ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Financial Statements

31 March 2026

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Financial Statements
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ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Managing Director's Report

The Managing Director submits his report, together with the audited financial statements of **ZUARI INFRAWORLD S J M PROPERTIES L.L.C** (the "company"), for the year ended 31 March 2026.

Results and appropriations

The results of the company and the appropriations made for the year ended 31 March 2026 are set out on pages 7 and 8 of the financial statements.

In my opinion, the financial statements set out on pages 6 to 26 are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2026 and the financial performance, changes in equity and cash flows of the company for the year then ended in accordance with International Financial Reporting Standards and in compliance with the applicable provisions of the U.A.E. Federal Law No. 32 of 2021, as amended.

At the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Review of the project

- The company has successfully sold all 232 residential units of the project and have collected AED 606 million in the ESCROW account towards the project.
- The company has successfully completed the Pre-registration of all the units sold.
- The construction activities commenced on 15 May 2023 and the completion percentage certified by Consultant as of January 2026 was 90%. The project is expected to be completed in the second quarter of 2026-27.

Events since the end of the year

There were no important events which have occurred since the year-end that materially affect the company.

The Managing director continue to monitor the evolving geopolitical situation in the region and its potential impact on the company's operations. As at the date of this report, the managing director do not consider this to have a material adverse effect on the company's financial position or its ability to continue as a going concern.

Owner and its interest

The Owner at 31 March 2026 and its interests as at that date in the share capital of the company was as under:

	Country of Incorporation	*No. of shares*	*AED*
Zuari Infra Middle East Limited	India	300	300,000

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Managing Director's Report (cont'd)

Independent auditor

A resolution to re-appoint the auditor and fix the remuneration will be put to the board at the annual general meeting.

Vinay Varma
MANAGING DIRECTOR

زواري انفراورلد اس جيه ام للعقارات ش.ذ.م.م
P.O.Box : 27508
Dubai - U.A.E
ZUARI INFRAWORLD S J M PROPERTIES L.L.C

INDEPENDENT AUDITOR'S REPORT TO THE OWNER OF ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Report on the Audit of the Financial Statements

Opinion
We have audited the standalone financial statements of **ZUARI INFRAWORLD S J M PROPERTIES L.L.C** (the "company"), 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, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the company as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

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 association 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and in compliance with the applicable provisions of the U.A.E. Federal Law No. 32 of 2021, as amended 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.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement
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.

INDEPENDENT AUDITOR'S REPORT TO THE OWNER OF ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Auditor's Responsibilities for the Audit of the Financial Statement (cont'd)

- 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 company'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 company'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 company 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 achieves fair presentation.

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 U.A.E. Federal Law No. 32 of 2021, as amended, we report that for the year ended 31 March 2026:

1) We have obtained all the information we considered necessary for the purpose of our audit;

2) The financial statements have been prepared and comply, in all material respects, with applicable provisions of the U.A.E. Federal Law No. 32 of 2021, as amended;

3) The company has maintained proper books of accounts;

4) The financial information included in the Managing Director's report is consistent with the books of accounts of the company;

5) The company has not purchased or invested in any shares during the financial year ended 31 March 2026;

6) Note 21 to the financial statements discloses material related party transactions and the terms under which they were conducted; and

INDEPENDENT AUDITOR'S REPORT TO THE OWNER OF ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Report on Other Legal and Regulatory Requirements (cont'd)

7) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the company has contravened during the year ended 31 March 2026 any of the applicable provisions of the U.A.E. Federal Law No. 32 of 2021, as amended or in respect of the company, its Memorandum of Association which would materially affect its activities or its financial position as at 31 March 2026.

CDShah

SHAH & ALSHAMALI ASSOCIATES Chartered Accountants P.O.Box: 118767 DUBAI - U.A.E شاه & الشمالي محاسبون قانونيون

Signed by:
C. D. Shah
Partner
Registration No. 677
Shah & Alshamali Associates Chartered Accountants
6 May 2026
Dubai, United Arab Emirates

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Statement of Financial Position
as at 31 March 2026

	Notes	2026 AED	2025 AED
ASSETS			
Escrow & retention accounts	5	129,414,987	256,343,271
Cash and cash equivalents	6	13,300,014	5,872,017
Due from a related party	7	2,500,000	6,500,000
Advances & other receivables	8	213,149	288,177
Prepayments		46,617	51,009
Property, plant and equipment	9	1,053,503	540,875
Investment in joint venture	10	376,952,637	448,270,831
Total assets		**523,480,907**	**717,866,180**
LIABILITIES AND EQUITY			
Liabilities			
Due to subsidiary of JV company	11	141,630,459	259,035,665
Other payables & accruals	12	779,219	2,708,631
Unsecured loans	13	-	2,584,780
Due to related parties	14	369,325,929	348,398,755
Accounts payable		2,009	36,650
Staff end of service gratuity	15	1,035,686	726,485
Income tax provision	20	206,469	280,810
Total liabilities		**512,979,771**	**613,771,776**
Equity			
Owners' funds			
Share capital	16	300,000	300,000
Statutory reserve	17	150,000	-
Retained earnings		10,051,136	103,794,404
Equity funds		**10,501,136**	**104,094,404**
Total liabilities and equity		**523,480,907**	**717,866,180**

The notes on pages 10 to 26 form an integral part of these financial statements.

