

AOL (FZE)
SAIF ZONE, SHARJAH, U.A.E
STANDALONE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholders
M/s. AOL (FZE)
P.O. Box 121657
SAIF Zone, Sharjah, U.A.E

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements M/s. AOL (FZE) Sharjah, U.A.E. & its branch M/s. AOL FRP Division (the "Company"), which comprise of the standalone statement of financial position as at **March 31, 2026**, standalone statement of profit and loss and other comprehensive income, standalone statement of change in equity, standalone statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion accompanying financial statements give a true and fair view of the financial position of the Company as at **March 31, 2026**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters disclosed in the financial statements:

- Referring to note no. 2.4, the Company has negative net worth amounting to AED 476.21 lakhs during the year ended March 2025, however the Company continues to be funded by its shareholders to meet its liabilities as and when they fall due.
- The company has not renewed its license of AOL FRP Division license, which was expired on September 5, 2025.
- Referring to note no. 16 and 19, As per the as per the Bank Statement of Bank of Baroda, bank has PWO (Written off) outstanding balance and also shown NIL balance in March'2026 bank statement. As per the demand notice dt -04.02.2026 the bank has raised outstanding balance of AED 34,69,591 along with 5% Interest computed till 31st January. The company has shown balance in books as per the demand notice and Interest Payable till 31st March 2026.

Our opinion is not modified in respect of this matter and these Financial Statements are prepared on a going concern basis.

Continue ...

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Continue...



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For FALCON INTERNATIONAL CONSULTING & AUDITING L.L.C, DUBAI BRANCH
Chartered Accountants

Rakesh Jain
Managing Partner
(Rakesh Jain)
Reg. No: 606



May 21, 2026

AOL (FZE)
Standalone Statement of Financial Position as at March 31, 2026

		AED in Lakhs	
	Notes	31/Mar/26	31/Mar/25
Assets			
Non-current assets			
<i>Gross Block</i>			
<i>Accumulated depreciation</i>			
Property, Plant and Equipment	4	(0.00)	(0.00)
Financial Assets			
Investment	5	-	-
Loans	6	-	-
Other non-current assets	7	-	-
		<u>(0.00)</u>	<u>(0.00)</u>
Current assets			
Inventories	8	(0.00)	(0.00)
Financial Assets			
Trade receivables	9	4.47	4.47
Cash and cash equivalents	10	0.12	0.02
Other Bank Balances	11	-	-
Loans	6	19.46	19.46
Other Financial Assets	12	-	-
Other current assets	7	1.30	2.47
		<u>25.35</u>	<u>26.42</u>
Assets Held for Sale	13	-	-
Total Assets		<u><u>25.35</u></u>	<u><u>26.42</u></u>
Equity and liabilities			
Equity			
Equity Share capital	14	879.00	879.00
Preference Share Capital	14	269.00	269.00
Other Equity	15	(1,624.21)	(1,624.05)
		<u>(476.21)</u>	<u>(476.05)</u>
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Other Financial Liabilities	17	131.97	131.97
Provisions	18	7.17	7.17
		<u>139.14</u>	<u>139.14</u>
Current liabilities			
Financial liabilities			
Borrowings	19	130.45	139.01
Trade payables	20	208.67	208.67
Other financial liabilities	21	23.30	15.65
Other Current liabilities	22	0.00	0.00
		<u>362.42</u>	<u>363.33</u>
Total Equity and liabilities		<u><u>25.35</u></u>	<u><u>26.42</u></u>
Summary of significant Accounting policies	3		
The accompanying notes are an integral part of the financial statements			

Approved by the Management on May 21, 2026
For AOL (FZE)

Managing Director



AOL (FZE)

Standalone Statement of Profit and Loss for the year ended March 31, 2026

	Notes	31/Mar/26	31/Mar/25
Income			
Revenue from operations	23	-	0.81
Other income	24	-	-
Total Income (I)		-	0.81
Expenses			
Cost of raw material and components consumed	25	(0.00)	0.01
Purchase of traded goods	26	-	-
(Increase)/ decrease in inventories of finished goods,work-in-progress and traded goods	27	(0.00)	0.47
Employee benefits expense	28	-	0.40
Finance costs	29	5.40	7.73
Depreciation and amortization expense	30	-	0.02
Impairment Loss	31	-	-
Other expense	32	0.61	4.70
Total expense (II)		6.01	13.33
Loss before exceptional items and tax, (I) - (II)		(6.01)	(12.52)
Exceptional Income / (Expense)	33	5.85	(19.87)
loss for the year		(0.16)	(32.39)
Other comprehensive income			
i) items that will be reclassified to Profit or Loss in subsequent years			
II) Income Tax relating to these items			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/ (loss) for the year		(0.16)	(32.39)
Summary of significant Accounting policies	3		
The accompanying notes are an integral part of the financial statements			

