Vedanta Copper International VCI Limited
(A Single Person Limited Liability Company)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the period from 14 November 2023 to 31 March 2025

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(A Single Person Limited Liability Company)

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INDEPENDENT AUDITOR'S REPORT
TO THE OWNER OF VEDANTA COPPER INTERNATIONAL VCI LIMITED
(A SINGLE PERSON LIMITED LIABILITY COMPANY)

Opinion

We have audited the financial statements of Vedanta Copper International VCI Limited ("the Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from 14 November 2023 to 31 March 2025, 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 2025, and its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. 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 Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and the Company's Articles of Association, 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.

Management is responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE OWNER OF VEDANTA COPPER INTERNATIONAL VCI LIMITED
(A SINGLE PERSON LIMITED LIABILITY COMPANY) (continued)

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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

INDEPENDENT AUDITOR'S REPORT
TO THE OWNER OF VEDANTA COPPER INTERNATIONAL VCI LIMITED
(A SINGLE PERSON LIMITED LIABILITY COMPANY) (continued)

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

We communicate with management 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.

for Ernst & Young Professional Services

Abdulla Z. AlShaikh
Certified Public Accountant
License No. (568)

Al Khobar: 16 Thul-Hijjah 1446H
12 June 2025

Vedanta Copper International VCI Limited
(A Single Person Limited Liability Company)

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	*31 Mar 2025*
		SR
ASSETS		
NON-CURRENT ASSET		
Capital Work in Progress	7	**6,280,727**
CURRENT ASSETS		
Bank balances		**1,070,161**
Prepayments and other current assets	8	**9,590,354**
TOTAL CURRENT ASSETS		**10,660,515**
TOTAL ASSETS		**16,941,242**
EQUITY AND LIABILITIES		
EQUITY		
Capital	9	**100,000**
Accumulated losses		**(30,000)**
TOTAL EQUITY		**70,000**
NON-CURRENT LIABILITY		
Employees' defined benefits liabilities		**39,072**
CURRENT LIABILITIES		
Due to related parties	10	**16,629,062**
Accrued expenses and other current liabilities	11	**203,108**
TOTAL CURRENT LIABILITIES		**16,832,170**
TOTAL LIABILITIES		**16,871,242**
TOTAL EQUITY AND LIABILITIES		**16,941,242**

The attached notes 1 to 15 form part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 14 November 2023 to 31 March 2025

	For the period from 14 November 2023 to 31 March 2025
	SR
Administration and general expense	**(30,000)**
LOSS BEFORE TAX	**(30,000)**
Income tax	**-**
NET LOSS FOR THE PERIOD	**(30,000)**
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	
Other comprehensive income to be reclassified to income statement in subsequent periods:	-
TOTAL OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(30,000)**

The attached notes 1 to 15 form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

For the period from 14 November 2023 to 31 March 2025

	Capital	*Accumulated losses*	*Total*
	SR	***SR***	***SR***
Issued during the period	100,000	-	100,000
Loss for the period	-	(30,000)	(30,000)
Other comprehensive loss	-	-	-
Total other comprehensive loss	-	(30,000)	(30,000)
As at 31 March 2025	**100,000**	**(30,000)**	**70,000**

The attached notes 1 to 15 form part of these financial statements

STATEMENT OF CASH FLOWS

For the period from 14 November 2023 to 31 March 2025

	Note	*For the period from 14 November 2023 to 31 March 2025* SR
OPERATING ACTIVITIES		
Loss for the period		**(30,000)**
Adjustments for:		
Provision for gratuity		**39,072**
		9,072
Working capital adjustments:		
Prepayments and other receivables	8	**(9,590,354)**
Due to related parties	10	**16,629,062**
Accruals and other liabilities	11	**203,108**
Cash flows generated from operations		**7,250,888**
INVESTING ACTIVITY		
Addition to capital work in progress	7	**(6,280,727)**
Net cash flows used in investing activity		**(6,280,727)**
FINANCING ACTIVITY		
Issance of capital		**100,000**
Net cash flows from financing activity		**100,000**
NET INCREASE IN BANK BALANCES AND CASH		**1,070,161**
Bank balances and cash at the beginning of the period		**-**
BANK BALANCES AND CASH AT THE END OF THE PERIOD		**1,070,161**

The attached notes 1 to 15 form part of these financial statements

1 CORPORATE INFORMATION

Vedanta Copper International VCI Limited (A Single Person Limited Liability Company) ("the Company") is incorporated and existing under the laws of Kingdom of Saudi Arabia under unified identification number 7037305252 and commercial registration number 2050178432 dated 30 Rabi' al-Thani 1445H (corresponding to 14 November 2023). The Company is owned 100% by Vedanta Limited which is registered in India.

The Company was formed to engage in manufacture of basic chemicals, basic precious and other non ferrous metals.

The Company's registered office is located at building no. 2408, Al Harith Ibn Al Tufail Street, Dammam City, Postal code 32253, Kingdom of Saudi Arabia.