For and on behalf of the board of directors:

Vinay Varma
MANAGING DIRECTOR

زواري انفراورلد اس جيه ام للعقارات ش.ذ.م.م
P.O.Box : 27508
Dubai - U.A.E
ZUARI INFRAWORLD S J M PROPERTIES L.L.C

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 March 2026

	Notes	*2026 AED*	*2025 AED*
Revenue from contract with customer	18	**6,000,000**	**6,807,246**
Profit on sale of property, plant and equipment		5,000	-
Expenditure			
Managerial remuneration and expenses	21	(1,000,899)	(1,107,458)
Staff salaries and benefits		(1,756,076)	(1,528,439)
Other administrative expenses		(471,925)	(572,451)
Rent		(140,000)	(110,836)
Depreciation	9	(168,822)	(93,145)
Profit from operations		**2,467,278**	**3,394,917**
Profit / (loss) from an investment	10	(61,711,518)	111,168,138
Finance costs	19	(34,142,559)	(35,929,686)
(Loss)/profit before tax		**(93,386,799)**	**78,633,369**
Income tax expense	20	(206,469)	(280,810)
(Loss)/profit for the year		**(93,593,268)**	**78,352,559**
Other comprehensive income / (loss)		-	-
Total comprehensive (loss)/income for the year		**(93,593,268)**	**78,352,559**

The notes on pages 10 to 26 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Statement of Changes in Equity
for the year ended 31 March 2026

	Share capital AED	*Statutory reserve AED*	*Retained earnings AED*	*Total AED*
As at 31 March 2024 *(Restated)*	**300,000**	**-**	**25,441,845**	**25,741,845**
Profit for the year	-	-	78,352,559	78,352,559
As at 31 March 2025	**300,000**	**-**	**103,794,404**	**104,094,404**
Loss for the year	-	-	(93,593,268)	(93,593,268)
Transferred to statutory reserve	-	150,000	(150,000)	-
As at 31 March 2026	**300,000**	**150,000**	**10,051,136**	**10,501,136**

The notes on pages 10 to 26 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Statement of Cash Flows
for the year ended 31 March 2026

	Notes	2026 AED	2025 AED
Cash flows from operating activities			
Profit before tax		(93,386,799)	78,633,369
Adjustments for:			
Depreciation	9	168,822	93,145
Profit on sale of property, plant and equipment		(5,000)	-
Provision for staff end gratuity	15	315,865	335,047
Adjustment to carrying value of investment	10	131,357,825	-
Finance costs	19	34,142,559	35,929,686
Operating profit before working capital changes		**72,593,272**	**114,991,247**
(Increase)/ decrease in advances, other receivables, due from a related party and prepayments		4,079,419	(3,899,963)
(Increase)/ decrease in funds in escrow and retention current accounts		126,928,284	30,206,696
(Increase) / decrease in due to subsidiary of JV		(117,405,206)	(32,373,438)
Increase/ (decrease) in accounts and other payables		(1,894,549)	(19,061,575)
Cash generated from/(used) in operations		**84,301,220**	**89,862,967**
Staff end of service gratuity paid	15	(6,664)	-
Income tax paid		(280,810)	-
Net cash from / (used in) operating activities		**84,013,746**	**89,862,967**
Cash flows from investing activities			
Payment for purchase of property, plant and equipment	9	(681,450)	(155,700)
Proceeds from sale of property, plant and equipment		5,000	-
Payment of funds towards investment in joint venture		(60,039,631)	(70,946,266)
Net cash from / (used in) investing activities		**(60,716,081)**	**(71,101,966)**
Cash flows from financing activities			
Proceeds from/(payment of) funds received from parent company (net)		(40,918)	(3,101,011)
Payment of funds received from subsidiary of ultimate parent company		(8,000,000)	-
Payment of funds to related parties		(4,718,075)	-
Payment of vehicle loan		-	(181,932)
Payment of unsecured loans (net)	13	(2,584,780)	(8,890,527)
Finance costs paid		(525,895)	(5,391,067)
Net cash from / (used in) financing activities		**(15,869,668)**	**(17,564,537)**
Net increase/ (decrease) in cash and cash equivalents		**7,427,997**	**1,196,464**
Cash and cash equivalents at the beginning of the year		**5,872,017**	**4,675,553**
Cash and cash equivalents at the end of the year	6	**13,300,014**	**5,872,017**