Approved by the Management on May 21, 2026

For AOL (FZE)

Managing Director



AOL FZE
DUBAI, UNITED ARAB EMIRATES

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2026

(AED in Lakhs)

	Share Capital	Pref. Share Capital	Retained Earnings	Total
Balance as on 01-04-2024	879.00	269.00	(1,591.66)	(443.66)
Net Loss for the year	-	-	(32.39)	(32.39)
Issued During the year	-	-	-	-
Balance as on 31-03-2025	879.00	269.00	(1,624.05)	(476.05)
Net Loss for the year	-	-	(0.16)	(0.16)
Issued During the year	-	-	-	-
Balance as on 31-03-2026	879.00	269.00	(1,624.21)	(476.22)

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



AOL (FZE)

Standalone Statement of Cash Flow For the year ended March 31, 2026

	AED in Lakhs	
	31/Mar/26	31/Mar/25
A. Cash flow from operating activities		
(Loss) for the year	(0.16)	(32.39)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	-	0.02
Loss on sale of Property, plant and equipments	-	47.29
Impairment Loss	-	-
Interest Expense	5.40	7.73
Operating profit / (loss) before working capital changes	5.24	22.65
Movements in working capital :		
Increase/ (decrease) in trade payables	-	(0.20)
Increase/ (decrease) in other payables	7.69	(5.49)
(Increase) / decrease in trade receivables	(0.00)	(0.81)
(increase) / decrease in inventories	0.00	0.75
(increase) / decrease in other receivables	1.15	1.86
Net cash flow from operating activities (A)	14.08	18.77
B. Cash flows from investing activities		
Sale of Property, Plant and equipments including held for sale	(0.00)	52.97
Modification of Right of Use Assets	-	-
Net cash flow from investing activities (B)	(0.00)	52.97
C. Cash flows from financing activities		
Proceeds of Short-term borrowings	(8.56)	(64.16)
Interest Expense	(5.40)	(7.73)
Net cash flow from financing activities (C)	(13.96)	(71.89)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	0.11	(0.15)
Cash and cash equivalents at the beginning of the year	0.02	0.16
Cash and cash equivalents at the end of the year	0.13	0.02
Components of cash and cash equivalents		
With banks- on current account	0.12	0.02
Total cash and cash equivalents (refer note no. 10)	0.12	0.02
Summary of significant accounting policies		
The accompanying notes (1-37) are an integral part of the financial statements		

Approved by the Management on May 21, 2026

For AOL (FZE)

Managing Director



AOL (FZE)
SAIF ZONE, SHARJAH, U.A.E

Notes to the Standalone Financial Statements for the year ended March 31, 2025

1. LEGAL STATUS & BUSINESS ACTIVITIES

- a) **AOL (FZE)** (“the Establishment”) was registered with the Sharjah Airport International Free Zone, Sharjah-U.A.E (License no. 08437) as a Free Zone Establishment on August 17, 2010 and the license is valid up to August 16, 2026.
- b) **AOL FRP Division (Branch)** (“the Branch”) was registered with the Jebel Ali Free Zone Authority, Dubai, UAE (Industrial License no. 139032 & commercial License no. 139033) as a branch of AOL (FZE) on September 05, 2013 and the license is valid up to September 5, 2025.
- c) **AOL Composite Jiangsu** (“the subsidiary”) was incorporated as subsidiary in China on 18th July 2017.
- d) The Company is engaged in the activity of general trading.
- e) The management and control of the Company is vested with Dr. Kailash Shanti Lal Choudhari (Indian national).
- f) The registered office address of the Company is P. O. Box. 121657, Sharjah, United Arab Emirates.
- g) **SHARE CAPITAL**

Equity Share Capital

Authorized, issued and paid-up capital of the group is AED 87,900,000 divided into 586 shares of AED 150,000 each fully paid and held by the shareholder as follows:

S.No.	Name of the shareholder	Nationality	No. of Shares	Amount (AED)	%
1	M/s. Aksh Optifibre Limited	Indian Co.	586	87,900,000	100

Preference Share Capital

Authorized, issued and paid-up preference share capital of AED 26,900,000 divided into 538 Share of 6% Non-Cumulative Optionally Convertible Preference Shares of AED 50,000 Each and held by the shareholder as follows:

S.No.	Name of the shareholder	Nationality	No. of Shares	Amount (AED)	%
1	M/s. Aksh Optifibre Limited	Indian Co.	538	26,900,000	100



2. BASIS OF PREPARATION

2.1 Statement of compliance:

These financial statements have been prepared in accordance with International Financial Accounting Standards for Small & Medium-sized Entities (IFRS for SMEs) Issued by International Accounting Standards Boards (IASB).

