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INDEPENDENT AUDITORS' REPORT

For the year ended March 31, 2026

Group Name	Sterling and Wilson Renewable Energy Limited (the "Ultimate Holding Company")
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From: MHA Auditing L.L.C, Dubai

Date: April 21, 2026

Subject: Consolidated Audit of Sterling and Wilson International Solar FZCO ("the Holding Company") and its subsidiaries (together "the Group") for the year ended March 31, 2026

To: Mr. Jamshed K Udwadia, Kalyaniwalla & Mistry LLP, Mumbai (India) and Mr. Kartikeya Raval, Deloitte Haskins and Sells LLP - Ahmedabad (India).

Independent Auditors' Report on Sterling and Wilson International Solar FZCO and its subsidiaries

Report on the Group reporting pack

In accordance with your instructions dated 29 September 2025, we have audited the accompanying Group reporting pack of Sterling and Wilson International Solar FZCO (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows (collectively referred to as "the Group reporting pack") for the year then ended, annexed thereto, and a summary of significant accounting policies and other explanatory information, prepared in accordance with the group accounting policies followed by Sterling and Wilson Renewable Energy Limited ("SWREL") (formerly known as Sterling and Wilson Solar Limited) ("the Ultimate Holding Company"). The Group reporting pack has been prepared solely to enable the Ultimate Holding Company to prepare its Consolidated Financial Statements as at and for the year ended March 31, 2026.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Group reporting pack gives the information required in accordance with the instructions dated 29 September 2025, in the manner so required, and gives a true and fair view in conformity with the accounting policies followed by the ultimate holding company, of the state of affairs of the Group as at March 31, 2026, of its profit / loss, other comprehensive income / loss, changes in equity and its cash flows for the year ended on that date and is suitable for inclusion in the Consolidated Financial Statements of the Ultimate Holding Company.

Basis for Opinion

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

Name of the entity	Country	Relationship
Sterling and Wilson International Solar FZCO	UAE	Holding Company
GCO Solar Pty Ltd.	Australia	Subsidiary
Sterling and Wilson Solar Australia Pty LTD	Australia	Subsidiary
ConstructPro LLP (previously Sterling and Wilson International LLP)	Kazakhstan	Subsidiary
Sterling and Wilson Middle East Solar Energy L.L.C	UAE	Subsidiary
Sterling and Wilson Solar Solutions Inc.	USA	Subsidiary
Held through Sterling and Wilson Solar Solutions Inc.		
- Sterling and Wilson Solar Solutions LLC	USA	Step down subsidiary
- Sterling and Wilson Renewable Energy Nigeria Ltd	Nigeria	Step down subsidiary
Sterling and Wilson Solar Spain S.L.	Spain	Subsidiary
Sterling and Wilson Renewable Energy Spain S.L.	Spain	Subsidiary
Sterling and Wilson Singapore Pte. Ltd.	Singapore	Subsidiary
Sterling and Wilson Engineering (Pty) Ltd.	South Africa	Subsidiary
Sterling and Wilson Renewable Energy, Unipessoal LDA	Portugal	Subsidiary
Sterling and Wilson Renewable Energy S.R.L	Romania	Subsidiary

Emphasis of Matters

We draw attention to:

- a) Note 12 a) i) of the Reporting Package where a wholly owned subsidiary company (“WOS”) of the Group has incurred costs amounting to AED 9.72mn (USD 2.65 mn) on account of remediation costs in respect of defective parts supplied by a supplier. Management is confident of recovery of the same.
- b) Note 36 A) d) of the Reporting Package which describes claims received and the wrongful invocation of the bank guarantees by two customers aggregating to AED 199.13 mn (USD 54.21 mn) in a particular geography. The Management is confident of recovering the encashed guarantees along with other receivables and customers claim is not tenable.
- c) Note 36 A) e) of the Reporting Package which describes the wrongful termination of contract and wrongful invocation of the bank guarantees by a customer aggregating to AED 41.76 mn (AUD 16.59 mn) in a particular geography. The Management is confident of recovering the encashed guarantees along with other receivables which has been recognised by the Group as recoverable from the customer.

Management’s Responsibility for the Group reporting pack

The Holding Company’s Management and Board of Directors is responsible for the preparation and presentation of the Group reporting pack in terms of the requirements of the IESBA Code that give a true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Group in accordance with accounting policies followed by the Ultimate Holding Company. The Management and the Board of Directors of the Holding Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the IESBA Code for safeguarding the assets of the Holding Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Group reporting pack that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Group reporting pack by the Management and Directors of the Holding Company, as aforesaid.

Management's Responsibility for the Group reporting pack (Continued)

In preparing the Group reporting pack, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The Group reporting pack has been prepared by the Management on the basis of instructions received in this regard from the Ultimate Holding Company solely for the use in the preparation of its Consolidated Financial Statements in accordance with the accounting policies followed by the Ultimate Holding Company.

Auditors' Responsibility for the Group reporting pack

Our objectives are to obtain reasonable assurance about whether the Group reporting pack as a whole is 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 ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Group reporting pack.

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

- Identify and assess the risks of material misstatement of the Group reporting pack, 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 internal controls with reference to Group Reporting Pack.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors 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 appropriateness of this assumption. 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 Group reporting pack or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Group reporting pack, including the disclosures, and whether the Group reporting pack represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group reporting pack.

Auditors' Responsibility for the Group reporting pack (Continued)

Materiality is the magnitude of misstatements in the Group Reporting Pack that, individually or in aggregate, makes it probable that the economic decisions of the users of the Group Reporting Pack may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Group Reporting Pack.

We communicate with those charged with governance of the Holding Company 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We have communicated all matters of significance to you in the communications you requested in your Group audit instructions.

Outstanding Item

Nil

Limitation of Use

This report is intended solely for use by Kalyaniwalla & Mistry LLP (India) & Deloitte Haskins and Sells LLP (India) in connection with its audit of Consolidated Financial Statements of the SWREL as at and for the year ended March 31, 2026 and should not be used for any other purpose.

A handwritten signature in blue ink, consisting of the letters 'MHA' in a stylized, cursive font, with a horizontal line underneath.

MHA Auditing L.L.C

April 21, 2026

Sterling and Wilson International Solar FZCO

Consolidated balance sheet

as at 31 March 2026

(Currency: AED in million)

	31 March 2026 (Audited)	31 March 2025 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	0.37	0.69
Other intangible assets	0.03	0.03
Right-of-use assets	0.72	2.19
Financial assets		
(i) Other financial assets	0.51	-
Deferred tax assets (net)	0.06	0.74
Total non-current assets	1.69	3.66
Current assets		
Financial assets		
(i) Trade receivables	80.44	89.30
(ii) Cash and cash equivalents	40.91	82.42
(iii) Bank balances other than cash and cash equivalents	23.95	20.62
(iv) Other financial assets	323.73	456.51
Current tax asset (net)	0.01	0.39
Other current assets	61.97	135.35
Total current assets	531.01	784.59
Total assets	532.70	788.23
Equity and liabilities		
Equity		
Equity share capital	368.20	368.20
Other equity		
Retained Earnings	(968.01)	(898.74)
Legal reserve	0.15	0.15
Foreign currency translation reserve	12.25	12.12
Capital reserve	(0.93)	(0.93)
Total equity attributable to owners of the Company	(588.35)	(519.21)
Shareholder's loan	-	-
Non-controlling interest	4.98	(0.46)
Total equity	(583.37)	(519.67)
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	0.68	1.46
(ii) Other Non-current financial liabilities	0.12	-
Provisions	2.60	2.17
Total non-current liabilities	3.40	3.62

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Sterling and Wilson International Solar FZCO

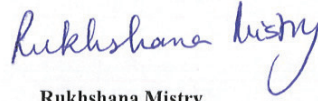
Consolidated balance sheet

as at 31 March 2026

(Currency: AED in million)

	31 March 2026 (Audited)	31 March 2025 (Audited)
Current liabilities		
Financial liabilities		
(i) Borrowings	860.69	868.92
(ii) Lease liabilities	0.85	0.76
(iii) Trade payables	133.75	251.60
(iv) Other financial liabilities	83.30	115.59
Other current liabilities	18.01	55.23
Provisions	3.87	3.77
Total current liabilities	1,112.66	1,304.28
Total liabilities	1,116.07	1,307.90
Total equity and liabilities	532.70	788.23

For and on behalf of the Board of Directors of
Sterling and Wilson International Solar FZCO


Rukhshana Mistry


Neville Madan

Mumbai
21 April 2026

Dubai
21 April 2026

Sterling and Wilson International Solar FZCO

Consolidated statement of profit and loss
for the year ended 31 March 2026

(Currency: AED in million)

Particulars	Quarter		Year		
	For the quarter ended 31 March 2026 (3 months) (Audited)	For the quarter ended 31 December 2025 (9 months) (Unaudited)	For the quarter ended 31 March 2025 (3 months) (Restated)	For the year ended 31 March 2026 (Audited)	For the year ended 31 March 2025 (Restated)
Income					
Revenue from operations	78.41	116.09	230.48	572.33	405.06
Other income	2.75	1.09	0.54	258.46	1.93
Total income	81.16	117.17	231.02	830.79	407.00
Expenses					
Cost of construction materials, stores and spare parts	3.48	26.60	129.12	168.09	223.44
Purchase of traded goods	-	0.00	(0.06)	14.11	-
Direct project costs	48.89	84.64	74.68	331.67	141.57
Employee benefits expense	3.90	3.85	7.69	17.55	27.68
Finance costs	11.35	10.73	14.95	55.28	67.22
Depreciation and amortisation expense	0.06	0.15	0.34	0.56	2.01
Other expenses	4.12	6.83	15.62	33.58	40.86
Total expenses	71.80	132.79	242.34	620.84	502.78
Consolidated Profit / (Loss) before exceptional items and income tax	9.36	(15.62)	(11.31)	209.95	(95.78)
Exceptional items	(0.07)	(11.45)	-	(256.09)	-
Consolidated Profit / (Loss) before income tax	9.29	(27.07)	(11.31)	(46.14)	(95.78)
Tax expenses:					
Current tax	4.22	2.41	6.91	12.64	11.98
Current tax relating to earlier period	0.40	0.07	-	4.12	-
Deferred tax (credit) / charge	0.29	0.05	0.33	0.72	0.87
	4.91	2.53	7.24	17.48	12.85
(Loss) / Profit for the period after income tax	4.38	(29.58)	(18.56)	(63.61)	(108.63)
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
(i) Remeasurements of defined benefit liability	(0.06)	-	(0.11)	(0.06)	(0.11)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Items that will be reclassified subsequently to profit or loss					
(i) Exchange differences in translating financial statements of foreign operations	1.98	(0.74)	(0.27)	0.29	1.48
(ii) Effective portion of (losses) on hedging instruments in cash flow hedges	-	-	-	-	-
(iii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Other comprehensive income for the period, net of income tax	1.92	(0.74)	(0.37)	0.22	1.37
Total comprehensive income for the period	6.30	(30.32)	(18.93)	(63.39)	(107.26)