The notes on pages 10 to 26 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

1. Legal status and activity

ZUARI INFRAWORLD S J M PROPERTIES L.L.C (the "company") is a limited liability company incorporated in the Emirate of Dubai in accordance with the provisions of Article 218 of the U.A.E. Federal Commercial Companies Law No. 8 of 1984, as amended. The U.A.E. Federal Decree Law No. 32 of 2021, as amended ("Companies Law") was issued and came into effect on 2 January 2022 which repealed the U.A.E. Federal Law No. 2 of 2015, as amended. The registered address of the company is P.O. Box 27508, Dubai, U.A.E. The company is operating under commercial license no. 690820 with real estate development as its license activity.

The above activity is carried out in the Joint Venture with Burj District Development Ltd which has 100% wholly owned subsidiary owning a plot of land on which "Exquisite Living Residences" project is being developed. Further, in terms of an agreement dated 12 January 2023 the company is entrusted with the task of project management, supervision and successful development of the said project for an agreed fee.

2. Basis of preparation

Statement of compliance

The financial statements have been prepared under accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the applicable provisions of the U.A.E. Federal Decree Law No. 32 of 2021, as amended.

Basis of measurement

The financial statements are prepared on the historical cost basis except investment in joint venture.

Functional and presentation currency

The financial statements are presented in U.A.E. Dirhams (AED), being the functional and presentation currency of the company.

Use of estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenue, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about the several factors and actual results may differ from reported amounts. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in note 4.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

Basis of preparation (cont'd)

Application of new and revised International Financial Reporting Standards (IFRSs)

The below revised IFRSs, which became effective for annual periods beginning on or after 1 April 2025, have been adopted in these financial statements. The application of this revised IFRSs, except where stated, have not had any material impact on the amounts reported for the current and prior years.

	Effective for annual periods beginning on or after
Amendments to IAS 21 - Lack of Exchangeability	1 April 2025

New standards, amendments and interpretations not yet adopted

	Effective for annual periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 April 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	1 April 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 April 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements'	1 April 2027
Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21	1 April 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	1 April 2027

Management anticipates that these new standards, interpretations and amendments will be adopted in the company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments except for IFRS 18 will have no material impact on the financial statements of company in the period of initial application.

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure of Financial Statements* ("IFRS 18"). IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The company plans to adopt IFRS 18 on its effective date and is currently in the process of assessing the impact of the adoption.

3. Material accounting policy information

The accounting policies, which are consistent with those used in the previous year in dealing with items that are considered material in relation to the financial statements are as follows:

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

Material accounting policy information (cont'd)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual value using straight-line method over their estimated useful lives of 3 to 10 years. The carrying amounts are reviewed at each statement of financial position date to assess whether they are recorded in excess of recoverable amount. Where carrying amount exceeds the recoverable amount, property, plant and equipment are written down to their recoverable amount.

Investment in Joint venture

Joint venture are those entities over whose activities the company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. The investment in joint venture are accounted for using the equity method of accounting. Under the equity method of accounting, investment in joint venture is carried in the statement of financial position at cost, plus post-acquisition changes in the company's share of net assets of the joint venture less any impairment in value, if any. The company determines at each statement of financial position date whether there is any objective evidence that the investment in an joint venture is impaired. If this is the case, the company calculates the amount of impairment as the difference between recoverable amount of the investment and its carrying value and recognize the amount in the statement of profit or loss and other comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred. Financial liabilities are derecognized when they are extinguished, cancelled or expired.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss on the basis of the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The company financial assets comprise financial assets measured at amortized cost comprising accounts and other receivable, and escrow and retention accounts.

Accounts receivable
Accounts receivable are stated at original amount less a provision for any uncollectible amounts or loss allowance. Bad debts are written off when there is no possibility of recovery.

Other current financial assets
Other current financial assets represent refundable deposits, due from a related parties and escrow account.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

Material accounting policy information (cont'd)

Financial instruments (cont'd)

Financial assets (cont'd)

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and bank balance in current accounts that is readily convertible to known amount of cash and which is subject to an insignificant risk of changes in value.

Financial liabilities
The company's financial liabilities comprise due to related parties, unsecured loans, accounts payable and accruals and other payables.

Accounts and other payables
Accounts and other payables represent liabilities for goods and services that have been received by the company as of the reporting date. Liabilities are recognized when the company obtains the related goods or services and has a present obligation to pay the supplier.

