

Kenouz Al Sharq Gold IND. L.L.C.
Sharjah - United Arab Emirates

Reports and financial statements
for the year ended 31 March 2026

Kenouz Al Sharq Gold IND. L.L.C.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report, together with the audited financial statements of **Kenouz Al Sharq Gold IND. L.L.C., United Arab Emirates** (the "Company") for the year ended 31 March 2026.

Principal activities

The principal activities of the Company include trading of jewellery, watches and perfumes.

Results

Revenue for the year ended 31 March 2026 was AED 524,004,188 compared to AED 366,299,369 for the previous year. Profit for the year after tax was AED 223,594 (2025: Loss for the year was AED 552,908).

Auditors

The Directors propose the re-appointment of Deloitte & Touche (M.E.) as external auditors for the year ending 31 March 2027.

Release

The Directors release from liability the Company's management and the external auditor in connection with their duties for the year ended 31 March 2026.

On behalf of the Board of Directors:

.....
Krishnamoorthy Viswanathan

19 June 2026

Dubai

United Arab Emirates



INDEPENDENT AUDITOR'S REPORT

The Shareholder
Kenouz Al Sharq Gold IND. L.L.C.
Sharjah
United Arab Emirates

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Kenouz Al Sharq Gold IND. 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 and 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 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the United Arab Emirates, 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.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT
to the Shareholder of Kenouz Al Sharq Gold IND. L.L.C. (continued)

Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable provisions of the Articles of Association of the Company and UAE Federal Decree 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 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 judgement and maintain professional scepticism 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 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 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 report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT to the Shareholder of Kenouz Al Sharq Gold IND. L.L.C. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Decree Law No. (32) of 2021, we report that for the year ended 31 March 2026:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The financial statements of the Company have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E. Federal Decree Law No. (32) of 2021, as amended;
- The Company has maintained proper books of account;
- The financial information included in the Directors' report is consistent with the Company's books of account;
- The Company has neither purchased nor sold any shares during the year;
- Note 12 to the financial statements of the Company discloses material related party transactions and the terms under which they were conducted; and
- 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 financial year ended 31 March 2026 any of the applicable provisions of the U.A.E. Federal Decree Law No. (32) of 2021, as amended, or of its Articles of Association which would materially affect its activities or its financial position as at 31 March 2026.

Deloitte & Touche (M.E.)



Cynthia Corby
Registration No.: 995
19 June 2026
Dubai
United Arab Emirates

Kenouz Al Sharq Gold IND. L.L.C.**Statement of financial position
as at 31 March 2026**

	Notes	2026 AED	2025 AED
ASSETS			
<i>Non-current asset</i>			
Property, plant and equipment	5	5,076,415	6,249,052
Total non-current asset		5,076,415	6,249,052
<i>Current assets</i>			
Inventories	6	31,573,755	46,945,066
Trade and other receivables	7	7,308,274	5,862,401
Cash and cash equivalents	8	118,320	100,920
Total current assets		39,000,349	52,908,387
Total assets		44,076,764	59,157,439
EQUITY AND LIABILITIES			
Equity			
Share capital	9	300,000	300,000
Statutory reserve		150,000	150,000
Retained earnings		1,665,934	1,442,340
Total equity		2,115,934	1,892,340
<i>Non-current liability</i>			
Provision for employees' end-of-service indemnity	10	135,611	135,611
<i>Current liabilities</i>			
Trade and other payables	11	179,603	1,054,297
Due to a related party	12	41,645,616	56,075,191
Total current liabilities		41,825,219	57,129,488
Total liabilities		41,960,830	57,265,099
Total shareholder's equity and liabilities		44,076,764	59,157,439

V. Ushnamoorthy

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Director



Kenouz Al Sharq Gold IND. 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		524,004,188	366,299,369
Cost of sales	13	(520,825,137)	(363,707,742)
Gross profit		3,179,051	2,591,627
General and administrative expenses	14	(2,955,457)	(3,144,535)
Profit/(loss) for the year before tax		223,594	(552,908)
Taxation		-	-
Profit/(loss) for the year after tax		223,594	(552,908)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		223,594	(552,908)

Kenouz Al Sharq Gold IND. 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
Balance as at 31 March 2024 (Unaudited)	300,000	150,000	1,995,248	2,445,248
Total comprehensive loss for the year	-	-	(552,908)	(552,908)
Balance as at 31 March 2025	300,000	150,000	1,442,340	1,892,340
Total comprehensive income for the year	-	-	223,594	223,594
Balance as at 31 March 2026	300,000	150,000	1,665,934	2,115,934