For and on behalf of the Board of Directors of
Sterling and Wilson International Solar FZCO

Rukhsana Mistry

Rukhsana Mistry

Mumbai

21 April 2026

Neville Madan

Neville Madan

Dubai

21 April 2026

Sterling and Wilson International Solar FZCO

Consolidated balance sheet

as at 31 March 2026

(Currency : AED)

	<i>Note</i>	31 March 2026	31 March 2025
Assets			
1 Non-current assets			
(a) Property, plant and equipment	3	371,948	692,542
(b) Capital work-in-progress	3	-	-
(c) Other intangible assets	4	32,981	32,981
(d) Right-of-use assets	5	720,870	2,187,213
(e) Financial assets			
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other financial assets	6	506,695	-
(f) Deferred tax assets (net)	7	58,666	744,148
Total non-current assets		1,691,160	3,656,884
2 Current assets			
(a) Financial assets			
(i) Trade receivables	8	80,436,031	89,297,558
(ii) Cash and cash equivalents	9	40,911,650	82,423,505
(iii) Bank balances other than cash and cash equivalents	10	23,946,486	20,616,917
(iv) Loans	11	-	-
(vi) Other financial assets	12	323,727,237	456,514,423
(c) Current tax asset (net)		14,186	388,945
(d) Other current assets	13	61,969,991	135,345,576
Total current assets		531,005,581	784,586,924
Total assets		532,696,741	788,243,808
Equity and liabilities			
Equity			
(a) Equity share capital	14	368,200,000	368,200,000
(b) Other equity	15		
- Retained earnings		(968,009,185)	(898,743,775)
- Legal reserve		150,000	150,000
- Effective portion of cash flow hedge		-	-
- Foreign currency translation reserve		12,245,655	12,116,222
- Capital reserve		(934,652)	(934,652)
Total equity attributable to owners of the Company		(588,348,182)	(519,212,205)
Shareholder's loan		-	-
Non-controlling interest		4,976,691	(455,726)
Total equity		(583,371,491)	(519,667,931)
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	677,846	1,458,515
(ii) Other Non-current financial liabilities	17	123,884	-
(b) Provisions	18	2,601,627	2,170,022
Total non-current liabilities		3,403,357	3,628,537
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	860,688,182	868,917,148
(ii) Lease liabilities	20	851,939	760,987
(iii) Trade payables	21	133,749,985	251,602,000
(v) Other financial liabilities	22	83,304,161	115,588,124
(b) Other current liabilities	23	18,009,405	55,230,838
(c) Provisions	24	3,870,599	3,769,144
(d) Income tax liabilities (net)		12,190,604	8,414,961
Total current liabilities		1,112,664,875	1,304,283,202
Total liabilities		1,116,068,232	1,307,911,739
Total equity and liabilities		532,696,741	788,243,808

Sterling and Wilson International Solar FZCO

Consolidated statement of profit and loss

for the year ended 31 March 2026

(Currency : AED)

	<i>Note</i>	Year ended 31 March 2026	Year ended 31 March 2025 (Restated)
Income			
Revenue from operations	25	572,326,769	405,064,094
Other income	26	258,463,545	1,934,671
Total income		830,790,314	406,998,765
Expenses			
Cost of construction materials, stores and spare parts	27	168,086,489	223,438,299
Purchase of traded goods	28	14,111,907	-
Direct project costs	29	331,665,058	141,568,633
Employee benefits expense	30	17,552,516	27,678,081
Finance costs	31	55,278,805	67,216,623
Depreciation and amortisation expense	32	563,340	2,012,582
Other expenses	33	33,582,229	40,863,245
Total expenses		620,840,344	502,777,463
Consolidated profit before exceptional items and income tax		209,949,970	(95,778,698)
Exceptional items		(256,086,492)	-
Consolidated profit before income tax		(46,136,522)	(95,778,698)
Tax expense:			
Current tax		12,643,285	11,982,757
Current tax relating to earlier period		4,116,611	-
Deferred tax (credit)		715,379	866,460
		17,475,275	12,849,217
Consolidated profit after income tax		(63,611,797)	(108,627,915)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability		(62,019)	(106,406)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss			
(i) Exchange differences in translating financial statements of foreign operations		285,673	1,478,812
(ii) Effective portion of (losses) on hedging instruments in cash flow hedges		-	-
(iii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of income tax		223,654	1,372,406
Total comprehensive income for the year		(63,388,143)	(107,255,509)
Consolidated profit attributable to:			
Owners of the Company		(69,203,391)	(110,079,791)
Non-controlling interests		5,591,594	1,451,883
Consolidated profit for the year		(63,611,797)	(108,627,908)
Other comprehensive income attributable to:			
Owners of the Company		67,414	1,403,415
Non-controlling interests		156,240	(31,009)
Other comprehensive income for the year		223,654	1,372,406
Total comprehensive income attributable to:			
Owners of the Company		(69,135,977)	(108,676,376)
Non-controlling interests		5,747,834	1,420,874
Total comprehensive income for the year		(63,388,143)	(107,255,502)

Sterling and Wilson International Solar FZCO

Consolidated statement of changes in equity

for the year ended 31 March 2026

(Currency : AED)

A. Equity share capital

	31 March 2026	31 March 2025
Balance at the beginning of the year	368,200,000	184,600,000
Add: Issued during the year	-	183,600,000
Balance at the end of the year	<u>368,200,000</u>	<u>368,200,000</u>

B. Other equity

	Attributable to the shareholder of the Parent Company					Subtotal	Attributable to non-controlling interests	Shareholder's loan	Total
	Share capital	Legal reserve	Capital reserve	Foreign currency translation reserve	Retained earnings				
Balance as at 1 April 2025	368,200,000	150,000	(934,652)	12,116,221	(898,743,775)	(519,212,206)	(455,725)	-	(519,667,931)
Adjustments:									
Total comprehensive income for the year									
Profit for the year	-	-	-	-	(69,203,391)	(69,203,391)	5,591,594	-	(63,611,797)
<i>Items of OCI for the year, net of tax:</i>									
Remeasurement of the defined benefit liability	-	-	-	-	(62,019)	(62,019)	-	-	(62,019)
Effective portion of loss on hedging instruments in cash flow hedges	-	-	-	-	-	-	-	-	-
Exchange differences in translating financial statements of foreign operations	-	-	-	129,434	-	129,434	156,240	-	285,674
Total comprehensive income	-	-	-	129,434	(69,265,410)	(69,135,976)	5,747,834	-	(63,388,142)
<i>Transactions with owners, recorded directly in equity</i>									
Arising on change in ownership	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(315,418)	-	(315,418)
Interest on Shareholder's loan	-	-	-	-	-	-	-	-	-
Write back of Shareholder's loan	-	-	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	<u>368,200,000</u>	<u>150,000</u>	<u>(934,652)</u>	<u>12,245,655</u>	<u>(968,009,185)</u>	<u>(588,348,182)</u>	<u>4,976,691</u>	<u>-</u>	<u>(583,371,491)</u>

	Attributable to the shareholder of the Parent Company					Subtotal	Attributable to non-controlling interests	Shareholder's loan	Total
	Share capital	Legal reserve	Capital reserve	Foreign currency translation reserve	Retained earnings				
Balance as at 1 April 2024	184,600,000	150,000	(934,652)	10,606,400	(788,557,578)	(594,135,830)	(1,876,599)	947,177,751	351,165,322
Adjustments:									
Total comprehensive income for the year									
Profit for the year	-	-	-	-	(110,079,791)	(110,079,791)	1,451,883	-	(108,627,908)
<i>Items of OCI for the year, net of tax:</i>									
Remeasurement of the defined benefit liability	-	-	-	-	(106,406)	(106,406)	-	-	(106,406)
Effective portion of loss on hedging instruments in cash flow hedges	-	-	-	-	-	-	-	-	-
Exchange differences in translating financial statements of foreign operations	-	-	-	1,509,821	-	1,509,821	(31,009)	-	1,478,812
Total comprehensive income	-	-	-	1,509,821	(110,186,197)	(108,676,376)	1,420,874	-	(107,255,502)
<i>Transactions with owners, recorded directly in equity</i>									
Arising on change in ownership	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-	105,339,397	105,339,397
Reclassification to borrowings	-	-	-	-	-	-	-	(868,917,148)	(868,917,148)
Additional shares issued	183,600,000	-	-	-	-	183,600,000	-	(183,600,000)	-
Balance as at 31 March 2025	368,200,000	150,000	(934,652)	12,116,221	(898,743,775)	(519,212,206)	(455,725)	-	(519,667,931)

Sterling and Wilson International Solar FZCO

Consolidated statement of cash flow

for the year ended 31 March 2026

(Currency : AED)

	For the year ended 31 March 2026	For the year ended 31 March 2025
A) Cash flow from operating activities		
Consolidated (loss) / profit before tax	(46,136,522)	(95,778,698)
<i>Adjustments for:</i>		
Depreciation and amortisation expense	687,207	2,116,701
(Writeback) / Provision for bad and doubtful debts	-	-
Bad debts written off	-	-
Other receivable Written off	205,908,614	-
Liabilities / supplier balances written back	(252,877,160)	(720,871)
Loss on sale of property, plant and equipments (net)	165,236	(19,972)
Provision for foreseeable losses (net)	56,865	(521,923)
Provision for Liquidated damages	5,633,374	-
Gain on recognition of sublease	(190,647)	-
Finance costs	55,278,805	67,216,623
Interest income	(2,555,995)	(1,184,030)
Operating profit / (loss) before working capital changes	<u>(34,030,223)</u>	<u>(28,892,170)</u>
<i>Working capital adjustments:</i>		
(Increase)/ decrease in inventories	-	-
Decrease in trade receivables	8,861,527	6,909,429
Decrease in loans and advances	(50,286)	292,370
(Increase) in other current financial assets	(72,630,912)	2,575,854
(Increase) in other current assets	73,375,585	(45,352,241)
(Decrease) in trade payables, other current liabilities and provisions	<u>(193,806,944)</u>	<u>102,927,598</u>
Net change in working capital	<u>(184,251,030)</u>	<u>67,353,010</u>
Net cash flows (used in) operating activities	<u>(218,281,253)</u>	<u>38,460,840</u>
Income tax (paid) (net)	(13,695,449)	(3,316,495)
Effects of exchange differences on translation of assets and liabilities	218,414	1,453,232
Net cash flows (used in) operating activities	<u>(A) (231,758,288)</u>	<u>36,597,577</u>
B) Cash flow from investing activities		
(Purchase) of property, plant and equipment, capital work-in-progress and intangible assets	(136,834)	(209,299)
(investment in) / redemption of fixed deposits (net)	(3,329,569)	(11,284,575)
Proceeds from sale of property, plant and equipment	74,572	47,610
Interest received	2,512,683	1,184,030
Lease income received	406,952	-
Loans repaid by related parties (net)	-	-
Net cash flows generated from / (used in) investing activities	<u>(B) (472,196)</u>	<u>(10,262,234)</u>
C) Cash flow from financing activities		
(Repayment of) / proceeds from Secured Short-term borrowings (net)	-	-
(Repayment of) unsecured short-term borrowings (net)	-	-
Finance costs paid	(34,549,337)	(3,986,468)
Lease payments	(869,994)	(1,343,099)
Proceeds from shareholder's loan	226,453,378	47,595,834
Dividend paid	(315,418)	-
Net cash flows generated from financing activities	<u>(C) 190,718,629</u>	<u>42,266,267</u>
Net movement in currency translation	<u>(D) -</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	<u>(A+B+C+D) (41,511,855)</u>	<u>68,601,610</u>
Cash and cash equivalents at the beginning of the year	<u>82,423,505</u>	<u>13,821,895</u>
Cash and cash equivalents at the end of the year	<u>40,911,650</u>	<u>82,423,505</u>