Accounts and other payables comprise two categories:
- Accounts payable - amounts invoiced by supplier for goods and services received but not yet paid.
- Accrued expenses – amounts relating to goods and services received for which invoices have not yet been received. These are measured based on the best estimate of the obligation at the reporting date, with reference to contractual terms, purchase orders, and historical billing patterns.

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 recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Income tax
The tax expense or credit for the year comprises current and deferred tax.

Current tax
The company recognizes income tax expense based on taxable profit for the period. Taxable profit differs from accounting profit due to temporary differences between the accounting treatment of income and expenses and their respective tax bases. The company is subject to Corporate Tax in accordance with the provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the "U.A.E. Corporate Tax Law") and related regulations.

Deferred tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases. Deferred tax assets and liabilities are measured using the tax rates expected to apply when the temporary differences reverse. The company recognizes deferred tax assets only to the extent that it is probable that taxable profits will be available against which these temporary differences can be utilized, in line with the IFRSs and relevant provisions of the U.A.E. Corporate Tax Law.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

Material accounting policy information (cont'd)

Contract liabilities
Contract liabilities are the obligation to transfer goods or services to customers for which the company has received consideration (or an amount of consideration is due) from the customers. If the customers pay consideration before the company transfers goods or services to the customers, contract liabilities are recognized when the payment is made, or the payment is due (whichever is earlier).

Revenue recognition
The company recognizes revenue from contracts with customers based on the five-step model set out in IFRS 15:

Step 1: Identify the contract(s) with the customer
Step 2: Identify the performance obligation in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the company satisfies a performance obligation

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

- The customer simultaneously receives and consumes the benefits provided by the company's performance as and when the company performs; or
- The company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognized at the point in time at which performance obligation is satisfied.

Management fees
Management fees principally relate to project management services provided in line with the terms of arrangement/ agreement following the accrual basis and is recognized in the period to which the services relate.

Value Added Tax ("VAT")
Expenses and assets are recognized net of the amount of VAT except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the Federal Taxation Authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the Federal Taxation Authority is included as part of receivables or payables in the statement of financial position.

Employee benefits
An accrual is made for estimated liability for employees' entitlement to annual leave and passage money as a result of services rendered by eligible employees up to the end of the reporting period. Provision is also made for the full amount of end of service gratuity in accordance with the company's policy, which is at least equal to the benefits payable in accordance with U.A.E. Labor Law, for their period of service up to the end of the reporting period. The accrual relating to annual leave and passage is classified as a current liability, while the provision relating to end of service gratuity is classified as a non-current liability.

Material accounting policy information (cont'd)

Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that are necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the income statement in the year in which they are incurred.

Foreign currency transactions

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling as on date of transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at the date of statement of financial position. Resulting gain or loss is taken to the statement of profit or loss and other comprehensive income.

4. Significant judgments employed in applying accounting policies and key sources of estimation uncertainty

4.1 Significant judgments employed

The significant judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as under:

Impairment of non-financial assets

The company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. If any of such indication exists, the company estimates the asset's recoverable amount. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of accounts and other receivables

The loss allowance for accounts and other receivables are based on assumptions about risk of default and expected credit loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Any difference between the amounts actually collected in the future period and the amounts expected, will be recognized in the company's statement of profit or loss and other comprehensive income in that period. As at date of statement of financial position, management believes that the recoverability of its accounts and other receivables are certain, accordingly, no provision is created in the accounts.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C

Notes to the Financial Statements
for the year ended 31 March 2026

4.2 Key sources of estimation uncertainties

Key assumptions made concerning the future and other key sources of estimation uncertainties 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:

Useful lives of property, plant and equipment

The management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear.

The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Impairment of investments

Determining whether investments are impaired requires an estimation of the value in use of the investments and the cash generating units to which the investments have been allocated. The value in use calculation requires the company to estimate the future cash flows expected to arise from the assets or cash generating unit and a suitable discount rate in order to calculate present value.

At the date of statement of financial position, management believes that the provision provided is adequate.

Staff end of service gratuity

The company computes provision for the liability to staff end of service gratuity 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.

Income taxes

The company's current tax provision of AED 206,469 *(previous year AED 280,810)* relates to management's assessment of tax liabilities on open positions, based on current interpretations of CT Law and applicable guidance.

5. Escrow & retention accounts

	2026 ***AED***	***2025*** ***AED***
Escrow trust account @	98,035,056	227,703,502
Escrow retention account @	31,379,931	28,639,769
	129,414,987	**256,343,271**

@ This represents funds received in these accounts towards sales proceeds and other related fees from the customers for and on behalf of a subsidiary of JV company. (refer note 11 and 21).