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

(7)

Kenouz Al Sharq Gold IND. L.L.C.**Statement of cash flows
for the year ended 31 March 2026**

	2026 AED	2025 AED
Cash flows from operating activities		
Profit/(loss) before tax	223,594	(552,908)
<i>Adjustments for:</i>		
Provision for employees' end of service indemnity	-	26,619
Depreciation of property, plant and equipment	1,198,546	1,474,566
	<hr/>	<hr/>
Operating cash flows before changes in operating assets and liabilities	1,422,140	948,277
Decrease/(increase) in inventories	15,371,311	(16,859,698)
Increase in trade and other receivables	(1,445,873)	(156,302)
(Decrease)/increase in trade and other payables	(874,694)	646,185
(Decrease)/increase in due to a related party	(14,429,575)	15,799,791
	<hr/>	<hr/>
Net cash generated from operating activities	43,309	378,253
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of property, plant and equipment	(25,909)	(347,286)
	<hr/>	<hr/>
Net cash used in investing activities	(25,909)	(347,286)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	17,400	30,967
Cash and cash equivalents at the beginning of the year	100,920	69,953
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Cash and cash equivalents at the end of the year (Note 8)	118,320	100,920
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Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026

1. General information

Kenouz Al Sharq Gold IND. L.L.C. (the “Company”) is a Limited Liability Company registered in Sharjah, United Arab Emirates and established on 26 December 2017 as per commercial registration certificate No. 754824 issued by the Economic Development Department. The Company's registered office is at Shed No.1, Al Mulla Building, Sharjah Industrial Area 3, Sharjah, U.A.E.

The Company is a subsidiary of Kalyan Jewellers L.L.C. (the “Parent Company”) and the ultimate controlling party is Kalyan Jewellers India Ltd. (the “Ultimate Parent Company”).

The principal activities of the Company include trading of jewellery, watches and perfumes. This entity is the manufacturer and procurement agent in the GCC group.

2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards)

2.1 New and amended IFRS Accounting Standards applied with no material effect on the financial statements

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 April 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

<u>New and revised IFRS</u>	<u>Summary</u>
Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> relating to Exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is Lack of not.

Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 April 2025.

2.2 New and amended IFRS Accounting Standards in issue but not yet effective and not early adopted

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments	1 January 2026
The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding purchase power arrangements	1 January 2026

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.

Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026

2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (continued)

2.2 *New and amended IFRS Accounting Standards in issue but not yet effective and not early adopted (continued)*

<u><i>New and revised IFRSs</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	
Annual improvements to IFRS Accounting Standards - Volume 11	1 January 2027
The pronouncement comprises the following amendments:	
<ul style="list-style-type: none">• IFRS 1 First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter• IFRS 7 Financial Instruments - Disclosures: Gain or loss on derecognition• IFRS 7 Financial Instruments - Disclosures: Disclosure of deferred difference between fair value and transaction price• IFRS 7 Financial Instruments - Disclosures: Introduction and credit risk disclosures• IFRS 9 Financial Instruments: Lessee derecognition of lease liabilities• IFRS 9 Financial Instruments: Transaction price• IFRS 10 Consolidated Financial Statements: Determination of a "de facto agent"• IAS 7 Statement of Cash Flows: Cost method	
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The amendments cover new or amended IFRS Accounting Standards issued between 28 February 2021 and 1 May 2024 that were not considered when IFRS 19 was first issued.

The Company 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 may have no material impact on the financial statements of Company in the period of initial application.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting standards).

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

3.3 Revenue Recognition

Sale of goods

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

Step 1: Identify the contract(s) with a customer: 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.

Step 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.

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

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

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

- a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) 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 one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.3 Revenue Recognition (continued)

Sale of goods (continued)

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other income

Other income is recognized when the Company's right to receive payments is established.

3.4 Foreign currencies

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of these financial statements, the financial performance and financial position of the Company are expressed in Arab Emirates Dirhams which is the functional currency of the Company and the presentation currency for these financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the dates of the transactions.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in statement of comprehensive income.

3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are those expenses incurred in bringing each product to its present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The cost of diamond jewellery and other precious stone jewellery are determined based on the specific identification method.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.5 Inventories (continued)

The cost of gold and gold jewellery (including making charges), owned by the Company is determined on the basis of first-in, first-out (FIFO) cost.

Cost of unfixed gold and scrap gold is determined on the basis of bullion rate prevailing as at the date of reporting and a corresponding liability towards suppliers is recorded for the same amount for unfixed gold.

