (08) of 2017, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Entity charges and recovers Value Added Tax (VAT) on every taxable supply and deemed supply, in accordance with the applicable commercial VAT laws. Irrecoverable VAT for which Entity cannot avail the credit is charged to the relevant expenditure category or included in costs of non-current assets. The Entity files its VAT returns and computes the payable tax (which is output tax less input tax) for the allotted tax periods and deposits the same within the prescribed due dates of filing VAT return and tax payment. VAT receivable and VAT Payable are offset, and the net amount is reported in the separate statement of financial position as the Entity has a legally enforceable right to offset the recognised amounts and has the intention to settle the same on net basis.

d) **Income and deferred tax**

Tax expense for the year comprises of current income tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the federal tax authorities on the taxable profits after considering tax disallowances, exemptions and reliefs after applying the applicable tax rates. Deferred tax is recognised on the temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for non-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the separate financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

e) **Staff benefits**

The Entity provides staff end-of-service benefits to its non-UAE national employees as per the applicable local laws, the entitlement to these benefits is based on the employees' last drawn salary and length of services which is accrued over the period of employment. Provision for staff end of services benefits are disclosed as non-current liability.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Accruals are also made for employees' entitlement to staff annual leave salary for eligible employees as per the policy of the Entity. Accrual relating to staff annual leave salaries is disclosed as current liability as employees are entitled to redeem these benefits at any point of time after the reporting period.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

f) **Interest income**

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

g) **Leases**

Short-term leases and leases of low-value assets

The Entity applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) **Cash and cash equivalents**

Cash and cash equivalents comprise bank current accounts which are subject to an insignificant risk of changes in value.

i) **Foreign currency transactions**

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

j) **Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

k) **Provisions**

A provision is recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of receivable can be measured reliably.

l) **Contingencies and commitments**

Contingent liabilities are not recognised in the separate financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the separate financial statements but disclosed when an inflow of economic benefits is probable.

m) **Current versus non-current classification**

The Entity presents assets and liabilities in the separate statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period. or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

n) **Financial instruments**

Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (“FVTOCI”) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (“FVTPL”).

The classification of financial assets at initial recognition depends on the financial assets’ contractual cash flow characteristics and the Entity’s business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrumental level.

The Entity’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cashflows, selling the financial assets, or both.

Financial liabilities are classified as financial liabilities at amortised cost. The Entity determines the classification of its financial liabilities at initial recognition.

Recognition

Financial assets and financial liabilities are recognised when, and only when, the Entity becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Entity commits to purchase or sell the asset.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Derecognition

Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Entity has transferred its rights to receive cash flows from the 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) the Entity has transferred substantially all the risks and rewards of the asset,
or
 - (b) the Entity has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Financial liabilities are de-recognised when, and only when, they are extinguished i.e. when obligation specified in the contract is discharged, cancelled or expired.

Measurement

A financial is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

Financial assets

Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss, if any using the effective interest method.

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The financial assets at amortised cost comprise of non-current financial assets, security deposits, and cash and cash equivalents.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise of loan from related parties, convertible preference shares, accruals, and due to related parties.

Impairment of financial assets

The Entity recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Entity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loss allowances are measured on basis of 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Entity considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Entity's historical experience and informed credit assessment and including forward looking information.

The Entity assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Entity considers a financial asset to be in default when:

The borrower is unlikely to pay its credit obligations to the Entity in full, without recourse by the Entity to actions such as realising security (if any is held); or

The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Entity is exposed to credit risk.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

At each reporting date, the Entity assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the separate statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity

Share capital is recorded at the value of proceeds received towards interest in share capital of the Entity.

o) **Fair value measurement**

The Entity discloses the fair value of financial instruments measured at amortised cost.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participant's would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

The fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Entity 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.

4. SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the separate financial statements are as follows:

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Entity's business model for managing them.

Impairment

The Entity applies expected credit loss model to measure loss allowance in case of financial assets on the basis of 12-month expected credit losses depending on credit risk characteristics and how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

INVESTMENTS IN SUBSIDIARIES

The Entity has 100% control over Jindal Saw Gulf L.L.C. even though it holds 51% of its share capital. There is no history of other shareholder to exercise its vote.

INVESTMENTS IN JOINT VENTURES

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Fair value of financial assets

The fair values of financial instruments that are not traded on an active market are determined using valuation techniques. The Entity uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. The key assumptions used and the impact of changes in these assumptions is provided in note 3 (o).

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 3 (n).