Sterling and Wilson International Solar FZCO

Consolidated statement of cash flow

for the year ended 31 March 2026

(Currency : AED)

Notes :

- 1 Cash comprises cash on hand and current accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

	For the year ended 31 March 2026	For the year ended 31 March 2025
2 Components of cash and cash equivalents		
Balance with banks		
- in current accounts	40,911,365	82,423,235
- in fixed deposit (with original maturity of less than 3 months)	-	-
Cheques on hand	-	-
Cash on hand	285	270
Less: Bank over draft	-	-
	<u>40,911,650</u>	<u>82,423,505</u>

- 3 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes

Reconciliation of liabilities arising from financing activities

Particulars	At beginning of the period/year	Changes considered in statement of cash- flow	Non-cash changes on account of acquisition	At end of the period/year
Short-term bank borrowings (including interest accrued)	-	-	-	-
31 March 2024	-	-	-	-
Short-term bank borrowings (including interest accrued)	-	-	-	-
31 March 2023	-	-	-	-

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

as at 31 March 2026

(Currency : AED)

3 Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amount

Particulars	Land	Office equipment	Furniture and fixtures	Plant and machinery	Motor vehicles	Tools and equipment	Leaschold improvements	Total (A)	Capital work-in progress (B)	Total (A+B)
Gross carrying amount :										
Balance as at 1 April 2025	107,052	3,294,045	63,181	2,480,275	89,049	1,318,049	1,670,024	9,021,675	-	9,021,675
Add: Additions during the year	-	136,834	-	-	-	-	-	136,834	-	136,834
Less: Disposals during the year	(109,408)	(522,491)	(27,932)	(1,349,761)	-	-	-	(2,009,592)	-	(2,009,592)
Add: Adjustments	-	-	-	-	-	-	-	-	-	-
Add: Exchange differences on translation of foreign operations	2,356	112,884	1,605	166,079	1,427	10,684	-	295,035	-	295,035
Balance as at 31 March 2026	-	3,021,272	36,854	1,296,593	90,476	1,328,733	1,670,024	7,443,952	-	7,443,952
Accumulated depreciation and impairment losses:										
Balance as at 1 April 2025	-	2,965,998	61,844	2,229,382	86,960	1,314,925	1,670,024	8,329,133	-	8,329,133
Add: Depreciation for the year	-	148,951	-	102,464	1,280	1,990	-	254,685	-	254,685
Less: Disposals during the year	-	(493,989)	(26,535)	(1,249,260)	-	-	-	(1,769,784)	-	(1,769,784)
Add: Adjustments	-	-	-	-	-	-	-	-	-	-
Add: Exchange differences on translation of foreign operations	-	116,920	1,545	127,667	1,316	10,522	-	257,970	-	257,970
Balance as at 31 March 2026	-	2,737,880	36,854	1,210,253	89,556	1,327,437	1,670,024	7,072,004	-	7,072,004
Carrying amounts (net)										
At 1 April 2025	107,052	328,047	1,337	250,893	2,089	3,124	-	692,542	-	692,542
At 31 March 2026	-	283,392	-	86,340	920	1,296	-	371,948	-	371,948

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

as at 31 March 2026

(Currency : AED)

4 Other intangible assets

Reconciliation of carrying amount

Particulars	Certification and licenses	Total
Gross carrying amount :		
Balance as at 1 April 2025	403,557	403,557
Add: Additions during the year	-	-
Less: Disposals during the year	-	-
Add: Adjustments	-	-
Add: Exchange differences on translation of foreign operations	-	-
Balance as at 31 March 2026	403,557	403,557
Accumulated depreciation and impairment losses:		
Balance as at 1 April 2025	370,576	370,576
Add: Depreciation for the year	-	-
Less: Disposals during the year	-	-
Add: Adjustments	-	-
Add: Exchange differences on translation of foreign operations	-	-
Balance as at 31 March 2026	370,576	370,576
Carrying amounts (net)		
At 1 April 2025	32,981	32,981
At 31 March 2026	32,981	32,981

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

5 Disclosure under Ind AS 116, Leases

A) Right-of-use assets

	Land and Buildings	Total
Cost		
Balance as at 1 April 2025	3,141,328	3,141,328
Additions	-	-
Effect of Modification	(1,801,017)	(1,801,017)
Disposals	(126,198)	(126,198)
Add: Exchange differences on translation of foreign operations	83,453	83,453
Balance at 31 March 2026	1,297,566	1,297,566
Accumulated depreciation and impairment		
Balance as at 1 April 2025	954,115	954,115
Depreciation	432,522	432,522
Effect of Modification	(720,403)	(720,403)
Eliminated on disposals of assets	(126,198)	(126,198)
Add: Exchange differences on translation of foreign operations	36,660	36,660
Balance at 31 March 2026	576,696	576,696
Carrying amounts		
Balance as at 1 April 2025	2,187,213	2,187,213
Balance at 31 March 2026	720,870	720,870

B) Breakdown of lease expenses

	For the year ended 31 March 2026	For the year ended 31 March 2025
Short-term lease expense	6,626,812	877,104
Low value lease expense	-	-
Total lease expense	6,626,812	877,104

C) Cash outflow on leases

	For the year ended 31 March 2026	For the year ended 31 March 2025
Repayment of lease liabilities	775,518	737,225
Interest on lease liabilities	94,476	87,134
Short-term lease expense	6,626,812	877,104
Low value lease expense	-	-
Total cash outflow on leases	7,496,806	1,701,462

D) Maturity analysis of lease liabilities

31 March 2026	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
Lease liabilities	905,629	690,132	-	-	4% - 6%
	905,629	690,132	-	-	

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
5 Non-current investments		
Investment in equity instruments		
(a) Unquoted, in subsidiaries (at cost)		
GCO Solar Pty. Ltd.	-	-
Sterling and Wilson Pte Limited (Singapore)	-	-
Sterling and Wilson Engineering (Pty) Ltd - South Africa	-	-
Sterling and Wilson Solar Spain S.L.	-	-
Sterling & Wilson Middle East Solar Energy LLC	-	-
Sterling & Wilson Solar Solution Inc USA	-	-
Sterling and Wilson Kazakhstan LLP	-	-
Sterling and Wilson International LLP	-	-
Sterling and Wilson Solar Australia Pty. Ltd.	-	-
Sterling and Wilson Solar Malaysia Sdn. Bhd.	-	-
Sterling and Wilson Renewable Energy Spain, Company Limited	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
The aggregate book value of unquoted non-current investments are as follows:		
Aggregate book value of unquoted non-current investments	-	-
Aggregate amount of impairment in value of non-current investments	-	-
6 Loans		
<i>(Unsecured, considered good)</i>		
<i>To related parties</i>		
-Loan given to subsidiaries *	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
6 Other non-current financial assets		
Net Investment in Sublease - Non current	506,695	-
	<u>506,695</u>	<u>-</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

as at 31 March 2026

(Currency : AED)

7 Deferred tax assets (net)

Movement in deferred tax balances for the year ended 31 March 2026

Particulars	Net asset/ (liability) 1 April 2025	Recognised in profit or loss during the period	Other adjustments/ Forex	Net asset/ (liability) 31 March 2026
Provision for interest not recoverable	-	-	-	-
Provision for doubtful debts and advances	-	-	-	-
Trade payables	-	-	-	-
Income in advance	681,950	(680,865)	26,486	27,571
Employee benefits	27,805	1,166	2,124	31,095
Tax losses available for set off against future taxable income	-	-	-	-
Deductible temporary difference on prepayments	34,392	(35,680)	1,288	-
Financial assets at fair value	-	-	-	-
Trade receivables	-	-	-	-
Net deferred tax asset	744,148	(715,379)	29,898	58,666

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
8 Trade receivables		
<i>(Unsecured)</i>		
Trade receivables		
- Undisputed trade receivables - considered good		
Less than 6 months	47,459,979	42,742,510
6 months - 1 year	21,944	535,391
1-2 years	535,391	1,003,293
2-3 years	-	602,562
More than 3 years	32,418,717	44,413,802
- Significant increase in credit risk	-	-
- Undisputed trade receivables - credit impaired		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	80,436,031	89,297,558
Loss allowance *		
- Doubtful	-	-
	80,436,031	89,297,558

(a) Trade receivables includes retention receivable of AED 37,718,708

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
9 Cash and cash equivalents		
Balances with Bank		
- in current accounts	40,911,365	82,423,235
- in fixed deposit (with original maturity of more than 3 months)	-	-
Cheques on hand	-	-
Cash on hand	285	270
Cash and cash equivalents in the consolidated balance sheet	<u>40,911,650</u>	<u>82,423,505</u>
10 Bank balances other than cash and cash equivalents		
Balances with banks		
- in current accounts	-	-
- in deposit accounts (with original maturity more than 3 months but less than 12 months)	-	-
- Margin money deposits	23,946,486	20,616,917
- Balances with banks in escrow account relating to acquisition of australian subsidiary	-	-
	<u>23,946,486</u>	<u>20,616,917</u>
11 Loans		
<i>(Unsecured, considered good)</i>		
<i>To related parties</i>		
-Loan given to subsidiaries *	-	-
-Less: Provision for doubtful advance	-	-
	-	-
-Others **	-	-
<i>To parties other than related parties</i>		
Loan to employees	-	-
Loan to Others	-	-
	<u>-</u>	<u>-</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
12 Other financial assets		
<i>(Unsecured, considered good)</i>		
<i>From related parties</i>		
Other receivables	66,974,994	21,198,783
Dividend Receivable	-	-
<i>From parties other than related parties</i>		
Security deposits	2,653,599	2,603,313
Other receivables (Refer note (a) below)	253,658,414	432,712,327
Net Investment in sublease - Current	440,230	-
	<u>323,727,237</u>	<u>456,514,423</u>
Loss allowance		
- Doubtful other receivables	-	-
	<u>-</u>	<u>-</u>
	<u>323,727,237</u>	<u>456,514,423</u>

(a) Other receivables include:

- (i) AED 9.72mn (USD 2.65mn) has been incurred towards cost of remediation works undertaken by a wholly owned subsidiary (WOS) Company of the group due to defective parts supplied by a supplier. The WOS has made a claim of AED 35.69mn (USD 9.72mn) towards the expected remediation costs, liquidated damages due as per supply agreement and back charge of liquidated damages from the customer. The WOS has filed a formal dispute in the appropriate forum for recovery of the said amounts. The management is confident that the amount is fully recoverable.
- (ii) bank guarantees invoked by two customers (owned by the same parent) in relation to two projects in a particular geography for an amount of AED 83.35 million (USD 22.70 million) and AED 115.77 million (USD 31.51 million). The management is confident that the amount is fully recoverable. Refer 37d) for further details.
- (iii) bank guarantee invoked by a customer in relation to a project in a particular geography for an amount of AED 41.76 million (AUD 16.59 million). The management is confident that the amount is fully recoverable. Refer 37e) for further details.