3.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as an asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

	Useful life
Computer equipment	3 years
Electrical equipment	10 years
Plant and machinery	15 years
Furniture and fixtures	10 years

The estimated useful lives, residual values and depreciation method are reviewed at each year-end, with the effect of any changes in estimate, accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Assets in the course of construction are carried at cost as capital work in progress, and are transferred to property, plant or equipment when commissioned. No depreciation is charged on such assets until asset is ready for use.

3.7 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised 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.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.7 Provisions (continued)

Where a provision is measured using the cash flows 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 recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.8 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

3.9 Employee benefits

An accrual is made for the estimated liability for employees' entitlement to annual leave passage as a result of services rendered by eligible employees up to the end of the year.

Provision is made for the full amount of end-of-service indemnity due to employees in accordance with the UAE Labour Law for their period of service up to the end of the year.

3.10 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

Equity instruments designated as at FVTOCI (continued)

The Company has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables, contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) The financial instrument has a low risk of default,
- (2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Company employs statistical models to analyse the data collected and generate estimates of probability of default (“PD”) of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Financial liabilities

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

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch statement of in profit or loss. The remaining amount of change in the fair value of liability is recognised in statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in statement of other comprehensive income are not subsequently reclassified to statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.10 Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.11 Contingent liabilities

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

3.12 Fair value measurement

For measurement and disclosure purposes, the Company determines the fair value of an asset or liability at initial measurement or at each reporting date. 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, regardless of whether that price is directly observable or estimated using another valuation technique. 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 principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis as explained above, except for share-based payment transactions that are within the scope of IFRS 2; leasing transactions that are within the scope of IFRS 16 and measurements that have some similarities to fair value, but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.12 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.13 Taxation

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

3. Material accounting policy information (continued)

3.13 Taxation (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. Critical accounting judgements and key sources of estimation uncertainty

While applying the accounting policies as stated in Note 3, management of the Company has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key assumptions 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 described below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

In making their judgement, the Company considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Company had transferred control of the goods to the customer. Based on the acceptance by the customer of the liability for the goods sold, management is satisfied that the control has been transferred and the recognition of the revenue is appropriate.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

4.1 Critical judgements in applying accounting policies (continued)

Taxation

There is no tax provision or deferred tax asset recorded as the Company is part of a tax group and is a loss-making entity after excluding all intercompany transactions for the year ended 31 March 2026. There is no deferred tax asset recognition for loss-making entity within the tax group, as the same will be offset against tax group's profits.

4.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives and depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated over the estimated useful lives, which is based on the expected usage of the asset, expected physical wear and tear, and the repairs and maintenance program and the residual value.

The Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. The management has not considered any residual value as it is deemed immaterial.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Company uses estimates for the computation of loss rates.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Inventories measurement

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

Kenouz Al Sharq Gold IND. L.L.C.

**Notes to the financial statements
for the year ended 31 March 2026 (continued)**

5. Property, plant and equipment

	Computer equipment AED	Electrical equipment AED	Plant and machinery AED	Furniture and fittings AED	Total AED
<i>Cost</i>					
At 31 March 2024 (Unaudited)	16,439	106,920	11,526,879	1,171,560	12,821,798
Additions during the year	12,654	-	334,632	-	347,286
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	29,903	106,920	11,861,511	1,171,560	13,169,894
Additions during the year	-	6,227	19,682	-	25,909
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2026	29,093	113,147	11,883,653	1,171,560	13,197,453
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>					
At 31 March 2024 (Unaudited)	15,426	62,083	4,979,396	391,023	5,447,928
Charge for the year	2,702	13,250	1,368,496	90,118	1,474,566
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	18,128	75,333	6,347,892	481,141	6,922,494
Charge for the year	4,556	9,750	1,104,674	79,566	1,198,546
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2026	22,684	85,083	7,452,566	560,707	8,121,040
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Carrying amount</i>					
At 31 March 2026	6,409	28,064	610,853	4,431,089	5,076,415
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2025	11,775	31,587	5,513,619	690,419	6,249,052
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026 (continued)

6. Inventories

	2026	2025
	AED	AED
Bullion – unfixed (a)	24,267,874	35,145,674
Gold jewellery – unfixed (b)	3,693,710	7,461,165
Diamond Jewellery	3,612,171	4,338,227
	<u>31,573,755</u>	<u>46,945,066</u>

- a) Unfixed bullion represents 44,807 grams (2025: 95,998 grams) of bullion received from a related party.
- b) Unfixed gold jewellery represents 6,820 grams (2025: 20,380 grams) of gold amounting to AED 3.6 million (2025: AED 7.4 million), which is valued at a bullion price of AED 541.61 per gram prevailing as at 31 March 2026 (2025: AED 366.11 per gram).