Staff end-of-service benefits

The Entity computes the provision for the liability to staff end-of-service benefits stated at AED 72,120 (at 31 March 2025 - AED 11,507), assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

	2026 AED	2025 AED
6. INVESTMENTS		
(i) Investments in subsidiaries		
Jindal Saw Middle East FZE		
- Interest in equity share capital at cost	66,000,000	66,000,000
Total (A)	<u>66,000,000</u>	<u>66,000,000</u>

	2026 AED	2025 AED
Jindal Seamless Pipe Manufacturing L.L.C.		
- Interest in equity share capital at cost	990,000	--
- Additional investments (note below)	69,044,802	--
Total (B)	<u>70,034,802</u>	<u>--</u>



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note:

Additional investments are in the nature of equity to Jindal Seamless Pipe Manufacturing L.L.C. It does not carry any interest and is for the term of the subsidiary.

	2026 AED	2025 AED
Jindal Saw Gulf L.L.C.		
- Interest in equity share capital at cost	153,000	153,000
- Additional investments (note below)	147,000	147,000
Total (C)	300,000	300,000

Note:

Additional investments are in the nature of equity to Jindal Saw Gulf L.L.C. It does not carry any interest and is for the term of the subsidiary.

	2026 AED	2025 AED
(ii) Investments in joint ventures		
Jindal Saw and Buhur Altavision		
- Share capital at cost	936,488	--
Total (D)	936,488	--
Total investments (A+B+C+D)	137,271,290	66,300,000



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The nature of investments in subsidiaries held by the Entity are as follows:

Name of subsidiary	Principal Activities	Country of incorporation	Registered proportion (%) of ownership interest	
			2026	2025
M/s. Jindal Saw Middle East FZE, Fujairah Free Zone, Fujairah - U.A.E.	General Trading and acting as holding Entity	UAE	100	100
M/s. Jindal Saw Gulf (L.L.C.), Abu Dhabi - U.A.E. (note below)	Manufacturing all type of steel plants and related accessories and pipelines and metal coating and non-metallic coating	UAE	51	51
M/s. Jindal Seamless Pipe Manufacturing – L.L.C.	Manufacturing all type of steel seamless tubes, pipes and hollow profiles.	UAE	99	-

Note:

The Entity holds 51% equity interest and it has power to govern the investee since remaining 49% shares are held by a shareholder for and on behalf of the Entity and thus it is considered as having 100% control with the management who control both shareholder and Entity.

The nature of investments in joint ventures held by the Entity are as follows:

Name of joint venture	Principal Activities	Country of incorporation	Registered proportion (%) of ownership interest	
			2026	2025
M/s. Jindal Saw and Buhur Altavision - Riyadh - KSA	Manufacturing of pipes.	KSA	51	--



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
7. NON-CURRENT FINANCIAL ASSETS		
Long-term loan to Jindal Saw Gulf L.L.C	127,136,976	94,701,099
Additions during the year (note below)	--	32,435,877
	127,136,976	127,136,976

Note:

On 1 December 2024, an agreement was executed to transfer additional investments in M/s. Jindal Saw Middle East FZE, Fujairah Free Zone, Fujairah - U.A.E. to M/s. Jindal Saw Gulf (L.L.C.), Abu Dhabi - U.A.E in the form of long-term loan without interest.

8. SECURITY DEPOSITS

Comprise security deposits of AED 74,000 (at 31 March 2025 – AED 74,000), kept with Fujairah Free Zone Authority, for issuance of staff visas and license.

	2026 AED	2025 AED
9. OTHER CURRENT ASSETS		
Prepayments	110,000	110,000
Advances to suppliers	--	671
	110,000	110,671

10. RELATED PARTIES

The Entity enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and at prices determined by the management. Related parties comprise parent company, subsidiaries, joint ventures, entities under common ownership and/or common management control, directors, general manager and relatives thereof.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

At the reporting date significant balances with related parties were as follows:

	Parent company	Entities under common ownership and/or common management control		Joint venture	Subsidiary	Key management personnel	Total 2026	Total 2025		
		Jindal saw LTD AED	SV Trading Limited AED						International Investments (BVI) Limited AED	Jindal Saw and Buhur Altavision AED
Long-term loan to a related party (included in non-current financial assets)	--	--	--	--	--	127,136,976	--	--	127,136,976	127,136,976
Investment in a joint venture	--	--	--	936,488	--	--	--	--	936,488	--
Due to related parties	--	--	--	--	--	1,506,983	734,500	--	2,241,483	435,963
Non-cumulative optionally convertible preference shares (included in non-current financial liabilities)	79,680,000	--	--	--	--	--	--	--	79,680,000	79,680,000
	79,680,000	--	--	--	--	--	--	--	79,680,000	79,680,000



