

JINDAL SAW MIDDLE EAST FZE

FINANCIAL STATEMENTS AND REPORTS

YEAR ENDED 31 MARCH 2026

JINDAL SAW MIDDLE EAST FZE

FINANCIAL STATEMENTS AND REPORTS

YEAR ENDED 31 MARCH 2026

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INDEPENDENT AUDITOR'S REPORT

To the shareholder of **JINDAL SAW MIDDLE EAST FZE**

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Entity as at 31 March 2026, and of its financial performance and its 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 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 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of 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 financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT

(continued)

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of material accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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INDEPENDENT AUDITOR'S REPORT

(continued)

- 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 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 financial statements, including the disclosures, and whether the 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.
- ii) The 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 Memorandum and Articles of Association of the Entity.
- iii) The Entity has maintained proper books of account.
- iv) Note 10 to the financial statements reflects material related party transactions, and the terms under which these were conducted.

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INDEPENDENT AUDITOR'S REPORT

(continued)

- 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 MIDDLE EAST FZE

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	2026 AED	2025 AED
ASSETS			
Non-current assets			
Investments	6	157,000	147,000
Other financial assets	7	--	14,908,250
		<u>157,000</u>	<u>15,055,250</u>
Current assets			
Security deposits	8	5,000	5,000
Other current assets	9	24,108	23,356
Due from related parties	10	19,390,688	24,905,247
Cash and cash equivalents	11	80,050	130,834
		<u>19,499,846</u>	<u>25,064,437</u>
Total assets		<u><u>19,656,846</u></u>	<u><u>40,119,687</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	66,000,000	66,000,000
Accumulated losses		(46,355,654)	(46,175,141)
Equity		<u><u>19,644,346</u></u>	<u><u>19,824,859</u></u>
Current liabilities			
Short-term borrowings	13	--	20,198,750
Accrued expenses	14	12,500	96,078
		<u>12,500</u>	<u>20,294,828</u>
Total liabilities		<u><u>12,500</u></u>	<u><u>20,294,828</u></u>
Total equity and liabilities		<u><u>19,656,846</u></u>	<u><u>40,119,687</u></u>

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JINDAL SAW MIDDLE EAST FZE

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

(Continued)

The accompanying notes form an integral part of these 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 the directors Mr. Amit Kumar and Mr. Sandeep Prahladrai Agarwal on 17 April 2026.

For **JINDAL SAW MIDDLE EAST FZE**



AMIT KUMAR
DIRECTOR



SANDEEP PRAHLADRAI AGARWAL
DIRECTOR



JINDAL SAW MIDDLE EAST FZE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 AED	2025 AED
Revenue	16	--	10,416,667
Other income	17	609,637	18,755,226
Depreciation of plant property and equipment		--	(7,365,429)
Bank charges		(5,794)	(1,996,886)
Loss on disposal of property plant and equipment (net)		--	(633,996)
Other expenses	18	(179,177)	(199,560)
Finance costs	19	(605,179)	(21,229,041)
LOSS FOR THE YEAR		(180,513)	(2,253,019)
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(180,513)	(2,253,019)

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

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



JINDAL SAW MIDDLE EAST FZE

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		66,000,000	(43,922,122)	22,077,878
Comprehensive income				
- Loss for the year	(a)	--	(2,253,019)	(2,253,019)
- Other comprehensive income	(b)	--	--	--
Total comprehensive income for the year	(a+b)	--	(2,253,019)	(2,253,019)
Balance at 31 March 2025		66,000,000	(46,175,141)	19,824,859
Comprehensive income				
- Loss for the year	(c)	--	(180,513)	(180,513)
- Other comprehensive income	(d)	--	--	--
Total comprehensive income for the year	(c+d)	--	(180,513)	(180,513)
Balance at 31 March 2026		66,000,000	(46,355,654)	19,644,346

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

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



JINDAL SAW MIDDLE EAST FZE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
Loss for the year	(180,513)	(2,253,019)
Adjustments for:		
Depreciation of property, plant and equipment	--	7,365,429
Loss on disposals of property, plant and equipment	--	633,996
Lease rental income	--	(10,416,667)
Expenses recovered from a related party	(609,637)	(18,755,226)
Expenses recharged by a related party	--	120,000
Finance costs	605,179	21,229,041
	<u>(184,971)</u>	<u>(2,076,446)</u>
Changes in:		
• Other current assets	(752)	33,650
• Accrued expenses	(83,578)	(2,317,330)
Cash used in operating activities	<u>(269,301)</u>	<u>(4,360,126)</u>
Cash flows from investing activities		
Acquisition of investment	(10,000)	--
Receipts from related parties	6,124,196	201,333,985
Decrease in other financial assets	14,908,250	259,226
Net cash from investing activities	<u>21,022,446</u>	<u>201,593,211</u>
Cash flows from financing activities		
Repayments of bank overdrafts (net)	--	(6,119,179)
Repayments of trust receipts (net)	--	(128,738,328)
Repayments of term loans (net)	--	(28,564,172)
Repayments of other short-term borrowings (net)	(20,198,750)	(5,508,750)
Interest paid	(605,179)	(28,498,152)
Net cash used in financing activities	<u>(20,803,929)</u>	<u>(197,428,581)</u>
Net decrease in cash and cash equivalents	(50,784)	(195,496)
Cash and cash equivalents at beginning of year	130,834	326,330
Cash and cash equivalents at end of year (note 11)	<u>80,050</u>	<u>130,834</u>