7. Trade and other receivables

	2026	2025
	AED	AED
Trade receivables – related party [Note 12]	7,232,897	5,781,728
Deposits and other receivables	75,377	23,000
Advances to suppliers	-	44,582
Prepayments	-	13,091
	<u>7,308,274</u>	<u>5,862,401</u>

In determining the recoverability of a trade receivable- others, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Company has determined that the amount due from the related party does not carry a credit risk and hence expected credit loss allowance is not material. In the process of making this determination, the Company has considered the terms underlying these balances, historical default rates, the ability of the related parties to settle these balances when due and the right of set off on a Group basis. The balance due from the related party is repayable on demand and there is no historical default rate. For the year ended 31 March 2026, the Company has recorded Nil (2025: Nil) impairment on amount due from related party.

Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026 (continued)

7. Trade and other receivables (continued)

Ageing of trade receivables:

	Gross carrying amount AED	Loss allowance AED	Net carrying amount AED
31 March 2026			
Current	7,232,897	-	7,232,897
	<u>7,232,897</u>	<u>-</u>	<u>7,232,897</u>
31 March 2025			
Current	5,781,728	-	5,781,728
	<u>5,781,728</u>	<u>-</u>	<u>5,781,728</u>

The average credit period for receivables from third parties is 30 days (2025: 30 days). The Company's trade receivable balances are not impaired.

8. Cash and cash equivalents

	2026 AED	2025 AED
Cash on hand	683	2,678
Bank balances - current account	117,637	98,242
	<u>118,320</u>	<u>100,920</u>

Amount held in bank is assessed to have low credit risk of default since the bank is regulated by the Central Bank of the United Arab Emirates. Accordingly, the management of the Company estimates the loss allowance on balance with bank at the end of the reporting period at an amount equal to 12 month ECL. The balance with bank at the end of the reporting period is not past due and taking into account the historical default experience and the current credit rating of the bank, the management of the Company has assessed that there is no impairment, and hence has not recorded any loss allowance on this balance.

9. Share capital

The authorised, issued and fully paid-up share capital of the Company comprise three hundred shares of AED 1,000 each. The shareholding of the Company at 31 March 2026 and 31 March 2025 is as follows:

	Ownership %	Number of shares	Amount AED
At 31 March 2026			
Kalyan Jewellers LLC	100%	300	300,000
	<u>100%</u>	<u>300</u>	<u>300,000</u>
At 31 March 2025			
Kalyan Jewellers LLC	100%	300	300,000
	<u>100%</u>	<u>300</u>	<u>300,000</u>

Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026 (continued)

10. Provision for employees' end of service indemnity

	2026 AED	2025 AED
As at beginning of the year	135,611	108,992
Charge for the year	-	26,619
As at end of the year	135,611	135,611

11. Trade and other payables

	2026 AED	2025 AED
Trade payables – others	121,706	1,003,060
Accrued expenses	57,897	51,237
	179,603	1,054,297

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amount of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

12. Related party transactions and balances

The Company entered into a variety of transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard (IAS) 24: Related Party Disclosures. Related parties comprise the Company's directors and entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel. Management decides on the terms and conditions of the transactions and services received from/rendered to related parties as well as on other charges.

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

	2026 AED	2025 AED
<i>(a) Disclosed as trade receivables</i>		
<i>Under common control</i>		
Kalyan Jewellers for Golden jewelleryes W.L.L., Kuwait (Note 7)	7,232,897	5,781,728
<i>(b) Due to a related party</i>		
<i>Parent</i>		
Kalyan Jewellers L.L.C.	41,645,616	56,075,191

Balance due to a related party is interest free and payable within an average of 30 days (2025: 30 days).

Kenouz Al Sharq Gold IND. L.L.C.

Notes to the financial statements for the year ended 31 March 2026 (continued)

15. Financial instruments

a) *Material accounting policy information*

Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

b) *Categories of financial instruments*

	2026 AED	2025 AED
<i>Financial assets</i>		
At amortised cost	7,426,594	5,905,648
<i>Financial liabilities</i>		
At amortised cost	41,825,219	57,129,488

c) *Fair value of financial instruments*

The fair value of financial assets and financial liabilities at year-end approximate their carrying amounts in the statement of financial position.

16. Financial risk management

The Company's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Company. The management provides principles for overall financial risk management and policies covering specific areas, such as market risk including foreign exchange risk and interest rate risk, credit risk, and liquidity risk.