As per the Articles of Association of the Company, the first fiscal period of the Company is from the date of commercial registration to 31 March 2025. Accordingly, these financial statements cover the period from 14 November 2023 to 31 March 2025 which is the first financial period of the Company and hence no comparatives are presented.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRSs as endorsed in KSA")".

2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except where otherwise disclosed in the accounting policies.

2.3 Functional and presentation currency

These financial statements are presented in Saudi Arabian Riyals ("SR"), which is the functional currency of the Company.

2.4 Approval of financial statements

These financial statements have been approved for issuance on 16 Thul-Hijjah 1446H, (corresponding to 12 June 2025).

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Company in preparing these financial statements are applied consistently as following:

3.1 Current versus non-current classification

The Company presents assets and liabilities in the financial statements based on current/non-current classification. An asset is current when:

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

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.1 Current versus non-current classification (continued)

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

3.2 Fair value measurement

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

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Fair value measurement (continued)

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.3 Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss and other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in statement of profit or loss).

3.4 Asset under construction

Plant under construction is stated at cost, net of accumulated impairment losses, if any. Such cost includes the cost of consturcing the plant and borrowing costs for long-term construction projects if the recognition criteria are met. The cost capitalized is based on the financial model of the project under construcion.

3.5 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Initial recognition and measurement (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost consists of bank balances.

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. Currently, the Company does no have any financial instruments valued at fair value through OCI.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. The Company currently does not have any financial instruments designated at fair value under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, Or

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Derecognition (continued)

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The Company applies IFRS 9 simplified approach for measuring ECL, which uses a lifetime expected loss allowance.

The expected loss rates are based on the payment profiles of receivables over a period of 12 months before each reported period and corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified Gross Domestic Product ("GDP") of KSA (the country in which it renders the services) to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The expected loss approach breaks the total loss amount modeling into following parts: probability of default ("PD"), loss given default ("LGD"), exposure at default ("EAD"). These are briefly described below:

- LGD: This 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, including from any collateral. It is usually expressed as a percentage of the EAD.
- PD: the likelihood of a default over a particular time horizon
- EAD: This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Impairment (continued)

The Company considers default when, i) the customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or ii) the customer is more than 360 days past due on any material credit obligation to the Company, apart for the receivable from customers relates to Government of KSA where the probability of default considered insignificant.

Specific provision

Specific provision is recognised on customer-to-customer basis at every respective reporting date. The Company recognises specific provision against receivables from certain customers, based on the specific risk assessment of the balances. Provisions are reversed only when the outstanding amounts are recovered from the customers.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities consists of amounts due to related parties.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories, i) Financial liabilities at fair value through profit or loss, ii) Financial liabilities at amortised cost (loans and borrowings).

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings (if any) are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Financial instruments – initial recognition and subsequent measurement (continued)

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset maybe impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Unit's (CGU) fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount. In assessing the value-in-use, the estimated future cash flows are discounted to their present value using a discount rate pre-zakat / tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company’s impairment calculation is based on detailed budgets and forecast calculations which are prepared separately for each of the Company’s CGU’s to which the individual asset is allocated. These budgets and forecast calculations generally cover a five-year period. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

3.7 Cost and expenses

Direct costs

All expenses are recognised on an accrual basis. Operating costs are recognised on a historical cost basis. Contract costs also include direct labour and other attributable overhead costs. Other costs are presented as general and administration expenses.

Administration and general expense

Allocation of overheads between direct costs, and general and administration expenses, where required, is made on a consistent basis based on factors determined by the management.

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.9 Income tax

Income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax is recognised in the statement of comprehensive income.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.10 Value-Added Tax ("VAT")

Revenues, expenses and assets are recognised net of the amount of VAT, except for:

- where the VAT incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable ; and
- in case of receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from or payable to the tax authority is classified as an asset or a liability, respectively, in the statement of financial position.

3.11 Withholding tax

The Company withholds taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia, as required under Saudi Arabian Income Tax Law.

3.12 Bank balances

Bank balances and cash in the statement of financial position comprise of cash at bank.

3.13 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.14 Employee benefits

Defined benefit plans

The Company operates a non-funded employee end-of-service benefit plan, which is classified as defined benefit liabilities under IAS 19 'Employee Benefits'. A defined benefit plan is a plan which is not a defined contribution plan. The liability recognised in the statement of financial position for a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period.

3.15 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Liabilities which are probable are recorded in the financial statement under trade payables and accruals. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Estimates and assumptions

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 Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provisions

By their nature, provisions are dependent upon estimates and assessments whether the criteria for recognition have been met, including estimates of the probability of cash outflows. Provisions for uncertain liabilities involve management’s best estimate of whether cash outflows are probable.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the upcoming years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested.

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of these financial statements are consistent with those used in the previous year, except for certain amendments to standards adopted by the Company as of 1 January 2024. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The adoption of these standards and interpretations did not have any effect on the Company's financial position, financial performance or disclosures.

5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS (continued)

5.1 Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are not expected to have a material impact on the Company's financial statements.

5.2 Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

5.3 Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are not expected to have a material impact on the Company's financial statements.