13 Other current assets

(Unsecured, considered good)

From related parties

Unbilled receivables
 - | - |

From parties other than related parties

Unbilled receivables
 52,391,657 | 103,345,378 |

Advances for supply of goods
 2,509,858 | 8,692,062 |

Advances for projects
 - | - |

Advances to employees
 100,604 | 95,636 |

VAT / GST receivable
 4,089,040 | 16,322,964 |

Advance Tax - Fringe Benefit Tax
 81,805 | 148,790 |

Prepayments and deposits
 2,795,205 | 6,739,461 |

Other
 1,822 | 1,285 |

 61,969,991 | 135,345,576 |

Loss allowance

- Doubtful unbilled receivables

 - | - | - | - | 61,969,991 | 135,345,576 |

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
14 Share capital		
Authorised		
368,200 Equity shares at par value of AED 1,000	368,200,000	368,200,000
	<u>368,200,000</u>	<u>368,200,000</u>
Issued, subscribed and fully paid-up:		
184,600 Equity shares of AED 1,000 each, fully paid-up	368,200,000	368,200,000
	<u>368,200,000</u>	<u>368,200,000</u>

Reconciliation of shares outstanding at the beginning and at the end of year :

	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
Equity shares				
Balance as at the beginning and end of the year	368,200	368,200,000	184,600	184,600,000
Add: Issued during the year	-	-	183,600	183,600,000
Balance as at the end of the year	<u>368,200</u>	<u>368,200,000</u>	<u>368,200</u>	<u>368,200,000</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

15 Other equity

	Note	31 March 2026	31 March 2025
Retained earnings	(i)	(964,188,430)	(900,199,196)
Legal reserve	(ii)	150,000	150,000
Foreign currency translation reserve	(iii)	13,174,603	12,888,931
Capital reserve	(iv)	(934,652)	(934,652)
		<u>(951,798,478)</u>	<u>(888,094,917)</u>

Notes:

	31 March 2026	31 March 2025
(i) Retained earnings		
Balance as at the beginning of the year	(900,199,196)	(791,464,875)
Add: Profit for the year	(63,611,797)	(108,627,915)
Add: Remeasurement of the defined benefit liability	(62,019)	(106,406)
Less: Interest on Shareholder's loan	-	-
Add: Write back of Shareholder's loan	-	-
Less: Dividend paid	(315,418)	-
Adjustment	-	-
Balance as at the end of the year	<u>(964,188,430)</u>	<u>(900,199,196)</u>
(ii) Legal reserve		
Balance as at the beginning and end of the year	150,000	150,000
(iii) Foreign currency translation reserve		
Balance as at the beginning of the year	12,888,930	11,410,119
Add: Movement during the year	285,673	1,478,812
Adjustment	-	-
Balance as at the end of the year	<u>13,174,603</u>	<u>12,888,931</u>
(iv) Effective portion of cash flow hedge		
Balance as at the beginning of the year	-	-
Add: Effective portion of loss on hedging instruments in cash flow hedges	-	-
Balance as at the end of the year	<u>-</u>	<u>-</u>
(v) Capital reserve		
Balance as at the beginning and end of the year	(934,652)	(934,652)

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
16 Non-current lease liabilities		
Land and Buildings	677,846	1,458,515
	<u>677,846</u>	<u>1,458,515</u>
17 Other Non-current financial liabilities		
Security Deposit	123,884	-
	<u>123,884</u>	<u>-</u>
18 Long-term provisions		
Provision for employee benefits		
Gratuity	2,601,627	2,170,022
	<u>2,601,627</u>	<u>2,170,022</u>
19 Current borrowings		
<i>Secured loans</i>		
- Working capital loan from banks	-	-
- Trust receipts	-	-
	<u>-</u>	<u>-</u>
<i>Unsecured loans</i>		
Trust receipts	-	-
Loan from banks	-	-
Loan from holding company (refer note a)	860,688,182	868,917,148
Loans from related parties	-	-
	<u>860,688,182</u>	<u>868,917,148</u>
	<u>860,688,182</u>	<u>868,917,148</u>
a. Working capital loan from holding company is denominated in United States Dollar (USD). The loan carries an interest rate of 6.5% per annum and is repayable on demand but not later than 3 years. The loan is unsecured.		
20 Current lease liabilities		
Land and Buildings	851,939	760,987
	<u>851,939</u>	<u>760,987</u>
21 Trade payables		
Undisputed dues - Others		
Less than 1 year	112,975,927	167,933,242
1-2 years	2,972,273	10,519,992
2-3 years	1,889,729	60,385,996
More than 3 years	15,912,056	12,762,769
	<u>133,749,985</u>	<u>251,601,999</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2026

(Currency : AED)

	31 March 2026	31 March 2025
22 Other financial liabilities		
<i>To related parties</i>		
- Other payables	81,518,132	109,433,081
<i>To parties other than related parties</i>		
Interest accrued and not due:		
- to banks	-	-
Employee benefits payable		
- provision for employee terminal benefits	-	15,102
- other employee benefits payable	1,460,094	5,841,062
Dividend Payable	-	-
Other payables	325,935	298,879
	<u>83,304,161</u>	<u>115,588,124</u>
23 Other current liabilities		
<i>To parties other than related parties</i>		
Advances from customers	16,820,920	54,621,555
Statutory dues payable :		
- Vat payable	657,670	5,293
- Fringe Benefit Tax payable	59,350	92,642
- Withholding tax payable	248,279	252,953
- GST payable	-	-
- PAYG tax payable	-	-
- Employee tax payable	223,186	258,395
Others	-	-
	<u>18,009,405</u>	<u>55,230,838</u>
24 Short-term provisions		
Provision for employee benefits		
Gratuity	164,714	53,676
Provision for bonus	-	-
Compensated absences	2,997,715	3,088,362
Provision for air fare	157,117	132,916
Other provisions		
Provision for warranties	-	-
Other provisions	-	-
Provision for foreseeable losses	551,053	494,190
	<u>3,870,599</u>	<u>3,769,144</u>

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

	Year ended 31 March 2026	Year ended 31 March 2025 (Restated)
25 Revenue from operations		
Sale of services		
Income from works contracts	519,043,054	389,653,589
Revenue from operation and maintenance services	18,051,661	15,410,505
Revenue from Design and Engineering Services	20,173,852	-
Sale of products		
Sale of traded goods	15,058,202	-
Other operating income		
Sale of scrap	-	-
Miscellaneous income	-	-
	<u>572,326,769</u>	<u>405,064,094</u>
26 Other income		
Interest income under the effective interest method on:		
- deposits with banks	2,512,362	1,184,030
- loan to subsidiaries	-	-
- loan to related parties	-	-
- sublease	43,312	-
- others	321	-
Foreign exchange gain (net)	2,806,388	-
Gain on recognition of sublease	190,647	-
Dividend Income	-	-
Liabilities no longer required written back	252,877,160	720,871
Profit on sale of property, plant and equipments (net)	-	19,972
Other miscellaneous income	33,355	9,798
	<u>258,463,545</u>	<u>1,934,671</u>
27 Cost of construction materials, stores and spare parts		
Construction materials, stores and spare parts		
Inventory of materials at the beginning of the year	-	-
Purchase	168,086,489	223,438,299
Less : Inventory of materials at the end of the year	-	-
	<u>168,086,489</u>	<u>223,438,299</u>
28 Purchase of traded goods		
Cost of traded goods purchased during the year	14,111,907	-
	<u>14,111,907</u>	<u>-</u>

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

	Year ended 31 March 2026	Year ended 31 March 2025 (Restated)
29 Direct project costs		
Communication expenses	90,518	69,538
Stores and spare parts consumed	681,084	402,109
Commission expenses	-	-
Legal and professional fees	4,315,503	735,161
Printing and stationery expenses	44,829	31,110
Insurance costs	1,409,421	1,297,800
Repairs and maintenance - others	437,708	114,997
Selling and marketing expenses	22,015	21,696
Traveling and conveyance expenses	774,071	796,514
Rent (refer note 40)	6,282,926	600,677
Rates and taxes	(92,845)	101,374
Electricity, power and fuel	1,588,888	881,710
Payment to auditors	-	-
Foreign exchange loss (net)	(1,363,297)	372,819
Loss on sale of property, plant and equipment (net)	-	-
Security charges	67,404	211,028
Handling and other charges	-	-
Depreciation expense	123,867	104,119
Bank charges	4,870,591	8,114,922
Liquidated Damages	5,633,374	-
Provision for foreseeable losses (net)	56,865	(521,923)
Miscellaneous expenses	342,001	383,074
	<u>25,284,923</u>	<u>13,716,725</u>
Employee benefits expense		
Salaries, wages and bonus	14,451,576	10,865,811
Employee benefits payable	3,709,369	2,165,476
Gratuity (refer note 43)	-	-
Compensated absences	189,046	169,608
Staff welfare expenses	1,204,546	998,691
	<u>19,554,537</u>	<u>14,199,586</u>
Sub-contractor expenses	286,825,598	113,652,322
	<u>331,665,058</u>	<u>141,568,633</u>
30 Employee benefits expense		
Salaries, wages and bonus	15,301,158	24,767,666
Employee benefits	1,186,920	1,659,519
Gratuity	526,040	476,361
Compensated absences	289,718	250,479
ESOP	(80,856)	89,945
Staff welfare expenses	329,536	434,111
	<u>17,552,516</u>	<u>27,678,081</u>