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	Parent company	Entities under common ownership and/or common management control			Joint venture	Subsidiary	Key management personnel	Total 2026	Total 2025
		Jindal saw LTD	SV Trading Limited	International Investments (BVI) Limited					
	AED	AED	AED	AED	AED	AED	AED	AED	
Long-term loans from related parties (included in non-current financial liabilities)	--	58,778,498	--	--	--	--	--	58,778,498	
	--	19,817,696	38,194,000	--	--	--	--		58,011,696
Investment in subsidiaries	--	--	--	--	70,034,802	300,000	66,000,000	136,334,802	
	--	--	--	--	--	300,000	66,000,000		66,300,000
Provision for staff end-of-service benefits	--	--	--	--	--	--	72,120	72,120	
	--	--	--	--	--	--	11,507		11,507
Accruals of staff annual leave salaries	--	--	--	--	--	--	64,156	64,156	
	--	--	--	--	--	--	23,060		23,060



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

All balances are unsecured and are expected to be settled in cash except investment in subsidiaries and non-cumulative optionally convertible preference shares.

All balances are expected to be settled on demand except investment in subsidiaries and long-term loan to a related party. Other repayment terms are in note 13.

Transactions with related parties are approved by the management. For the year ended 31 March 2026, the Entity has not recorded any allowance for expected credit losses of the amounts owed by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Significant related party transactions during the year were with entities under common ownership and/or common management control only as follows:

	Parent company	Entities under common ownership and/or common management control			Joint venture	Subsidiary		key management personnel		
	Jindal saw Ltd	SV Trading Limited	Jindal Saw Italia	World Transload and Logistics LLC	Jindal Saw and Buhur Altavision	Jindal Seamless Pipe Manufacturing LLC	Jindal Saw Gulf LLC		Total 2026	Total 2025
	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
Expenses recovered from a related party (net)	--	--	--	--	--	315,002	771,607	--	1,086,609	
	--	--	--	--	--	--	255,589	--		255,589
Interest income	--	--	--	--	--	--	--	--	--	
	--	--	503,413	--	--	--	--	--		503,413
Finance costs	--	399,552	--	14,282	--	--	--	--	413,834	
	--	114,181	--	--	--	--	--	--		114,181
Investment in a subsidiary	--	--	--	--	--	70,034,802	--	--	70,034,802	
	--	--	--	--	--	--	--	--		--



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	Parent company	Entities under common ownership and/or common management control			Joint venture	Subsidiary		key management personnel		
	Jindal saw LTD	SV Trading Limited	Jindal Saw Italia	World Transload and Logistics LLC	Jindal Saw and Buhur Altavision	Jindal Seamless Pipe Manufacturing LLC	Jindal Saw Gulf LLC		Total 2026	Total 2025
	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
Salaries and other related benefits	--	--	--	--	--	--	--	1,650,918	1,650,918	
	--	--	--	--	--	--	--	379,114		379,114
End-of-service benefits	--	--	--	--	--	--	--	60,613	60,613	
	--	--	--	--	--	--	--	11,507		11,507
Investment in a joint venture	--	--	--	--	936,488	--	--	--	936,488	
	--	--	--	--	--	--	--	--		--

Administrative and staff related services are rendered to a related party at arm's length.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

11. CASH AND CASH EQUIVALENTS

Comprises balance in bank current accounts of AED 3,932,377 (at 31 March 2025 – AED 316,687).

	2026 AED	2025 AED
12. SHARE CAPITAL		
Issued and paid up		
1000 shares of AED 198,350 each	<u>198,350,000</u>	<u>124,900,000</u>

The shareholder at 31 March 2026 and its interests as at that date in the share capital of the Entity was as follows:

Name	No. of shares	AED
M/s Jindal Saw Ltd	<u>1,000</u>	<u>198,350,000</u>

By amending article of incorporation dated 23 March 2026, the share capital was increased to AED 198,350,000 by the increased value to AED 198,350 each, paid up in cash for additional value.