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JINDAL SAW MIDDLE EAST FZE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(Continued)

	2026 AED	2025 AED
Non-cash investing and activities includes:		
Property plant and equipment transferred to shareholder's current account	--	154,156,855
Non-cash financing activities includes:		
Amount due to related parties transferred to a related party	--	(269,151,992)
Balance of shareholder's current account transferred to a related party	--	(32,435,877)
Borrowings (long-term and short-term) transferred to a related party	--	(218,318,612)

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

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



JINDAL SAW MIDDLE EAST FZE

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

1. LEGAL STATUS AND BUSINESS ACTIVITY

- a) **JINDAL SAW MIDDLE EAST FZE** (the "Entity") was incorporated on 19 October 2009 in the Fujairah Free Zone, Fujairah, as a Free Zone Establishment with Limited Liability under commercial license no. 2641, issued by 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 50534, Fujairah Free Zone, Fujairah, UAE.
- b) The Entity's business activity as per the commercial license is general trading, however the Entity acts as a holding company.
- c) The shareholder and the parent company of the Entity is Jindal Saw Holdings FZE, incorporated in the Fujairah Free Zone, Fujairah – United Arab Emirates, holding 100% of the share capital. The ultimate parent company is Jindal Saw Limited, a company registered in India and listed on National Stock Exchange of India ("NSE") and Bombay Stock Exchange ("BSE") in India, which is also the ultimate controlling party.

2. BASIS OF PREPARATION

a) Statement of compliance

- i) The 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.

b) Basis of measurement

The 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.



JINDAL SAW MIDDLE EAST FZE

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

c) **Going Concern**

The financial statements have been prepared on a going-concern basis.

When preparing financial statements, management makes an assessment of the Entity's ability to continue as a going concern. 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 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 financial statements, have been issued by the IASB prior to the date the financial statements were authorised for issue, but have not been applied in these 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 Financial Statements (1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (1 January 2027)

e) **Functional and presentation currency**

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



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

3. MATERIAL ACCOUNTING POLICIES

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

a) 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.

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 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.

b) 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 allowances and exemptions and applying the applicable tax rates and laws. 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 on-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the 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.



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

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.

c) **Revenue recognition**

The Entity's business activity as per the commercial license is general trading, however the Entity acts as a holding entity.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Entity expects to be entitled in exchange for those goods or services.

The Entity recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Entity satisfies a performance obligation at a point in time or over time.

The Entity satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs; or
- The Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or



JINDAL SAW MIDDLE EAST FZE

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

- The Entity's performance does not create an asset with an alternative use to the Entity and the Entity has an enforceable right to payment for performance completed to date.

The Entity is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Rental income

Rental income from operating leases is recognised, net of discounts, in accordance with the terms of lease contracts over the lease term on a straight-line basis, except when an alternative basis is more representative of the pattern of benefits to be derived from the leased assets.

d) **Leases**

As a lessee

The Entity leases one office premises. Rental contracts are typically made for fixed periods up to 1 year. Lease agreement contains a wide range of different terms and conditions. The lease arrangements do not impose any covenants.

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.

As a lessor

Leases in which the Entity does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

e)

Cash and cash equivalents

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



JINDAL SAW MIDDLE EAST FZE

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

f) **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.

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

g) **Borrowing costs**

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

h) **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.

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

The Entity presents assets and liabilities in the 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.



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

All other assets are classified as non-current.

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.

j) **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.



NOTES TO THE 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 asset 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.

On initial recognition of an equity investment that is not held-for-trading, the Entity may irrevocably elect to subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

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 and deferred income, 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.



JINDAL SAW MIDDLE EAST FZE

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

All other financial assets are subsequently measured at fair value.

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 security deposits, due from related parties, other financial assets, and cash and cash equivalents.

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 short-term borrowings, due to related parties and accrued expenses.

Impairment of financial assets

Expected credit losses (ECLs) 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 either of the following basis:

- 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

The Entity measures loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances, security deposits, Due from related parties, and other current financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.