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

	Year ended 31 March 2026	Year ended 31 March 2025 (Restated)
31 Finance costs		
Interest expense		
- on secured loans	-	-
- on related party	-	-
- on shareholder	54,431,515	65,814,057
- on lease liability	94,476	87,134
- on others	752,814	1,315,432
	<u>55,278,805</u>	<u>67,216,623</u>
32 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	130,818	696,524
Amortisation of intangible assets	432,522	1,316,058
	<u>563,340</u>	<u>2,012,582</u>
33 Other expenses		
Communication expenses	234,281	318,912
Stores and spare parts consumed	334	12,864
Commission expenses	-	-
Legal and professional fees	22,136,826	22,794,195
Printing and stationery expenses	14,551	98,847
Insurance costs	2,588,403	2,442,796
Repairs and maintenance - others	162,741	408,990
Selling and marketing expenses	175,787	501,521
Traveling and conveyance expenses	929,382	1,470,955
Rent (refer note 40)	343,886	276,427
Rates and taxes	149,127	219,681
Electricity, power and fuel	41,536	60,279
Payment to auditors (refer note (a) below)	585,385	900,576
Foreign exchange loss (net)	-	3,172,112
Loss on sale of property, plant and equipment (net)	165,236	-
Security charges	-	-
Donation	-	-
Handling charges	-	9,437
Provision for doubtful Debts and advances	-	-
Bad debts written off	-	-
Advances written off	2,684	-
Bank charges	5,706,116	7,958,923
Miscellaneous expenses	345,954	216,730
	<u>33,582,229</u>	<u>40,863,245</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

34 Income taxes

a) Amount recognised in the Consolidated statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax expense :		
Current year	12,643,285	11,982,757
Adjustment of tax relating to earlier years	4,116,611	-
	<u>16,759,896</u>	<u>11,982,757</u>
Deferred tax expense / (credit) :		
Origination and reversal of temporary differences	715,379	866,460
	<u>715,379</u>	<u>866,460</u>
Tax expenses for the year	<u>17,475,275</u>	<u>12,849,217</u>

b) Income tax recognised in other comprehensive income

Particulars	31 March 2026		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement (losses) on post employment defined benefit plan	(62,019)	-	(62,019)
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	285,673	-	285,673
Effective portion of (losses) on hedging instruments in cash flow hedges	-	-	-

Particulars	31 March 2025		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement (losses) on post employment defined benefit plan	(106,406)	-	(106,406)
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	1,478,812	-	1,478,812
Effective portion of (losses) on hedging instruments in cash flow hedges	-	-	-

c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	209,949,970	(95,778,698)
Tax using the Company's domestic tax rate at 0%	-	-
Tax effect of:		
Difference in tax rates	13,358,664	12,849,217
Tax relating to previous periods	4,116,611	-
Total tax expense	<u>17,475,275</u>	<u>12,849,217</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

34 Income taxes (Continued)

d) The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Movement in deferred tax balances for the year ended 31 March 2026

Particulars	Net asset/ (liability) 1 April 2025	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) 31 March 2026
Provision for doubtful debts and advances	-	-	-	-	-
Employee benefits	27,806	1,166	-	2,124	31,096
Tax losses available for set off against future taxable income	-	-	-	-	-
Deductible temporary difference on prepayments	34,393	(35,680)	-	1,288	-
Fair valuation of financial Assets	-	-	-	-	-
Others	681,948	(680,865)	-	26,486	27,569
Net deferred tax asset	744,148	(715,379)	-	29,898	58,666

Movement in deferred tax balances for the period ended 31 March 2025

Particulars	Net asset/ (liability) 1 April 2024	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) 31 March 2025
Provision for doubtful debts and advances	-	-	-	-	-
Employee benefits	17,649	9,560	-	597	27,806
Tax losses available for set off against future taxable income	1,475,907	(1,492,940)	-	17,033	-
Deductible temporary difference on prepayments	(9,162)	43,229	-	326	34,393
Fair valuation of financial liabilities	-	-	-	-	-
Others	98,073	573,691	-	10,184	681,948
Net deferred tax asset	1,582,467	(866,460)	-	28,140	744,148

e) Unrecognised deferred tax assets

Deferred tax assets have not been recognised during the year in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

	31 March 2026		31 March 2025	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Carry forward losses	641,161,987	176,799,584	861,375,916	177,337,651
Unabsorbed depreciation				
Total	641,161,987	176,799,584	861,375,916	177,337,651

As included in the table above, the subsidiary of the Company in US, Australia and Spain are subject to income tax in accordance with the countries' respective income tax laws. Since the subsidiaries had incurred losses in the current year, the management had decided not to consider the potential deferred tax assets arising from carry forward tax losses of the aforementioned subsidiaries in absence of convincing evidence that future profitability will be consistently demonstrated.

f) Tax losses carried forward

Particulars	Year ended 31 March 2023	Expiry date	Year ended 31 March 2022	Expiry date
Expire	3,858,677	2030-2045	205,890,529	2030-2043
Never expire	637,303,310		494,472,651	

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

35 Earnings per share

Particulars		For the year ended 31 March 2026	For the year ended 31 March 2025
<i>Basic and diluted earnings per share</i>			
Numerator:			
Consolidated profit after tax attributable to equity shareholders	A	(69,203,391)	(110,079,791)
Denominator:			
Calculation of weighted average number of equity shares			
Number of equity shares at the beginning of the year		368,200	184,600
Add: Issued during the year		-	183,600
Number of equity shares outstanding at the end of the year		368,200	368,200
Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	B	368,200	214,278
Basic and diluted earnings per share (AED)	A / B	(187.95)	(513.72)
Face value per share		1,000	1,000

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

36 Contingent liabilities and commitments

(to the extent not provided for)

A. Contingent Liabilities

Particulars	31 March 2026	31 March 2025
(a) Claims against the company not acknowledged as debts	693,580,580	597,095,408
(b) Letters of Credit	-	-
Total	693,580,580	597,095,408

(a) Group has received intimation for liquidated damages from two customers in a particular geography for an amount of approximately AED 86.66mn (USD 23.60mn). The Group has sent its responses to the said customers refuting such liquidated damages and has sought extension of time as per the contract. Based on management's best estimate, no provision for liquidated damages is required to be made as per c) below.

(b) During the previous year, a significant subcontractor in a particular geography filed for bankruptcy. The subcontractor has lodged a claim on the Group for approximately AED 36mn (AUD 14.30mn) which has been refuted by the management. The Group has made a counter claim on the subcontractor for an amount of AED 79.30mn (AUD 31.50mn) for noncompliance with contractual obligations. In the opinion of the management, the subcontractor's claim is not tenable and accordingly, based on management's best estimate, no provision is required to be made for the same.

(c) During the year ended 31 March 2022, the Ultimate Parent Company had signed agreements ("master agreement") with Shapoorji Pallonji & Company Pvt. Ltd., Khurshed Y. Daruvala (jointly the "Promoter Selling Shareholder") and Reliance New Energy Limited pursuant to which the Promoter Selling Shareholders will indemnify and re-imburse the Ultimate Parent Company and its subsidiaries/branches for a net amount, if it exceeds INR 300 crore (equivalent to approximately AED 148.20mn) ("the threshold"), on settlement of liquidated damages on certain past and existing projects, old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters. These amounts would be settled on 30 September of each year on the basis of the final settlement amounts with customers/other authorities. The Promoter Selling Shareholders are consequently entitled to net off the amounts payable against any claims levied by the Ultimate Parent Company and its subsidiaries/branches on its vendors and recovered by it.

In line with the terms of the Indemnity Agreement, the Parent Company has determined the Crystallized Claim to be levied on the Ultimate Parent Company for the period ended on September 30, 2025, which has been settled against the amount due to Ultimate Parent Company.

(d) During the earlier year, two customers of a wholly owned subsidiary (WOS) in a particular geography filed claims amounting to AED 173.24 million (USD 47.18 million) and AED 34.96 million (USD 9.52 million) against the WOS in relation to two projects which has been subsequently revised to lumpsum of AED 367.20 million (USD 100 million) and AED 290.38 million (USD 79.08 million) respectively in the appropriate courts of Law. During the quarter ended 30 June 2023, notices of invocation of two bank guarantees amounting to AED 89.38 million (USD 24.34 million) and AED 83.35 million (USD 22.70 million) were received from the two customers. Further, during the quarter ended 30 September 2025, notices of invocation of a bank guarantee amounting to AED 26.40 million (USD 7.19 million) was received from a customer. The WOS believes that these invocations are wrongful in nature as the projects have successfully achieved commercial operations and that it has fulfilled all its obligations under the contracts. As of date, the Group has repaid the banks the entire Bank Guarantee amount of AED 199.13 million (USD 54.21 million).

The WOS has made a counter claim on both the customers for an amount of AED 389.89mn (USD 106.18mn) and AED 303.78mn (USD 82.73mn) for breach of the contract including encashment of performance bank guarantee, unjust enrichment, violation of New York prompt pay Act, breach of the Guaranty and quantum meruit. The WOS has filed liens amounting to AED 160.69 million (USD 43.76 million) and AED 223.04 million (USD 60.74 million) on project properties for recovery of amounts due and recoverable from the customers. The customers have furnished bonds equivalent to 150% of the liens and released the liens on the project properties. The WOS has filed applications for foreclosure of the liens and has commenced federal litigation against the two customers in the appropriate Courts of Law arising from breaches of the EPC Contracts, as well as the wrongful invocation of the two bank guarantees.

During the quarter ended March 31, 2024 the WOS has received intimation from the customers lawyers that an amount of AED 62.77 million (USD 17.09 million) has been utilized by the customers to pay outstanding vendors of the WOS. No adjustments have been made between the receivables and payables in the absence of confirmation from the vendors releasing the liability of the WOS. In the opinion of the Management, supported by internal legal assessment, along with submissions made to the appropriate Courts, the Group is confident of recovering the wrongfully invoked Bank Guarantee amounts aggregating to AED 199.13 million (USD 54.21 million), along with other receivable, which has been recognised by the Group as recoverable from the customers. In addition, the Group is also confident on customers claims amounting to AED 290.38 million (USD 79.08 million) and AED 367.20 million (USD 100 million), being not tenable.

(e) During the quarter ended March 31, 2024, a customer of a WOS in a particular geography terminated the contract in relation to a project. Notice of invocation of the bank guarantee amounting to AED 41.76 million (AUD 16.59 million) was received from the customer. The WOS believes that both the termination and invocation are wrongful in nature considering the fact that despite the project being fully constructed it could not be fully operated for certain technical reasons as being the responsibility of the Owners which has been brought to their notice on several occasions. The Group had immediately repaid the bank the entire Bank Guarantee amount of AED 41.76 million (AUD 16.59 million).