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	2026 AED	2025 AED
6. Cash and cash equivalents		
Cash on hand	871	1,984
Bank balance in:		
Current accounts	13,299,143	5,870,033
	13,300,014	**5,872,017**

7. Due from a related party

For services rendered @	**2,500,000**	**6,500,000**

@ The company's average credit period is 0-90 days after which account receivable is considered to be past due. Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable.

As at 31 March 2026 the aging of account receivable is as follows:

	Total AED	0-90 Days AED	91-120 Days AED	121-150 Days AED	151-180 Days AED	181-365 Days AED
2026	***2,500,000***	*2,000,000*	*500,000*	-	-	-

	2026 AED	2025 AED
8. Advances & other receivables		
Advance to service providers and others	153,128	253,128
Refundable deposits	38,500	38,500
Staff advances #	39,921	14,949
Allowance for impairment	(18,400)	(18,400)
	213,149	**288,177**

 # Includes AED 597 (previous year AED 371) receivable from a related party.

9. Property, plant and equipment

	Office equipment AED	Vehicles AED	Total AED
Cost			
As at 01.04.2025	130,290	880,766	1,011,056
Addition during the year	-	681,450	681,450
Disposal during the year	-	(174,600)	(174,600)
As at 31.03.2026	**130,290**	**1,387,616**	**1,517,906**
Accumulated depreciation			
As at 01.04.2025	123,193	346,988	470,181
Charge for the year	3,772	165,050	168,822
Related to disposal	-	(174,600)	(174,600)
As at 31.03.2026	**126,965**	**337,438**	**464,403**

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Notes to the Financial Statements
for the year ended 31 March 2026

Property, plant and equipment (cont'd)	***Office equipment AED***	***Vehicles AED***	***Total AED***
Net book value			
As at 31.03.2026	**3,325**	**1,050,178**	**1,053,503**
As at 31.03.2025	**7,097**	**533,778**	**540,875**

10. Investment in joint venture

		% of beneficial ownership	***2026 AED***	***2025 AED***
Issued and paid up:				
Burj District Development Ltd, Cayman Islands.				
(25000 class B shares of US$ 1 each)	**(A)**	50%	**91,813**	**91,813**

This represents 50% investment in the paid-up share capital of Burj District Development Ltd ("JV Company"), Cayman Islands as per JV agreement. The joint venture is formed to carry out any activities which is not prohibited by the Companies Law (2011 revision) of Cayman Islands.

The JV Company has not opened bank account(s) and hence the share capital amount is contributed in its wholly owned subsidiary during the year. The JV Company holds 1 share in Burj District One Limited, a wholly owned subsidiary, which is a Jebel Ali Offshore Company, Dubai, U.A.E. This subsidiary owns a plot of land on which the project "Exquisite Living Residencies" is being managed, supervised and developed by the company. In terms of an agreement between JV partners, the company is committed to contribute AED 165,000,000 towards the seed capital. Out of this amount the company has contributed AED 164,998,158 till 31 March 2026. Balance of AED 1,842 will be contributed before the end of the next financial year. Additionally, the company has incurred / capitalised AED 145,904,780 towards the cost of contributing the seed capital.

		2026 AED	***2025 AED***
Investment value			
Opening balance		264,933,255	305,246,940
Net addition		393,324	5,262,674
Priority withdrawal @		-	(21,000,000)
Surplus distribution *		(10,000,000)	(24,576,359)
Closing balance as on 31 March	**(B)**	**255,326,579**	**264,933,255**
Share of profit and loss from JV			
Opening balance		183,245,763	72,077,625
Share of profit for the year		69,646,307	111,168,138
Adjustment to carrying value of investment in JV ^		(131,357,825)	-
Net movement for the year		(61,711,518)	111,168,138
Closing balance as on 31 March	**(C)**	**121,534,245**	**183,245,763**
Total investment in joint venture	**(A+B+C)**	**376,952,637**	**448,270,831**

@ Paid as per the JV agreement.

** Paid as per resolution dated 12 December 2024.*

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Notes to the Financial Statements
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Investment in joint venture (cont'd)

^ The project has reached more than 90% completion. The subsidiary of JV company has recognized revenue in accordance with the percentage of completion method as per IFRS 15. Accordingly, the company has recognized its share of profit amounting to AED 252,892,070 up to 31 March 2026.

Given that the project is in its final phase, management conducted assessment of the carrying value of the investment after recognizing the above share of profit in JV as at the reporting date. Based on estimated recoverable amount, management has determined the adjustment to carrying value of AED 131,357,825 which has been charged in the statement of profit or loss for the year.

Management will reassess the carrying value of the investment upon completion of the project which is expected in the second quarter of 2026-27.