2.2 Basis of measurement and preparation

These financial statements have been prepared under going concern assumption and historical cost convention.

The financial statements include the financial statements of **AOL (FZE)** and its branch **AOL FRP Division**. These financial statements have been combined on a line by line basis by adding together like items of assets, liabilities, equity, income and expenses. Intra group transactions have been eliminated.

2.3 Basis of accounting & coverage:

The company follows the accrual basis of accounting, except for statement of cash flows which is presented on cash basis. Under accrual basis, the transactions and events are recognized as and when they occur and are recorded in the financial statements for the period to which they relate to.

The financial statements enclosed cover the period 1st April 2025 to 31st March 2026. Previous year figures are for the period 1st April 2024 to 31st March 2025 and have been regrouped wherever necessary.

2.4 Going concern basis of accounting

The Company has negative net-worth of AED 476.21 lakhs as on March 31, 2026. However, the financial statements have been prepared on a going concern basis on the assumption that the Company will be able to meet its payment obligations as and when they fall due for payment and the financial support of the Shareholder would be available on a continuing basis.

2.5 Functional & presentation currency:

The financial statements are presented in United Arab Emirates Dirham (AED), which is also the company's functional currency. All financial information presented in AED has been rounded off to the nearest UAE Dirham.

2.6 Use of estimates & judgments:

The preparation of financial statements in conformity with IFRS for SMEs requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected & same are mentioned under



respective accounting policy note. The following accounting estimates and management judgments have been considered, which are material in nature, in the preparation of financial statements.

Useful lives of property, plant & equipment:

Company's management estimates the useful life of property, plant & equipment & residual value for calculating depreciation. It reviews the estimated life & residual value on annual basis & future depreciation expense would be adjusted where the management believes that useful life differs from the previous estimates

Impairment of accounts receivables:

Accounts receivables are subjected to recoverability test on a periodical basis when collection of full amounts is no longer probable. Accounts receivable balances which are individually significant, are verified for ageing, subsequent receipts & balance confirmations. Accounts receivable balances which are individually not material, are assessed collectively & estimated reserve for impairment of accounts receivables is created if same is outstanding for beyond normal credit terms & doubtful.

Obsolescence of inventories:

Inventories are subjected to ageing & obsolescence test on a periodical basis by management on damaged, obsolete and slow-moving inventories. These reviews require judgments and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. Management estimates that inventories are fully realizable at value stated therein and reserve for obsolescence of inventories is not required against the same.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been consistently applied by the management in preparation of the financial statements except where stated here under:

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost is depreciated on pro rata basis using the straight-line method over the estimated useful lives as determined by the management.

Property, plant & equipment are, at the reporting date, subject to impairment. Where any indication of impairment exists, the carrying amount is written down to its recoverable amount.

The management's estimate of useful life of various assets is as follows:

Building	30 Years
Office Equipments	05 Years
Plant & Machinery	15 Years
Furniture & fixtures	10 Years
Vehicles	08 Years
Computers	03 Years



SIGNIFICANT ACCOUNTING POLICIES (continue)

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognised in these financial statements. Management assesses the impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

3.2 Investment

Investment in shares is measured at fair value. All gains or losses on sale of investment are recognized in the statement of income as and when they arise.

3.3 Revenue recognition

Revenue from sale of goods is recognized when all the following conditions are satisfied.

- i. The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii. The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. The amount of revenue can be measured reliably.
- iv. It is probable that the economic benefit associated with the transaction will flow to the Company; and
- v. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

3.4 Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are presented in the statement of comprehensive income, classified according to the function of expense.

3.5 Staff end-of-service benefits

Employee benefits have been provided for in accordance with the contractual terms with the employees, but are however subject to minimum of UAE Labour Law requirements. The accrual relating to annual leave and leave passage, is disclosed as a current liability, while the provision relating to end of service benefits is disclosed as a non-current liability.

3.6 Related party transactions

The company enters into transactions with another company and person that falls within the definition of a related party as per the International Financial Reporting Standards for Small & Medium-sized Entities (IFRS for SMEs).

The terms of trade with such related party is based on commercial terms & conditions agreed upon with them by the management.