In the opinion of the Management, supported by internal assessment and discussions with external legal counsels, the Group is confident of recovering the wrongfully invoked Bank Guarantee amount along with other receivables which has been recognised by the Group as recoverable from the customer.

B. Capital and other commitments

Particulars	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

37 Employee Benefits

Defined contribution plan:

Contribution to provident fund aggregating to AED 4,896,2895 (31 March 2025: AED 3,824,995) is recognised as an expense and included in 'Employee benefits expense' and 'direct project costs'.

Defined benefit plan and long-term employee benefits:

General description

Terminal benefits (Defined benefit plan)

The provision for end of service benefits for employees made in accordance with the requirements of the labour laws of the respective countries in which the Group operates. This is an unfunded defined benefit plan. The employees are entitled to benefits based on length of service and final remuneration and are payable on termination or completion of term of employment.

Change in the present value of the defined benefit obligation (Terminal benefits)

I Reconciliation of the present value of defined benefit obligation

Particulars	31 March 2026	31 March 2025
Defined benefit obligation at the beginning of the year	2,223,698	2,670,837
Benefits paid	(45,418)	(1,029,906)
Current service cost	410,410	400,673
Past Service Cost- Vested Benefits	-	-
Interest cost	115,632	75,688
Impact of foreign exchange translation	-	-
Actuarial (gains) recognised in other comprehensive income		
- changes in demographic assumptions	-	-
- changes in financial assumptions	27,885	(34,223)
- experience adjustments	34,134	140,629
Balance at the end of the period	2,766,341	2,223,698
Reconciliation of net (assets)/liability recognised		
Provision for gratuity recognised as per actuarial valuation report	2,766,341	2,223,698
Add: Additional provision on account of terminal benefits done under arithmetic calculation	-	-
Liability/ (assets) recognised in the Balance Sheet	2,766,341	2,223,698

II Amount recognised in the consolidated statement of profit and loss under employee benefits expense

Particulars	31 March 2026	31 March 2025
(i) Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	410,410	400,673
Past Service Cost- Vested Benefits	-	-
Interest cost	115,632	75,688
	526,042	476,361
(ii) Reconciliation of net (assets)/liability recognised in the Consolidated Statement of profit and loss		
Provision for gratuity recognised as per actuarial valuation report	526,042	476,361
Add: Additional provision on account of terminal benefits done under arithmetic calculation	-	-
Liability/ (assets) recognised in the Consolidated Statement of Profit and Loss	526,042	476,361

III. Remeasurement recognised in other comprehensive income

Particulars	31 March 2026	31 March 2025
(i) Expense recognised in the Consolidated Statement of other comprehensive income		
Actuarial (losses) on obligation for the year	62,019	106,406
	62,019	106,406

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

37 Employee Benefits (Continued)

Change in the present value of the defined benefit obligation (Continued)

IV Actuarial assumptions

The principal assumptions used in determining terminal benefit obligation for the Group's plan is shown below:

Particulars	31 March 2026	31 March 2025
Actuarial assumptions taken for domestic entities:		
Discount rate	5.10%	5.20%
Salary escalation	5.00%	5.00%
Employee turnover	2.00%	2.00%
Mortality tables	AM-92	AM-92
Weighted average duration of the projected benefit obligation	13 years	16 years

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

V Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
For the group:				
Discount rate (100 basis point movement)	(259,703)	305,579	(230,463)	272,981
Salary escalation rate (100 basis point movement)	302,760	(262,234)	270,734	(232,906)
Employee turnover (100 basis point movement)	2,331	(2,641)	4,342	(4,948)

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The Group's liability on account of terminal benefit is not funded and hence the disclosures relating to the planned assets are not applicable.

VI Maturity profile of defined benefit obligation (Gratuity and terminal benefits)

Particulars	31 March 2026	31 March 2025
Within next 12 months	164,714	53,676
Between 1 and 5 years	702,922	240,027
Above 5 years	4,212,186	4,102,420

Compensated absences

Compensated absences for employee benefits of AED 478,764 for the year ended 31 March 2026 (31 March 2025: AED 420,087) expected to be paid in exchange for the services is recognised as an expense during the year.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

38 Disclosure under Ind AS 115, Revenue from Contracts with Customers

A) The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

B) Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the type of contract of revenue recognition. Disaggregated revenue with the Group's reportable segments is given in the note 40.

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract assets*		
Unbilled receivables		
Contract assets at the beginning of the year	103,345,378	79,767,971
Add: Addition during the year	468,089,333	413,230,996
Less: Revenue recognised during the year	519,043,054	389,653,589
Contract assets as at end of the year	52,391,657	103,345,378
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	54,621,555	91,014,408
Add: Addition during the year	16,820,920	54,621,555
Less: Applied during the year	54,621,555	91,014,408
Contract liabilities as at end of the year	16,820,920	54,621,555

*The contract assets primarily relate to the Group's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected within 30-60 days from the date of invoicing.

**The contract liabilities primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

D) Reconciliation of revenue as per Ind AS 115

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Income from works contracts	519,043,054	389,653,589
<i>Adjustment on account of:</i>		
Liquidated damages	-	-
Total	519,043,054	389,653,589
Revenue from operation and maintenance services	18,051,661	15,410,505
<i>Adjustment on account of:</i>		
Recognition of revenue towards free operation and maintenance	-	-
Total	18,051,661	15,410,505
Revenue from consultancy service	20,173,852	-
<i>Adjustment on account of:</i>		
Recognition of revenue towards free operation and maintenance	-	-
Total	20,173,852	-
Revenue from sale of traded goods	15,058,202	-
<i>Adjustment on account of:</i>		
Recognition of revenue towards free operation and maintenance	-	-
Total	15,058,202	-

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2026

(Currency : AED)

38 Disclosure under Ind AS 115, Revenue from Contracts with Customers *(Continued)*

E) Performance obligation

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognizes the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

There is no revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2026 and 31 March 2025.

F) Practical expedients:

Applying the practical expedient in paragraph 63 of Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the year/period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

39 Segment reporting

A. Basis for segmentation

The Group is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Solar Power projects. The company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for Solar EPC and Solar Operation and maintenance service. Accordingly, company has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:

- Engineering, Procurement and Construction (Solar EPC); and
- Operation and maintenance service

B. Business Segment

The Group's revenues and assets represents company's businesses viz. Solar EPC and Solar Operation and maintenance service. Accordingly, Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis.

Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Information about reportable segments

31 March 2026

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	554,275,108	18,051,661	-	572,326,769
Total revenue	554,275,108	18,051,661	-	572,326,769
Segment Results	56,465,182	1,998,133	-	58,463,315
Unallocable Expense				
Interest expense			55,278,805	55,278,805
Depreciation			563,340	563,340
Employee benefits and other expenses			307,221,237	307,221,237
Total unallocated expenses	-	-	363,063,382	363,063,382
Unallocable Income				
Interest income			2,555,995	2,555,995
Other income			255,907,550	255,907,550
Total unallocated income	-	-	258,463,545	258,463,545
Consolidated profit before tax				(46,136,522)
Tax expense/ (credit)			17,475,275	17,475,275
Consolidated profit after tax	-	-	17,475,275	(63,611,797)
Other information				
Segment assets	255,166,889	3,462,527	274,067,324	532,696,741
Segment liabilities	150,426,028	1,713,847	963,928,356	1,116,068,232
Capital Expenditure			136,834	136,834
Depreciation and amortisation			563,340	563,340

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

39 Segment reporting (Continued)

C. Geographical information

The geographic information analyses the Group's revenues and non-current assets by the Group's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from external customers

31 March 2026	Solar EPC business	Operation and maintenance service	Unallocated
Particulars			
India	15,058,202	-	-
Europe	159,380,776	-	-
Middle East and North Africa	20,173,852	-	-
Rest of Africa	359,952,647	7,224,023	-
United States of America and Latin America	(622,779)	-	-
Australia	332,410	10,827,638	-
	554,275,108	18,051,661	-

C. Geographical information

a) Revenue from external customers (Continued)

Business in UAE, the Group's country of domicile, represented approximately 3.52% during the year ended 31 March 2026 of its consolidated net revenues.

The Group's business in Europe and Rest of Africa represented 27.85%, and 64.16% of its consolidated net revenues during the year ended 31 March 2026. No other country individually comprised 10% or more of the Group's consolidated net revenues during the year.

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	31 March 2026	31 March 2025
India	-	-
South-east Asia	-	-
Middle East and North Africa	778,716	1,336,882
Rest of Africa	154,928	89,913
United States of America and Latin America	-	4,969
Australia	120,890	1,392,374
Europe	71,265	88,598
	1,125,799	2,912,736

The following countries hold 10% or more of the Group's consolidated Non-current assets (other than financial instruments and deferred tax assets):

Particulars	31 March 2026	31 March 2025
United Arab Emirates	778,716	1,336,882
Rest of Africa	154,928	89,913
Australia	120,890	1,392,374

c) Information about major customers

Revenue from three customers of the Group is AED 518,512,885 which is more than 10% of the Group's total revenue.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

39 Related party disclosures (Continued)

39.2 Transactions and balances with related parties

31 March 2026						
Sr. No	Nature of transaction	Holding Company	Subsidiaries and Fellow subsidiaries	Entities having significant influence	Key management personnel and their relatives	Total
I	Income from works contracts	-	-	-	-	-
II	Revenue from operation and maintenance services	-	-	-	-	-
III	Revenue from consultancy service	-	-	-	-	-
III	Sale of traded goods	15,058,202	-	-	-	15,058,202
IV	Liabilities no longer required written back	252,877,160	-	-	-	252,877,160
IV	Cost of construction materials, stores and spare parts	-	-	-	-	-
IV	Recoverable expenses	9,602,901	-	-	-	9,602,901
VII	Sub-contractor expenses	-	-	28,905	-	28,905
VIII	Purchase of traded goods	-	-	-	-	-
VI	Remuneration	-	-	-	2,016,000	2,016,000
VII	Interest expense	54,431,515	-	-	-	54,431,515
VIII	Reimbursement of expenses	7,831,219	-	-	-	7,831,219
IX	Repairs and maintenance - others	-	-	21,961	-	21,961
X	Trade receivables	3,774,074	-	30,853,672	-	34,627,746
XVII	Advances for supply of goods	-	-	-	-	-
XI	Other receivables	25,186,154	-	-	-	25,186,154
XII	Trade Payable	-	-	-	-	-
XIII	Other payable	77,065,486	4,449,931	-	-	81,515,417
XIV	Advances from customers	10,092,938	-	18,276	-	10,111,214
XXIII	Employee benefits payable	-	-	-	168,000	168,000
XV	Shareholder's loan	860,688,182	-	-	-	860,688,182