The shareholders as at 31 March 2026 and 31 March 2025 and their interests as at these dates in share capital of the Entity were as follows:

Name	As at 31.3.2026			As at 31.3.2025		
	No. of shares	AED	% holding	No. of shares	AED	% holding
Jindal Saw Ltd.	1,000	198,350,000	100%	1,000	124,900,000	100%
Total	<u>1,000</u>	<u>198,350,000</u>	<u>100%</u>	<u>1,000</u>	<u>124,900,000</u>	<u>100%</u>

	2026 AED	2025 AED
13. LOANS FROM RELATED PARTIES		
International Investments Limited BVI [note (a)]	--	38,194,000
SV Trading Limited [note (b)]	<u>58,778,498</u>	<u>19,817,696</u>
	<u>58,778,498</u>	<u>58,011,696</u>



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Notes:

- a. The loan from M/s. International Investments Limited BVI, a related party, was interest free with no fixed repayment terms. The Entity has repaid the loan during the year.
- b. The loan from M/s. SV Trading Limited, a related party, is bearing a fixed interest rate of 1% per annum. The interest shall be paid on maturity of the Loan. The Entity can repay the entire outstanding loan in one or more instalments by the 31 December 2029. Accordingly, it is classified as non-current liabilities.

14. CONVERTIBLE PREFERENCE SHARES

Convertible preference shares comprise non-cumulative optionally convertible redeemable preference shares (“NCOCRPS”) issued to Jindal Saw Limited, India of AED 79,680,000 (at 31 March 2025 - AED 79,680,000), divided into 7,968 shares (at 31 March 2025 - 7,968 shares) of AED 10,000 (at 31 March 2025 - AED 10,000) each.

NCOCRPS shall be redeemed or converted to ordinary equity shares within 10 years from allotment. However, the holder has the option to convert these NCOCRPS into equity at fair value at any time before redemption. NCOCRPS also carry discretionary non-cumulative coupon rate of 6% p.a. Therefore, NCOCRPS is treated as a non-current financial liability.

	2026 AED	2025 AED
15. PROVISION FOR STAFF END-OF-SERVICE BENEFITS		
Opening balance	11,507	--
Provision made during the year	60,613	11,507
Closing balance	<u>72,120</u>	<u>11,507</u>

16. ACCRUALS

Comprise accruals of professional fees of AED 22,500 (at 31 March 2025 – AED 12,500). The entire accruals are due for payment within one year from the reporting date.

17. OTHER CURRENT LIABILITIES

Comprise accruals of staff annual leave salaries of AED 64,156 (at 31 March 2025 – AED 23,060).



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

18. MANAGEMENT OF CAPITAL

The Entity's objectives when managing capital are to ensure that the Entity continues as a going concern and to provide the shareholder with a rate of return on their investment commensurate with the level of risk assumed.

Capital, which is unchanged from the previous year, comprises equity funds as presented in the separate statement of financial position. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The Entity is not exposed to any externally imposed capital requirements.

19. GAIN ON SALE OF INVESTMENT IN A SUBSIDIARY

Comprises gain on sale of investment in a subsidiary, Greenray Holdings Limited of AED nil (previous year – AED 17,996).

	2026 AED	2025 AED
20. STAFF COSTS		
Salaries and other related benefits	1,650,918	364,082
End-of-service benefits	60,613	11,507
	<u>1,711,531</u>	<u>375,589</u>
21. OTHER EXPENSES		
Short-term lease charges	86,000	66,287
Other expenses	22,712	10,242
	<u>108,712</u>	<u>76,529</u>

22. INTEREST INCOME

Comprise interest income on the balances of due from related parties of AED Nil (previous year – AED 503,413).



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
23. FINANCE COSTS		
Relating to bank charges associated with borrowings	11,374	12,027
Relating to balance due to a related parties	413,834	114,181
	<u>425,208</u>	<u>126,208</u>

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Classification and fair values

The net carrying amounts and fair values as at the reporting date of financial assets and financial liabilities are as follows:

	2026 AED	2025 AED
Financial assets		
Non-current financial assets	127,136,976	127,136,976
Security deposits	74,000	74,000
Cash and cash equivalents	3,932,377	316,687
	<u>131,143,353</u>	<u>127,527,663</u>
Financial liabilities		
Loans from related parties	58,778,498	58,011,696
Convertible preference shares	79,680,000	79,680,000
Accruals	22,500	12,500
Due to related parties	2,241,483	435,963
	<u>140,722,481</u>	<u>138,140,159</u>

Fair value measurement and disclosures

The management assesses the fair values of all its financial assets and financial liabilities at each reporting date.

The fair values of cash and cash equivalents, security deposits, due from and due to related parties, and accruals approximate their carrying amounts largely due to the short-term maturities of these instruments.