(a) *Credit risk management*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk is controlled by counterparty limits that are reviewed and approved by the management.

The Company's current credit risk grading framework comprises the following categories:

<i>Category</i>	<i>Description</i>	<i>Basis for recognizing expected credit losses</i>
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is more than 180 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit impaired
In default	Amount is more than 365 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

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Notes to the financial statements for the year ended 31 March 2026 (continued)

16. Financial risk management (continued)

(a) Credit risk management (continued)

The Company's principal financial assets are cash & cash equivalents, trade and other receivables (excluding prepayments). The credit risk on bank balance is limited because the counterparty is a bank registered in the United Arab Emirates.

Further details of credit risks on trade and other receivables are discussed in Note 7 to the financial statements.

(b) Exchange rate risk management

There are no significant exchange rate risks as most financial assets and financial liabilities are denominated in Arab Emirates Dirham and United States Dollar which is also pegged with AED.

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management. The Company manages liquidity risk by maintaining adequate reserves, by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to loans from related parties to further reduce liquidity risk.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables comprise principal cash flows:

	Less than 1 year AED	Total AED
2026		
Non-interest-bearing instruments	41,825,219	41,825,219
	<hr/> <hr/>	<hr/> <hr/>
2025		
Non-interest-bearing instruments	57,129,488	57,129,488
	<hr/> <hr/>	<hr/> <hr/>

The following tables detail the Company's expected maturity for its financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets except where the Company anticipates that the cash flow will occur in a different period:

	Less than 1 year AED	Total AED
2026		
Non-interest bearing instruments	7,426,594	7,426,594
	<hr/> <hr/>	<hr/> <hr/>
2025		
Non-interest bearing instruments	5,905,648	5,905,648
	<hr/> <hr/>	<hr/> <hr/>

(d) Interest rate risk management

The Company is not exposed to any interest rate risk as it does not have any interest bearing assets and liabilities as at year-end.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

17. Taxation

UAE Corporate Tax

On 9 December 2022, the UAE Ministry of Finance ("MOF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law" or "UAE CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 (effective from 16 January 2023) specified the threshold of taxable income to which the 0% UAE CT rate would apply, and above which the 9% UAE CT rate would apply.

The Company is a 100% owned subsidiary of Kalyan Jewellers FZE and has formed a Tax Group in accordance with Article 40 of the UAE CT Law. The Company is a part of Kalyan Jewellers FZE corporate tax group. The taxable income of the corporate tax group is subject to corporate tax at the rate of 9% (on income exceeding AED 375,000). The tax liability for the corporate tax group has been calculated and the taxes have been accounted for as appropriate in the financial statements for the financial year beginning 1 April 2025, by following the standalone approach in absence of a tax-sharing agreement by the Parent Company and its subsidiaries

Pillar Two Qualifying Domestic Minimum Top-Up Tax

In December 2021, the Organization for Economic Co-operation and Development ("OECD") issued model rules for a global minimum tax framework ("Pillar Two" or "Pillar Two Model Rules"). In the UAE, a Qualifying Domestic Minimum Top Up Tax ("DMTT") has been enacted and is effective from 1 January 2025.

The Company is part of a multinational Group that is within the scope of the OECD Pillar Two Model Rules. Based on the assessment of the applicable rules, the Company is subject to Domestic Minimum Top-Up Tax (DMTT) for the fiscal year ended 31 March 2026

Further, the Company has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

As of 31 March 2026, the Company has recorded nil current tax expense of (2025: AED nil) and nil deferred tax asset (net) (2025: AED Nil).

(a) Component of income tax:

Income tax expense recorded in the statement of profit or loss comprises of the following:

	2026	2025
	AED	AED
Current tax	-	-
Pillar two	-	-
Deferred tax	-	-
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the financial statements for the year ended 31 March 2026 (continued)

17. Taxation (continued)

Pillar Two Qualifying Domestic Minimum Top-Up Tax (continued)

(b) Deferred taxes analysed by type of temporary difference:

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates and/ or outside the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

As no temporary differences were identified, the Company has not recognized any deferred tax impact in its financial statements for FY 2026 (FY 2025: nil).

18. Geopolitical Developments

Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified leading to regional instability. Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify any potential financial impact, whether adverse or favourable. Accordingly, no adjustments have been made to the separate financial statements as of the reporting date, as these events are considered non adjusting subsequent events. Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

19. Approval of the financial statements

The financial statements were approved by the directors and authorised for issue on 19 June 2026.