6 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

6.1 Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

6 STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

6.2 IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Compnay is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

6.3 IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Company’s financial statements.

7 CAPITAL WORK IN PROGRESS

	2025 ***SR***
Cost	
Additions	**6,280,727**
At 31 March 2025	**6,280,727**

7 CAPITAL WORK IN PROGRESS (continued)

7.1 Capital work in progress includes the below:

	2025
	SR
Consultancies cost	**2,890,126**
Finance costs	**553,166**
Salaries & wages	**2,837,435**
At the end of the period	**6,280,727**

8 PREPAYMENTS AND OTHER CURRENT ASSETS

	2025
	SR
Advances to suppliers	**9,516,094**
Value added tax receivables	**74,260**
	9,590,354

9 CAPITAL

Capital is divided into 100 shares of SR 1,000 each. The Company is owned 100% by Vedanta Limited registered in India.

10 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent partners, directors and key management personnel and entities controlled or significantly influenced by such parties. Following is the list of major related parties of the Company:

Name of related party	***Nature of relationship***
Fujairah Gold FZC	Affiliate
Vedanta Limited- Copper Exps	Affiliate
Vedanta Limited Corporate	Affiliate

a) Major transactions with related parties included in the statement of profit or loss and other comprehensive income are as follows:

Related Party	***Nature of transactions***	***Amount 2025 SR***
Fujairah Gold FZC	Funds/Finance charges	**14,373,878**
Vedanta Limited- Copper Exps	Expenses paid on behalf of Company	**2,249,551**
Vedanta Limited Corporate	Expenses paid on behalf of Company	**5,633**

10 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

The breakdown of amounts disclosed in the statement of financial position is as follows:

b) Amounts due to related parties presented under current liabilities:

	2025
	SR
Fujairah Gold FZC	**14,373,878**
Vedanta Limited- Copper Exps	**2,249,551**
Vedanta Limited Corporate	**5,633**
	16,629,062

Related parties transactions are approved by the management of the Company.

11 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	2025
	SR
Salaries & wages	**175,900**
Others	**27,208**
	203,108

12 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

12.1 Financial instruments

	2025
	SR
Financial assets at amortised cost:	
Bank balances	**1,070,161**
Financial liabilities at amortised cost:	
Amounts due to related parties	**16,629,062**

12.2 Financial instruments risk management objectives and policies

The Company’s principal financial assets include bank balances and amounts due to related parties that derive directly from its operations. The Company’s management reviews and agrees policies for managing each of these risks which are summarised below:

a) Market risk
b) Credit risk; and
c) Liquidity risk.

The Company’s management oversees the management of these risks. The Company’s management regularly review the policies and procedures to ensure that all the financial risks are identified, measured and managed in accordance with the Company’s policies and risk objectives.

12 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

12.2 Financial instruments risk management objectives and policies (continued)

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Company's activities.

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Financial instruments affected by market risk includes amounts due to related parties.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company undertakes significant transactions in Saudi Riyal (SR) and United Arab Emirates Dirham currencies and the Company's financial assets, and liabilities significantly demonstrate in either of these currencies. As both are pegged to US Dollar, there is no currency risk exposure in relation to balances and transactions denominated in these currencies.

b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its bank balances.

i) Bank balances

Credit risk from bank balances is managed by the Company’s treasury department in accordance with the Company’s policy. The Company seeks to manage its credit risk with respect to banks by only dealing with reputable banks.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

In order to avoid excessive concentrations of risk, the Company’s policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

12 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

12.2 Financial instruments risk management objectives and policies (continued)

c) Liquidity risk (continued)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments; Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2025

	Less than a year	*1 to 5 years*	*> 5 years*	*Total*
	SR	*SR*	*SR*	*SR*
Amounts due to related parties	**16,629,062**	-	-	**16,629,062**
Accrued expenses and other current liabilities	**203,108**	-	-	**203,108**
	16,832,170	-	-	**16,832,170**

13 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes capital. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's debt to adjusted capital ratio at the end of the reporting year as follows :

	2025
	SR
Total liabilities	**16,871,242**
Less : bank balances and cash	**(1,070,161)**
Net debt	**15,801,081**
Total equity	**70,000**
Debt to adjusted capital ratio as of 31 March 2025	**225.73**

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in transaction. As the separate financial statements are prepared under the historical cost convention, differences can arise between the book values and fair value estimates. Management believes that the fair values of the financial assets and liabilities are not materially different from their carrying values.

The Company has categorized its financial assets and liabilities into a three-level fair value hierarchy, based on the nature of the inputs used in determining fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

14 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Following is a description of each category in the fair value hierarchy and the financial assets and liabilities of the Company that are included in each category at 31 March 2025.

- Level 1: Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market.
- Level 2: Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management’s own assumptions about the assumptions a market participant would use in pricing the asset or liability.

15 EVENTS AFTER REPORTING PERIOD

In the opinion of management, there have been no significant subsequent events since the period ended 31 March 2025 that would have a material impact on the financial position of the Company as reflected in these financial statements.