Interest-free long-term loans to related parties and other financial liabilities, due to their terms have fair values lower than their carrying values.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The following methods and assumptions were used to determine the fair values of other financial assets/liabilities:

- Fair value of long-term loans to a related party are evaluated by the Entity using valuation techniques including the discounted cash flow (DCF) model. The inputs to this model are taken from observable markets where possible, but where this is not feasible, inputs are based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customers and credit risks characteristics. Based on such evaluation, provisions are made for the expected credit losses of these receivables. As at the reporting date, the carrying amount of the loans are not materially different from their fair values.
- Fair value of long-term loans from related parties is estimated by discounting future cash flows using rates currently available for debts on similar items, credit risk and remaining maturities. As at the reporting date, the carrying amount of the loan is not materially different from their fair values.

Financial risk management

Risk management objectives

Risk is inherent in the Entity's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Entity's continuing profitability. The Entity's risk management focusses on actively securing short to medium term cash flows by minimizing the exposure to financial markets.

The Entity does not actively engage in trading of financial assets for speculative purpose.

The primary risks to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

The management of the Entity reviews and agrees policies for managing each of these risks which are summarised below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Financial assets that potentially expose the Entity to concentrations of credit risk comprise principally cash and cash equivalents, other financial assets and security deposits.

The Entity's bank accounts are placed with high credit quality financial institutions and hence have low credit risk.

Liquidity risk

Liquidity risk is the risk that the Entity may encounter difficulty in meeting financial obligations due to shortage of funds. The Entity's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation. The Entity manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Entity limits its liquidity risk by ensuring adequate bank facilities are available.

The table below summarises the maturities of the Entity's undiscounted at the reporting date, based on contractual payment dates and current market interest rates.

	Less than one year		One to five years		Over five years		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	AED	AED	AED	AED	AED	AED	AED	AED
Loans from related parties	--	--	--	--	58,778,498	58,011,696	58,778,498	58,011,696
Convertible preference shares	--	--	--	--	79,680,000	79,680,000	79,680,000	79,680,000
Accruals	22,500	12,500	--	--	--	--	22,500	12,500
Due to related parties	2,241,483	435,963	--	--	--	--	2,241,483	435,963
	<u>2,263,983</u>	<u>448,463</u>	<u>--</u>	<u>--</u>	<u>138,458,498</u>	<u>137,691,696</u>	<u>140,722,481</u>	<u>138,140,159</u>

Market risk

Market risk is the risk that the changes in market prices, such as foreign currency exchange rates, interest rates and prices, will affect the Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Currency risk

Currency risk is the risk that the values of financial instruments will fluctuate because of changes in foreign exchange rates.

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams to which the Dirham is fixed except for the following:

	2026	2025
	AED	AED
Cash and bank balances		
- Euro	<u>20,459</u>	<u>21,290</u>

Reasonably possible changes to exchange rates at the reporting date are unlikely to have had a significant impact on profit or equity.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates.

Amount due to a related party is subject to fixed interest rate of 1% per annum and are therefore exposed to fair value interest rate risk.

Reasonably possible changes to interest rates at the reporting date are unlikely to have had a significant impact on profit or equity.

	2026	2025
	AED	AED
25. CONTINGENT LIABILITIES AND COMMITMENTS		
Letter of guarantee	<u>183,625,000</u>	<u>--</u>

26. CORPORATE TAX

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the 'CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law is effective for the financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income (as AED 375,000) over which a corporate tax of 9% would apply and accordingly, the CT Law is now considered to be substantively enacted.



JINDAL SAW HOLDINGS FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Entity is a member of a tax group under UAE corporate tax law as governed by article 40 of the Federal Decree-Law No. 47 of 2022. Consequently, the tax group is regarded as a single taxable entity and one of the tax group members, Jindal Saw Gulf LLC, submits a consolidated tax return for the group. No current tax expense has been recognized, as the Entity has reported a loss for the year and the Entity's losses are offset against the profits of other group members at the group level, thereby reducing the overall tax liability of the tax group in accordance with the provisions of the UAE Corporate Tax Law.

27. SUBSEQUENT EVENTS

The ongoing geopolitical conflict in the West Asia Region have introduced a degree of uncertainty in the Global and regional environment. The United Arab Emirates may experience indirect impacts arising from these developments. The Entity has assessed the potential implications of the situation on its operations and financial performance as at the reporting date.

While there is no material direct impact on the Entity's separate financial statements for the current reporting period, the management continues to closely monitor the situations in the region.

Potential risk that may arise include fluctuations in oil prices, disruptions to supply chain, increased transportation/insurance cost which could have an impact on the Entity's operations in the future periods.

For **JINDAL SAW HOLDINGS FZE**



AMIT KUMAR
DIRECTOR



SANDEEP PRAHLADRAI AGARWAL
DIRECTOR