The company's interest in JV company is accounted for using an equity as per management accounts as at 31 March 2026 are as under:

	2026 AED	2025 AED
Joint venture entity's statement of financial position		
Assets	805,655,478	681,237,454
Liabilities	(105,842,270)	(101,110,320)
Equity funds	**699,813,208**	**580,127,134**
Company's share of net assets	**362,405,681**	**302,365,915**
Joint venture entity's results of operations		
Revenue	358,497,880	496,703,163
Expenses	(219,205,266)	(274,366,888)
Profit for the year	**139,292,614**	**222,336,275**
Company's 50% share of results for the year	**69,646,307**	**111,168,138**

11. Due to subsidiary of JV company

This represents expenses incurred, funds received and paid from Escrow and current account in the name of the company towards the project being developed by subsidiary of JV company.

12. Other payables & accruals

	2026 AED	2025 AED
Interest payable on unsecured loans	-	69,503
Customer refunds	755,995	1,714,596
Noqodi fee payable	-	899,808
Accruals	23,224	24,724
	779,219	**2,708,631**

13. Unsecured loans

This represents unsecured and 8 % per annum interest bearing loan availed from a non-related party which are repayable within a period of 3 years. The amount is fully paid during the year.

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Notes to the Financial Statements
for the year ended 31 March 2026

14. Due to related parties

	2026 AED	2025 AED
Zuari Infraworld India Limited	-	8,000,000
Zuari Infra Middle East Limited #	356,755,006	323,109,757
Management fees payable - *Parent Company*	9,740,000	9,740,000
Loan payable to Indian Furniture Products Limited %	130,923	130,923
Loan payable to Globalware Trading & Holdings Ltd	-	5,249,472
Payable to Acumen insight DMCC	-	150,000
Interest on loans	-	68,603
Payable to key managerial personnel	2,700,000	1,950,000
	369,325,929	**348,398,755**

 # This represents 0 to 11.5% (previous year 0 to 12.5%) per annum interest bearing funds advanced by the parent company to meet with the company's project development costs without any fixed repayment schedule.

% This represents unsecured and non-interest-bearing loan availed from a related party which are repayable within a period of 3 years.

15. Staff end of service gratuity

	2026 AED	2025 AED
As at 1 April	726,485	391,438
Provision created during the year	315,865	335,047
Paid during the year	(6,664)	-
As at 31 March @	**1,035,686**	**726,485**

@ Includes AED 748,733 (previous year AED 534,435) payable to related parties.

16. Share capital

	2026 AED	2025 AED
Authorized, issued and paid up:		
300 shares of AED 1,000 each	**300,000**	**300,000**

17. Statutory reserve

Statutory reserve is created by allocating 5% of the net profit of the company as required by U.A.E. Federal Law No. 32 of 2021 ("Companies Law"), as amended, concerning Commercial Companies in the U.A.E.

The company can discontinue such annual transfers when this reserve totals 50% of the paid-up share capital. The reserve is not available for distribution, except as provided in the Federal Law.

18. Revenue from contracts with customer

This represents management fees on account of property development agreement entered with subsidiary of Joint venture entity.

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Notes to the Financial Statements
for the year ended 31 March 2026

19. Finance costs

	2026 *AED*	*2025* *AED*
Interest on unsecured loans	448,463	4,609,936
Interest on vehicle loan	-	6,430
Interest on loan from parent company	33,686,168	31,304,203
Bank charges	7,928	9,117
	34,142,559	**35,929,686**

20. Income tax expense

On 9 December 2022, the U.A.E. Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the U.A.E. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. The taxable income of the company that are in scope for U.A.E. CT purposes will be subject to the rate of 9% Corporate Tax. The tax charge for the year ended 31 March 2026 is AED 206,469 *(previous year AED 280,810)*, representing an Effective Tax Rate ("ETR") of 0.22% *(previous year 0.36%)*.

The component of income tax expense in the statement of profit or loss and other comprehensive income:

	2026 *AED*	*2025* *AED*
Income tax expense		
Current income tax expense	(206,469)	(280,810)
Deferred tax		
Deferred income tax expense relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	**(206,469)**	**(280,810)**

The reconciliation of current income tax expense and accounting profit is as follows:

	2026 *AED*	*2025* *AED*
Accounting (loss)/profit for the year before tax	(93,386,799)	78,633,369
Income tax at U.A.E. statutory rate of 9%	(8,404,812)	7,077,003
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Exempt income	(3,195,337)	(10,005,132)
Non-deductible expenses	11,840,368	3,242,689
Adjustments for income up to AED 375,000*	(33,750)	(33,750)
Income tax expense	**206,469**	**280,810**
Effective Tax Rate	0.22%	0.36%

**As per the U.A.E. CT Law, corporate tax rate of 0% shall be imposed on the portion of taxable income not exceeding AED 375,000.*

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Income tax expense (cont'd)

The movement in the provision for income tax are as follows:

	2026 AED	2025 AED
As at 1 January	280,810	-
Charged for the year	206,469	280,810
Payment made during the year	(280,810)	-
As at 31 December	**206,469**	**280,810**

For the purpose of determining income tax expense for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The company has not identified any material risks or uncertainties in the structure from a Corporate Tax perspective and will continuously monitor further developments that could impact the tax profile of the company.