JINDAL SAW MIDDLE EAST FZE

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

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the 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.

k) **Fair value measurement**

The Entity also 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 participants 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.

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 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.



JINDAL SAW MIDDLE EAST FZE

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

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:

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 (k).

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 (k).

	2026	2025
	AED	AED
6. INVESTMENTS		
Interest in Jindal Saw Gulf L.L.C (note 1 below)	147,000	147,000
Interest in Jindal Seamless Pipe Manufacturing L.L.C. (note 2 below)	10,000	--
	<u>157,000</u>	<u>147,000</u>

Note:

1. The Entity holds a 49% shareholding in Jindal Saw Gulf L.L.C ("JSGL") as at the reporting date. Although it holds 49% shareholding, it does not have significant influence and power to participate in the financial and operating policy decision of the JSGL. Hence this investment is recorded at cost.
2. The Entity holds a 1% shareholding in Jindal Seamless Pipe Manufacturing L.L.C. ("JSPM") as at the reporting date. As it holds 1% shareholding, it does not have significant influence and power to participate in the financial and operating policy decision of the JSPM. Hence this investment is recorded at cost.



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

	2026 AED	2025 AED
7. OTHER FINANCIAL ASSETS		
Margin deposits	--	14,908,250
Disclosed under:		
Non-current financial assets [note (i)]	--	14,908,250

(i) Included at 31 March 2025 – AED 14,908,250 kept as debt service reserve against long-term borrowing from Abu Dhabi Commercial Bank (ADCB), which was transferred to Jindal Saw Gulf L.L.C with effect from 12 April 2025.

8. SECURITY DEPOSITS

Comprise deposit of AED 5,000 (at 31 March 2025 – AED 5,000) kept with Fujairah Free Zone Authority for license issuance purposes.

9. OTHER CURRENT ASSETS

Comprise prepayments of AED 24,108 (at 31 March 2025 – AED 23,356).

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 entities under common ownership and/or common management control, ultimate parent company, parent company / shareholder, directors and relatives thereof.



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

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

	Entities under common ownership and/or common management control			Total 2026 AED	Total 2025 AED
	Shareholder	Jindal			
	Jindal Saw	Seamless Pipe	Jindal Saw		
	Holdings FZE	Manufacturing LLC	Gulf LLC		
	AED	AED	AED		
Investments	--	10,000	147,000	157,000	
	--	--	147,000		147,000
Due from related parties	734,500	--	18,656,188	19,390,688	
	--	--	24,905,247		24,905,247

All balances are unsecured, interest-free and are expected to be settled in cash.

All the balances are expected to be settled on demand except for accrued expenses.

Transactions with related parties are approved by the management. Amounts due from related parties relate to transactions arising in the normal course of business with minimal credit risk. 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. Shareholder has provided guarantees to the Entity in respect of the recoverability of above-mentioned due from related parties amounting to AED 19,390,688 (at 31 March 2025 AED 24,905,247).



JINDAL SAW MIDDLE EAST FZE

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

Significant transactions with related parties carried out at the agreed rate during the year were as follows:

	Ultimate parent	Entities under common		Total	Total
	company	ownership/ control			
	Jindal Saw Ltd	Jindal Seamless	Jindal Saw	Total	Total
	India	Pipe	Gulf L.L.C.	2026	2025
	AED	Manufacturing	LLC	AED	AED
Revenue	--	--	--	--	
	--	--	10,416,667		10,416,667
Expenses recovered from a related party	--	--	609,637	609,637	
	--	--	18,755,226		18,755,226
Expenses recharged by a related party	--	--	120,000	120,000	
	--	--	120,000		120,000
Corporate guarantee charges (included in bank charges)	--	--	--	--	
	1,548,179	--	--		1,548,179
Property plant and equipment transferred to due from a related party	--	--	--	--	
	--	--	154,156,855		154,156,855
Amount due to related parties transferred to a related party	--	--	--	--	
	--	--	269,151,992		269,151,992
Balance of shareholder's current account transferred to a related party	--	--	--	--	
	--	--	32,435,877		32,435,877
Borrowings (long-term and short-term) transferred to a related party	--	--	--	--	
	--	--	218,318,612		218,318,612
Investment	--	10,000	--	10,000	
	--	--	--		--

The Entity also provides funds to/receives funds from related parties as working capital facilities free of interest.

Administrative and staff-related services are availed from a related party as per agreed rates.