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

39 Related party disclosures (Continued)

39.2 Transactions and balances with related parties

Sr. No	Nature of transaction	31 March 2026			
		Holding Company	Subsidiaries and Fellow subsidiaries	Entities having significant influence	Key management personnel and their relatives
I	Income from works contracts				
	Sterling and Wilson Renewable Energy Limited (Australia Branch)	-	-	-	-
	Sterling and Wilson Renewable Energy Limited (Australia Branch)	-	-	-	-
II	Revenue from operation and maintenance services				
	Sterling and Wilson Renewable Energy Limited (RAK Branch)	-	-	-	-
III	Revenue from consultancy service				
	Shapoorji Pallonji and Company Private Limited	-	-	-	-
III	Sale of traded goods				
	Sterling and Wilson Renewable Energy Limited	15,058,202	-	-	-
IV	Liabilities no longer required written back				
	Sterling and Wilson Renewable Energy Limited	252,877,160	-	-	-
IV	Cost of construction materials, stores and spare parts				
	Sterling and Wilson Renewable Energy Limited	-	-	-	-
IV	Recoverable expenses				
	Sterling and Wilson Renewable Energy Limited	1,281,511	-	-	-
	Sterling and Wilson Renewable Energy Limited	5,331,480	-	-	-
	Sterling and Wilson Renewable Energy Limited (Australia Branch)	2,989,910	-	-	-
	Sterling and Wilson Renewable Energy Limited	-	-	-	-
	Sterling and Wilson International Solar FZE	-	-	-	-
VII	Sub-contractor expenses				
	Sensehawk Inc	-	-	28,905	-
VIII	Purchase of traded goods				
	Sterling and Wilson Renewable Energy Limited	-	-	-	-
VI	Remuneration				
	Khurshed Daruvala	-	-	-	2,016,000
	Amit Jain	-	-	-	-
VII	Interest expense				
	Sterling and Wilson Renewable Energy Limited	54,431,515	-	-	-
VIII	Reimbursement of expenses				
	Sterling and Wilson Renewable Energy Limited	2,343,977	-	-	-
	Sterling and Wilson Renewable Energy Limited	1,819,326	-	-	-
	Sterling and Wilson Renewable Energy Limited	422,608	-	-	-
	Sterling and Wilson Renewable Energy Limited	1,552,462	-	-	-
	Sterling and Wilson Renewable Energy Limited (Australia Branch)	1,692,846	-	-	-
	Sterling and Wilson International FZE	-	-	-	-

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

39 Related party disclosures (Continued)

39.2 Transactions and balances with related parties

Sr. No	Nature of transaction	31 March 2026			
		Holding Company	Subsidiaries and Fellow subsidiaries	Entities having significant influence	Key management personnel and their relatives
IX	Repairs and maintenance - others				
	Shapoorji Pallonji and Company Private Limited	-	-	21,961	-
X	Trade receivables				
	Shapoorji Pallonji and Company Private Limited	-	-	2,032,189	-
	Sterling and Wilson Renewable Energy Limited	3,774,074	-	-	-
	Shapoorji Pallonji Infrastructure Capital	-	-	28,821,483	-
	Sterling and Wilson Private Limited	-	-	-	-
XVII	Advances for supply of goods				
	Sensehawk Inc	-	-	-	-
XI	Other receivables				
	Sterling and Wilson International FZE	-	-	-	-
	Sterling and Wilson Private Limited RAK Branch	8,446,676	-	-	-
	Sterling and Wilson Renewable Energy Limited	13,090,977	-	-	-
	Sterling and Wilson Renewable Energy Limited (Australia Branch)	3,648,501	-	-	-
XII	Trade Payable				
	Shapoorji Pallonji and Company Private Limited	-	-	-	-
	Sterling and Wilson Renewable Energy Limited	-	-	-	-
XIII	Other payable				
	Sterling and Wilson Solar LLC Oman	-	85,979	-	-
	Sterling and Wilson Private Limited	-	-	-	-
	Sterling and Wilson Solar LLC Oman	-	4,363,952	-	-
	Sterling and Wilson Renewable Energy Limited	54,650,386	-	-	-
	Sterling and Wilson Renewable Energy Limited (Chile Branch)	-	-	-	-
	Sterling and Wilson Renewable Energy Limited	451,451	-	-	-
	Sterling and Wilson Renewable Energy Limited	4,754,408	-	-	-
	Sterling and Wilson Renewable Energy Limited	1,219,119	-	-	-
	Sterling and Wilson Renewable Energy Limited	15,990,122	-	-	-
XIV	Advances from customers				
	Sterling and Wilson Renewable Energy Limited	10,092,938	-	-	-
	Sterling and Wilson Australia Pty Ltd	-	-	18,276	-
XXIII	Employee benefits payable				
	Khurshed Daruvala	-	-	-	168,000
	Amit Jain	-	-	-	-
XV	Shareholder's loan				
	Sterling and Wilson Renewable Energy Limited	860,688,182	-	-	-

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

40 Financial instruments – Fair values and risk management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value, if carrying amount is a reasonable approximation of fair value.

31 March 2026	Carrying amount			Total	Fair value			Total
	FVTPL	FVTOCI	Amortised Cost		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Non-current								
(iii) Other financial assets	-	-	506,695	506,695	-	-	-	-
Current								
(i) Trade receivables	-	-	80,436,031	80,436,031	-	-	-	-
(ii) Cash and cash equivalents	-	-	40,911,650	40,911,650	-	-	-	-
(iii) Bank balances other than cash and cash equivalents	-	-	23,946,486	23,946,486	-	-	-	-
(iv) Loans	-	-	-	-	-	-	-	-
(v) Other financial assets	-	-	323,727,237	323,727,237	-	-	-	-
Total	-	-	469,528,099	469,528,099	-	-	-	-
Financial liabilities								
Non Current								
(i) Lease liabilities	-	-	677,846	677,846	-	677,846	-	677,846
Current								
(i) Borrowings	-	-	860,688,182	860,688,182	-	-	-	-
(ii) Lease liabilities	-	-	851,939	851,939	-	851,939	-	851,939
(iii) Trade payables	-	-	133,749,985	133,749,985	-	-	-	-
(iv) Derivatives	-	-	-	-	-	-	-	-
(v) Other financial liabilities	-	-	83,304,161	83,304,161	-	-	-	-
Total	-	-	1,079,272,113	1,079,272,113	-	1,529,785	-	1,529,785

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

40 Financial instruments – Fair values and risk management (Continued)

(a) Accounting classification and fair values (Continued)

31 March 2025	FVTPL	Carrying amount		Total	Fair value			Total
		FVTOCI	Amortised Cost		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial Assets								
Current								
(i) Trade receivables	-	-	89,297,558	89,297,558	-	-	-	-
(ii) Cash and cash equivalents	-	-	82,423,505	82,423,505	-	-	-	-
(iii) Bank balances other than cash and cash equivalents	-	-	20,616,917	20,616,917	-	-	-	-
(iv) Loans	-	-	-	-	-	-	-	-
(v) Other financial assets	-	-	456,514,423	456,514,423	-	-	-	-
TOTAL	-	-	648,852,403	648,852,403	-	-	-	-
Financial liabilities								
Non Current								
(i) Lease liabilities	-	-	1,458,515	1,458,515.00	-	1,458,515	-	1,458,515.00
Current								
(i) Borrowings	-	-	868,917,148	868,917,148	-	-	-	-
(ii) Lease liabilities	-	-	760,987	760,987	-	760,987	-	760,987
(iii) Trade payables	-	-	251,602,000	251,602,000	-	-	-	-
(v) Other financial liabilities	-	-	115,588,124	115,588,124	-	-	-	-
TOTAL	-	-	1,238,326,774	1,238,326,774	-	2,219,502	-	2,219,502

Sterling and Wilson International Solar FZCO

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

(Currency : AED)

40 Financial instruments – Fair values and risk management (*Continued*)

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Amortised cost: 1. Security deposits (Asset) 2. Borrowings 3. Lease liabilities	Discounted cash flow approach: The valuation model considers the present value of expected payments, discounted using a risk adjusted discount rate.	Not applicable	Not applicable

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting year

Level 3 fair values

There are no items in Level 3 fair values.

(c) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- i) Credit risk ;
- ii) Liquidity risk ; and
- iii) Market risk

(c) Financial risk management (*Continued*)

Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of directors of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of directors of the Holding Company is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors of the Holding Company.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management (*Continued*)

(c) Financial risk management (*Continued*)

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in debt securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowances for doubtful debts and impairments that represents its estimates of incurred losses in respect of trade and other receivable and investment.

Total trade receivable as on 31 March 2026 is AED 80,436,031 (31 March 2025: AED 89,297,558).

Three largest customers has a total concentration of 82.72% (31 March 2025: Three largest customer has a total concentration of 89.01%) of total trade receivables.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

There were no allowance for impairment in respect of trade and other receivables as at 31 March 2026 and 31 March 2025.

Cash and bank balances

The Group held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of AED 64,858,136 and AED 103,040,422 as at 31 March 2026 and 31 March 2025 respectively. The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at 31 March 2026 and 31 March 2025. The Group monitors the credit worthiness of such lessors where the amount of security deposit is material.

Other than the trade receivables, other receivables and unbilled revenue, the Group has no other financial assets that are past due but not impaired.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management *(Continued)*

(c) Financial risk management *(Continued)*

ii Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, 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 risk to the Group's reputation.

As at 31 March 2026, the Group had cash and cash equivalents of AED 40,911,650 (31 March 2025: AED 82,423,505) and other bank balances of AED 23,946,486 (31 March 2025: AED 20,616,917).