21. Related party transactions and balances

The company enters into transactions with parties that fall within the definition of a related party as contained in International Accounting Standard-24: Related Party Disclosures. The related parties with whom the company had significant transactions during the year and have year-end balances are as under:

Ultimate parent company
Zuari Industries Ltd, India

Subsidiary of ultimate parent company
Zuari Infraworld India Limited, India

Step down subsidiary of ultimate parent company and the parent company
Zuari Infra Middle East Limited, U.A.E.

Related party of ultimate parent company
Indian Furniture Products Limited. India.
Acumen insight DMCC, U.A.E.
Globalware Trading & Holdings Ltd, U.A.E.
(Wholly owned by Mr. Akshay Poddar)

Joint venture
Burj District Development Ltd, Cayman Islands

Subsidiary of joint venture
Burj District One Limited, U.A.E.

Key managerial personnels
Vinay Varma
Akshay Poddar
Alok Banerjee
Venkatesan Subramanian

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Related party transactions and balances (cont'd)

The significant transactions with related parties during the year were as under:

		Joint venture & parties to JV AED Dr/(Cr)	*Subsidiary of UPC AED Dr/(Cr)*	*Step down subsidiary of UPC AED Dr/(Cr)*	*Subsidiary of joint venture AED Dr/(Cr)*	*Key Managerial personnels AED Dr/(Cr)*	*Related party of UPC AED Dr/(Cr)*	*Total AED Dr/(Cr)*
Transactions:								
Interest expenses	2026	-	-	33,686,168	-	-	421,963	34,108,131
	2025	-	-	31,304,203	-	1,145,824	737,255	33,187,282
Business facilitation fees	2026	-	-	-	-	-	-	-
	2025	-	-	-	-	-	37,500	37,500
Revenue from contract with customer	2026	-	-	-	(6,000,000)	-	-	(6,000,000)
	2025	-	-	-	(6,807,246)	-	-	(6,807,246)
Managerial remuneration and expenses	2026	-	-	-	-	876,000	-	876,000
	2025	-	-	-	-	888,000	-	888,000
Salary and benefits	2026	-	-	-	-	498,350	-	498,350
	2025	-	-	-	-	396.000	-	396,000
Share of profit from a joint venture entity	2026	(69,646,307)	-	-	-	-	-	(69,646,307)
	2025	(111,168,138)	-	-	-	-	-	(111,168,138)
Staff end of service gratuity	2026	-	-	-	-	214,298	-	214,298
	2025	-	-	-	-	271,658	-	271,658
Due to subsidiary of JV company	2026	-	-	-	(117,405,206)	(750,000)	-	(117,405,206)
	2025	-	-	-	(32,373,438)	(750,000)	-	(33,123,438)
Priority withdrawal & Surplus distribution	2026	10,000,000	-	-	-	-	-	10,000,000
	2025	45,576,359	-	-	-	-	-	45,576,359
Adjustment to carrying value of investment	2026	131,357,825	-	-	-	-	-	131,357,825
	2025	-	-	-	-	-	-	-
Purchase of vehicle	2026	-	-	-	-	-	-	-
	2025	-	-	-	-	-	150,000	150,000
Sale of vehicle	2026	-	-	-	-	(5,000)	-	(5,000)
	2025	-	-	-	-	-	-	-
Investment	2026	393,461	-	-	-	-	-	393,461
	2025	5,262,674	-	-	-	-	-	5,262,674
Loan / Interest (repayment)	2026	-	-	(46,550)	-	-	(5,740,039)	(5,786,589)
	2025	-	(251,453)	(3,101,011)	-	-	(5,538,528)	(8,890,992)
Loan availed	2026	-	-	5,631	-	-	-	5,631
	2025	80,590	-	-	-	-	2,531,753	2,612,343

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Related party transactions and balances (cont'd)

The company receives funds from and provide to with or without interest from/to related parties as and when required to meet with its project funding requirements. At the date of statement of financial position, balances with related parties were as follows:

		Subsidiary of UPC AED Dr/(Cr)	*Step down subsidiary of UPC AED Dr/(Cr)*	*Related party of UPC AED Dr/(Cr)*	*Party to joint venture AED Dr/(Cr)*	*Subsidiary of joint venture AED Dr/(Cr)*	*Key Managerial personnels AED Dr/(Cr)*	*Total AED Dr/(Cr)*
Balances :								
Advance	2026	-	-	-	-	-	597	597
	2025	-	-	-		-	371	371
Investment	2026	-	-	-	-	376,952,637	-	376,952,637
	2025	-	-	-	-	448,270,831	-	448,270,831
Due from related parties	2026	-	-	-	-	2,500,000	-	2,500,000
	2025	-	-	-	-	6,500,000	-	6,500,000
Interest payable	2026	-	-	-	-	-	-	-
	2025	-	-	(68,603)	-	-	-	(68,603)
Payable to KMP	2026	-	-	-	-	-	(2,700,000)	(2,700,000)
	2025	-	-	-	-	-	(1,950,000)	(1,950,000)
Unsecured loans	2026	-	-	(130,923)	-	-	-	(130,923)
	2025	-	-	(5,380,395)	-	-	-	(5,380,395)
Escrow & restricted accounts	2026	-	-	-	-	129,414,987	-	129,414,987
	2025	-	-	-	-	256,343,271	-	256,343,271
Due to subsidiary of JV company	2026	-	-	-	-	(141,630,459)	-	(141,630,459)
	2025	-	-	-	-	(259,035,665)	-	(259,035,665)
Funding balance	2026	-	(356,755,006)	-	-	-	-	(356,755,006)
	2025	-	(323,109,757)	-	-	-	-	(323,109,757)
Management fees	2026	-	(9,740,000)	-	-	-	-	(9,740,000)
	2025	-	(9,740,000)	-	-	-	-	(9,740,000)
Other payable /Business facilitation fees	2026	-	-	-	-	-	-	-
	2025	-	-	(150,000)	-	-	-	(150,000)
Facility and advisory fees	2026	-	-	-	-	-	-	-
	2025	(8,000,000)	-	-	-	-	-	(8,000,000)
Staff end of service gratuity	2026	-	-	-	-	-	(748,733)	(748,733)
	2025	-	-	-	-	-	(534,435)	(534,435)

22. Capital risk management

The company manages its capital to ensure that the concern will be able to continue as a going concern while maximizing the return to the parent shareholder company through optimization of the debt and equity balance. The capital structure of the company comprises net debt (interest bearing borrowings offset by cash and bank balances) and equity (comprising share capital and retained earnings).

23. Financial instruments: Credit, liquidity and market risk exposure

Credit risk
Financial assets, which potentially expose the company to concentrations of credit risk comprise principally of account and other receivables and bank balance in current and escrow accounts.

The company's bank balance in current and restricted escrow accounts is placed with a high credit quality financial institutions. There are no significant concentrations of credit risk from receivables outside the industry in which the company operates. Due from related parties are not perceived as credit risk.

Liquidity risk
Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the management and parent companies who ensures that sufficient funds are made available to the company to meet its commitments as they fall due. Although short term payables are perceived as a liquidity risk, adequate steps are taken by the management and the parent companies to timely meet with the funding requirements. The following are the contractual maturities of the company's financial liabilities as of 31 March 2026:

	Carrying amounts AED	***Payable within next 12 months AED***	***Payable within 1 to 5 years AED***
Accruals, accounts and other payables	781,228	781,228	-
Due to subsidiary of JV company	141,630,459	141,630,459	-
Due to related parties	369,325,929	2,700,000	366,625,929
	511,737,616	**145,111,687**	**366,625,929**

Market risk
Market risk is a risk that changes in market prices, such as interest rate risk and currency risk, will affect the company's income or the value of its holdings of financial instruments.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Loan from a parent company and unsecured loans are at fixed rate of interest.

Currency risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument 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 U.A.E. Dirhams or US Dollars to which the U.A.E. Dirham rate is fixed.

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24. Financial instruments: Fair values

The fair values of the company's financial assets, comprising, due from related parties, other receivables and cash and cash equivalents and financial liabilities, comprising, due to related parties, accruals, account and other payables, are approximate to their carrying values.

25. Contingent liabilities

There were no contingent liabilities outstanding as at the date of the statement of financial position.

26. Capital commitments

- In terms of JV agreement, the company is acting as a custodian /agent of the subsidiary of JV company which is entrusted with the task of project management, supervision and successful development of the said project for an agreed fee.
- All the contracts and their related payments in relation to the above activities are entered into the name of the company.

  Consequently, all the commitments regarding ongoing projects are disclosed in the subsidiary of JV company.

27. Comparative figures

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year. Such reclassifications do not affect the previously reported profit, net assets or equity of the company.

28. Approval of the financial statements

To the best of the knowledge of the management and those charged with governance, the financial statements fairly present, in all material respects, the financial position, financial performance and cash flows of the company as of, and for the year ended 31 March 2026.

The financial statements were approved by the board of directors and authorised Mr. Vinay Varma to sign on behalf of the board on 6 May 2026.