JINDAL SAW MIDDLE EAST FZE

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

	2026 AED	2025 AED
11. CASH AND CASH EQUIVALENTS		
Bank balances in current account	<u>80,050</u>	<u>130,834</u>
12. SHARE CAPITAL		
Issued and paid up		
1,000 shares of AED 66,000 each	<u>66,000,000</u>	<u>66,000,000</u>

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

Name	No. of shares	AED
M/s Jindal Saw Holding FZE	<u>1,000</u>	<u>66,000,000</u>

	2026 AED	2025 AED
13. SHORT-TERM BORROWINGS		
Other short-term borrowings	<u>--</u>	<u>20,198,750</u>

An analysis by the bank of outstanding amounts is as follows:

Deutsche Bank AG Singapore	<u>--</u>	<u>20,198,750</u>
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A maturity analysis of bank borrowings is as follows:

Overdrafts	--	--
0 – 1 month	--	--
1 – 3 months	--	20,198,750
3 months – 1 year	--	--
Presented as current liabilities	<u>--</u>	<u>20,198,750</u>
1 year – 5 years	--	--
Total	<u>--</u>	<u>20,198,750</u>



JINDAL SAW MIDDLE EAST FZE

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

	2026 AED	2025 AED
14. ACCRUED EXPENSES		
Accrued interest	--	83,578
Other accrued expenses	12,500	12,500
	12,500	96,078

The entire accrued expenses are due for payment within one year from the reporting date.

15. 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 shareholders 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 statement of financial position. Debt comprises total amounts owed by the Entity, net of cash and cash equivalents.

The Entity is not exposed to any externally imposed capital requirements as per provisions of the regulations.

Funds generated from internal accruals are retained in the business, to limit bank borrowings within covenants and according to the business requirements and maintain capital at desired levels.

16. REVENUE

The Entity generates revenue from the transfer of services over time. The disaggregated revenue from contracts with customers by geographical segments, major service lines and timing of revenue recognition is presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Entity's revenue and cash flows.

	2026 AED	2025 AED
Primary Geographical segments		
- Within UAE	--	10,416,667
Major service lines		
- Rental income	--	10,416,667



JINDAL SAW MIDDLE EAST FZE

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

	2026 AED	2025 AED
Timing of revenue recognition		
- Over time	--	10,416,667

17. OTHER INCOME

Comprise of expenses recovered from a related party of AED 609,637 (previous year – AED 18,755,226).

	2026 AED	2025 AED
18. OTHER EXPENSES		
Expenses recharged by a related party	120,000	120,000
Legal and professional expenses	36,000	37,479
Short-term lease charges	21,247	20,205
Exchange loss (net)	--	11,269
Other expenses	1,930	10,607
	<u>179,177</u>	<u>199,560</u>

19. FINANCE COSTS

Relating to short-term borrowings	605,179	19,680,862
Relating to corporate guarantee charges to a related party	--	1,548,179
	<u>605,179</u>	<u>21,229,041</u>

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Classification and fair values

At the reporting date, all the financial assets and financial liabilities are carried at amortised cost and the net carrying amounts are as follows:

	2026 AED	2025 AED
Financial assets		
Security deposits	5,000	5,000
Due from related parties	19,390,688	24,905,247
Other financial assets	--	14,908,250
Cash and cash equivalents	80,050	130,834
	<u>19,475,738</u>	<u>39,949,331</u>



JINDAL SAW MIDDLE EAST FZE

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

	2026 AED	2025 AED
Financial liabilities		
Short-term borrowings	--	20,198,750
Accrued expenses	12,500	96,078
	<u>12,500</u>	<u>20,294,828</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, deposits, sundry financial assets, short-term borrowings, accruals and other payables, due to related parties and shareholder's current account approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- Fair values of non-current assets other financial assets 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 amounts of such receivables, net of provisions, are not materially different from their fair values.
- Fair values of non-current borrowings are 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 amounts of such liabilities, are 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.



JINDAL SAW MIDDLE EAST FZE

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

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 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.

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 security deposits, other financial assets and cash and cash equivalents.

The Entity's bank accounts are placed with high credit quality financial institutions.

Current and non-current financial assets represent investments in margin deposits which are placed with high credit quality financial institutions.

Based on the assessment, the management believes that no impairment provision is required under IFRS 9.

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.



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

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	
	2026	2025
	AED	AED
Short-term borrowings	--	20,198,750
Accrued expenses	<u>12,500</u>	<u>96,078</u>

Market risk

The 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 instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.

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 or US Dollars to which the Dirham is fixed.

Interest rate risk

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

The bank overdrafts and borrowings are subject to floating interest rates at levels generally obtained in the UAE and are therefore exposed to cash flow interest rate risk.



JINDAL SAW MIDDLE EAST FZE

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

21. 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.

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.

22. 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 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 MIDDLE EAST FZE



AMIT KUMAR
DIRECTOR



SANDEEP PRAHLADRAI AGARWAL
DIRECTOR