Exposure to liquidity risk

The table below analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities for non derivative financial liabilities:

31 March 2026	Carrying amount	Total	Contractual cash flows			
			1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Lease liabilities	1,529,785	1,595,761	905,629	690,132	-	-
Secured loans	-	-	-	-	-	-
Loan from holding company	860,688,182	916,632,914	916,632,914	-	-	-
Trade payables	133,749,985	133,749,985	133,749,985	-	-	-
Interest accrued and not due	-	-	-	-	-	-
Other current financial liabilities	83,304,161	88,164,161	88,164,161	-	-	-
	<u>1,079,272,113</u>	<u>1,140,142,821</u>	<u>1,139,452,689</u>	<u>690,132</u>	<u>-</u>	<u>-</u>

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management (Continued)

(c) Financial risk management (Continued)

iii Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(a) Currency Risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Amounts in AED	31 March 2026			
	USD	EUR	AUD	Others *
Financial assets				
Trade Receivables	5,137,321	-	-	-
Cash and Cash Equivalents	20,463,592	4,364,232	-	45
Other receivables	-	-	41,753,813	-
Exposure to foreign currency assets	25,600,913	4,364,232	41,753,813	45
Forward exchange contract	-	-	-	-
Net exposure to foreign currency Asset	25,600,913	4,364,232	41,753,813	45
Financial liabilities				
Trade payables and other payable	7,581,530	3,481	-	-
Exposure to foreign currency liabilities	7,581,530	3,481	-	-
Forward exchange contract	-	-	-	-
Net exposure to foreign currency liabilities	7,581,530	3,481	-	-
Net Exposure	18,019,384	4,360,751	41,753,813	45

*others include Indian Rupees (GBP, INR)

Amounts in AED	31 March 2025			
	USD	EUR	AUD	Others *
Financial assets				
Trade Receivable	-	-	-	-
Cash and Cash Equivalents	28,546,080	1,204	-	43
Other receivables	-	-	38,287,819	-
Exposure to foreign currency assets	28,546,080	1,204	38,287,819	43
Forward exchange contract	-	-	-	-
Net exposure to foreign currency assets	28,546,080	1,204	38,287,819	43
Financial liabilities				
Trade payables and other payable	59,740,712	3,481	-	-
Exposure to foreign currency liabilities	59,740,712	3,481	-	-
Forward exchange contract	-	-	-	-
Net exposure to foreign currency liabilities	59,740,712	3,481	-	-
Net exposure	(31,194,632)	(2,277)	38,287,819	43

*others include Indian Rupees (GBP, INR)

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management *(Continued)*

(c) Financial risk management *(Continued)*

iii Market risk *(Continued)*

(a) Currency Risk *(Continued)*

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in AED	31 March 2026		31 March 2025	
	Profit and Loss		Profit and Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD	900,969	(900,969)	(1,559,732)	1,559,732
EUR	218,038	(218,038)	(114)	114
AUD	2,087,691	(2,087,691)	1,914,391	(1,914,391)
Others *	2	(2)	2	(2)

*others include Indian Rupees (GBP, INR)

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management *(Continued)*

(c) Financial risk management *(Continued)*

iii Market risk *(Continued)*

(b) 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. The Group's exposure to market risk for changes in interest rates relates to security deposits, loans given and borrowings from financial institutions.

For details of the Group's short-term and long-term loans and borrowings, including interest rate profiles, refer to Note 19 of these consolidated financial statements.

Particulars	31 March 2026	31 March 2025
Fixed rate instruments		
Financial Assets	24,453,181	20,616,917
Financial liabilities	862,217,967	871,136,650
	<u>(837,764,786)</u>	<u>(850,519,733)</u>
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	<u>-</u>	<u>-</u>

Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings, fixed rate bank deposits and fixed rates loans are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

AED	31 March 2026		31 March 2025	
	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2026

(Currency : AED)

40 Financial instruments – Fair values and risk management *(Continued)*

(c) Financial risk management *(Continued)*

iii Market risk *(Continued)*

(c) Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio is as follows:

Particulars	31 March 2026	31 March 2025
Non-Current Borrowings	677,846	1,458,515
Current Borrowings	861,540,121	869,678,135
Gross debt	862,217,967	871,136,650
Less : Cash and cash equivalents	40,911,650	82,423,505
Adjusted net debt	821,306,317	788,713,145
Total equity	(583,371,491)	(519,667,931)
Adjusted net debt to adjusted equity ratio	<u>(1.41)</u>	<u>(1.52)</u>

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

41 Details of subsidiaries

The Consolidated Financial Statements includes the financial statements of the following entities:

Sr. No.	Name of Company	Country of Incorporation	% Holding as at 31 March 2026	Control and share of profit / loss as at 31 March 2026
Subsidiaries:				
1	Sterling and Wilson Middle East Solar Energy L.L.C.	United Arab Emirates	100%	100%
2	Sterling and Wilson Singapore Pte. Ltd.	Singapore	100%	100%
3	Sterling and Wilson Engineering (Pty) Ltd	South Africa	60%	60%
4	Sterling and Wilson Solar Solutions Inc. (w.e.f. 19 December 2017)	United States of America	100%	100%
5	Sterling and Wilson Solar Spain S.L. (formerly known as <i>Renovable Energia Contracting S.L.</i>) (w.e.f. 21 December 2017)	Spain	99%	99%
6	GCO Solar Pty. Ltd. (formerly known as <i>GCO Electrical Pty. Ltd.</i>) (w.e.f. 1 December 2018)	Australia	100%	100%
7	Sterling and Wilson Solar Australia Pty. Ltd. (w.e.f. 16 April 2019)	Australia	100%	100%
8	Sterling and Wilson Renewable Energy Spain S.L. (formerly known as <i>Esterlina Solar – Proyecto Diez, S.L.</i>)	Spain	100%	100%
9	ConstructPro LLP (w.e.f. 1 July 2018) (formerly <i>Sterling and Wilson International LLP</i>)	Kazakhstan	100%	100%
10	Sterling and Wilson Renewable Energy S.R.L.	Romania	100%	100%
11	Sterling and Wilson Renewable Energy, Unipessoal LDA Subsidiary of Sterling and Wilson Solar Solutions Inc.	Portugal	100%	100%
1	Sterling and Wilson Solar Solutions LLC (w.e.f. 1 December 2018)	United States of America	100%	100%
2	Sterling and Wilson Renewable Energy Nigeria Limited	Nigeria	100%	100%

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

42 Additional information, as required under Schedule III to the Companies Act, 2013

Name of the Company	31 March 2026							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Sterling and Wilson International Solar FZCO	-17.11%	99,790,036	106.68%	(67,861,674)	-27.73%	(62,019)	107.16%	(67,923,693)
Subsidiaries								
UAE								
Sterling and Wilson Middle East Solar Energy L.L.C.	1.40%	(8,171,307)	1.11%	(708,178)	0.00%	-	1.12%	(708,178)
Foreign								
Sterling and Wilson Singapore Pte. Ltd.	0.13%	(762,611)	0.06%	(39,818)	0.00%	-	0.06%	(39,818)
Sterling and Wilson Engineering (Pty) Ltd	-1.04%	6,071,357	-13.19%	8,387,392	0.00%	-	-13.23%	8,387,392
Sterling and Wilson Solar Solutions Inc.	59.45%	(346,810,739)	100.75%	(64,090,843)	0.00%	-	101.11%	(64,090,843)
Sterling and Wilson Solar Spain S.L.	3.54%	(20,659,201)	2.47%	(1,570,318)	0.00%	-	2.48%	(1,570,318)
Sterling and Wilson Renewable Energy Spain S.L.	-7.75%	45,214,357	-31.31%	19,918,919	0.00%	-	-31.42%	19,918,919
GCO Solar Pty. Ltd.	0.79%	(4,601,972)	-110.13%	70,053,418	0.00%	-	-110.52%	70,053,418
Sterling and Wilson Solar Australia Pty. Ltd.	-5.20%	30,349,119	51.21%	(32,573,772)	0.00%	-	51.39%	(32,573,772)
Sterling and Wilson International LLP	0.00%	-	-0.04%	25,547	0.00%	-	-0.04%	25,547
ConstructPro LLP	0.12%	(694,097)	0.05%	(33,927)	0.00%	-	0.05%	(33,927)
Sterling and Wilson Solar Solutions LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Renewable Energy S.R.L.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Renewable Energy, Sterling and Wilson Renewable Energy Nigeria Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non Controlling Interest in all subsidiaries	-0.85%	4,976,691	-8.79%	5,591,594	69.86%	156,240	-9.07%	5,747,834
Total Eliminations on Consolidation	68.62%	(400,318,779)	1.12%	(710,137)	0.00%	-	1.12%	(710,137)
Exchange differences on translation of foreign operations	-2.10%	12,245,655	0.00%	-	57.87%	129,434	-0.20%	129,434
Total	100.00%	(583,371,491)	100.00%	(63,611,797)	100.00%	223,654	100.00%	(63,388,143)

Sterling and Wilson International Solar FZCO

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2026

(Currency : AED)

43 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra-group eliminations:

31 March 2026	Sterling & Wilson Engineering Proprietary Limited	Total
Percentage of non-controlling interests	40%	
Non-current assets	213,594	213,594
Current assets	54,541,413	54,541,413
Non-current liabilities	-	-
Current liabilities	42,313,728	42,313,728
Net assets	12,441,279	12,441,279
Consolidation adjustment	-	-
Net assets attributable to NCI	4,976,512	4,976,512

31 March 2026	Sterling & Wilson Engineering Proprietary Limited	Total
Profit after income tax	13,978,986	13,978,986
Other comprehensive income	390,600	390,599
Total comprehensive income	14,369,586	14,369,586
Profit attributable to NCI	5,591,594	5,591,594
Consolidation adjustment	-	-
Total profit attributable to NCI	5,591,594	5,591,594
Other comprehensive income attributable to NCI	156,240	156,240
Total comprehensive income attributable to NCI	5,747,834	5,747,834
Cash flows generated from operating activities	(39,394,833)	(39,394,833)
Cash flows (used in) investing activities	(130,848)	(130,848)
Cash flows (used in) from financing activities	(4,765,761)	(4,765,762)
Net increase / (decrease) in cash and cash equivalents	(44,291,442)	(44,291,442)
Net increase / (decrease) in cash and cash equivalents attributable to NCI	(17,716,577)	(17,716,577)

44 Going concern assumption

These consolidated financial statements are prepared on a going concern basis, which assumes that the Group will continue to operate as a going concern for the foreseeable future. During the year ended 31 March 2026, the Group has incurred a loss of AED 63.61mn and as at that date, the Group had accumulated losses of AED 968.01mn.

In order to support the continuance of the Group's operations, the shareholder has confirmed its willingness to continue the operations of the Group and to provide sufficient funds as may be necessary to meet liabilities that cannot be met out of the Group's available resources. Management have no reason to doubt that such support, if required, will not be provided and accordingly, they do not consider a material uncertainty regarding going concern exists.

45 Geopolitical Developments in the Middle East

- The Group is currently not executing any projects in the Middle East region and, accordingly, there is no direct operational or financial impact on its ongoing business activities.
- While the Parent Company is located in the region, it is not presently engaged in active project execution. As a result, the current geopolitical developments do not have a material impact on the Group's operations as at the date of these financial statements.
- The Group continues to closely monitor the evolving situation and has established appropriate internal protocols to respond to any potential changes in the operating environment.

Based on the assessment performed, management believes that the current developments do not have a significant impact on the Group's business operations or financial position. The Group's diversified geographic presence and experienced management team provide resilience to navigate such situations.

46 Previous year figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.