SIGNIFICANT ACCOUNTING POLICIES (continue)

Related parties with whom the company has entered into transactions during the year under review comprise of group companies, shareholders and key management personnel as stated hereunder:

Name of the related parties	Relation
AOL Composites (Jiangsu) Co Ltd	Subsidiary Company
AOL Technologies FZE	Holding's Subsidiary
Aksh Optifibre Limited, India	Holding Company
Aksh Composites Pvt. Ltd.	Holding's Subsidiary
Dr. Kailash Shantilal Choudhari	Director & Key management personnel.

Transactions which were entered into with related parties is disclosed under note 32 of the financial statement.

3.7 Foreign Currency transactions

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the balance sheet date.

Gains or losses resulting from foreign currency transactions are taken to the Comprehensive income statement.

3.8 Inventories

Inventories are carried at lower of cost and net realizable value (estimated selling price less cost to complete and selling expenses).

Raw material and packing material cost include aggregate of purchase price, including applicable cost to bring the inventory to the present condition, valued at 'first-in-first-out' method.

Finished goods include cost of direct material, direct labour, packaging costs, other direct costs and allocation of production related overheads.

Any excess of carrying amount, over the net realizable value is charged immediately as obsolescence loss through statement of comprehensive income. Inventory items, which are perishable in nature, if any, has been fully provided for.

3.9 Financial Instruments

The company recognizes a financial instrument (being a financial asset or financial liability) only when the company becomes a part of the contractual provisions of the instrument. Accounting policy relevant to each type of financial instrument is as follows:

Cash & cash equivalents:

Cash & cash equivalents for the purpose of cash flow statement comprises of cash on hand & balance with bank in current accounts

Accounts receivables:

Accounts receivables are amounts due from customers towards sale of goods or providing of service in the ordinary course of business. Accounts receivables are recognized initially at the



SIGNIFICANT ACCOUNTING POLICIES (continue)

transaction price. They are subsequently measured at amortised cost using the effective interest method, less reserve for impairment of accounts receivables. A reserve for impairment of accounts receivables is recognised when it is probable that the company will not be able to collect all amounts due according to original terms of the accounts receivables.

Accounts payable:

Accounts payable represent obligations towards purchase of goods in the ordinary course of business. Same is free of interest & payable at the end of credit period granted by the suppliers. Accounts payable are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

Other financial assets:

Other financial assets are recognised initially at transaction value and subsequently measured at amortised cost using the effective interest method less impairment. However, all other financial assets have a value on realization in the ordinary course of the company's business, which is at least equal to the amount at which they are stated in the statement of financial position.

Other financial liabilities:

Other financial liabilities, including borrowings, are initially measured at transaction value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Equity:

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

3.10 Taxation

Corporate Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

On December 09, 2022, United Arab Emirates (UAE) Ministry of Finance (MoF) released Federal Decree Law No. 47 of 2022 on Taxation of Corporations and Businesses, Corporate Tax Law (CT Law) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after June 01, 2023.

The taxable income of the entities that are in scope for UAE CT purpose will be subject to the rate of 9% corporate tax for mainland entities and where conditions are met and 0% for freezone with certain conditions as specified in the law.



SIGNIFICANT ACCOUNTING POLICIES (continue)

VAT

Expenses and assets are recognised net of the amount of VAT, except:

When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of VAT included.

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

3.11 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

3.12 Provisions & contingencies

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits would be required to settle these obligations and a reliable estimate of the same can be made. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably

will not, require an outflow of resources. When likelihood of outflow is remote, no provision or disclosure is made.

3.13 Standards issued but not yet effective

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

- Lack of exchangeability- Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates- (mandatorily effective from 1 January 2025)
- Derecognition of financial liabilities, Classification of financial assets and Disclosures- Amendments to the IFRS 9 Classification and Measurement of Financial Instruments and IFRS 7 Financial Instruments: Disclosures- (mandatorily effective from 1 January 2026)
- Annual Improvements to IFRS Accounting Standards- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards); Disclosure of Deferred Difference between Fair Value and Transaction Price

SIGNIFICANT ACCOUNTING POLICIES (continue)

(Amendments to Guidance on implementing IFRS 7); Gain or Loss on Derecognition (Amendments to IFRS 7); Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7); Derecognition of Lease Liabilities (Amendments to IFRS 9); Transaction Price (Amendments to IFRS 9); Determination of a 'De Facto Agent' (Amendments to IFRS 10); Cost Method (Amendments to IAS 7)- (mandatorily effective from 1 January 2026)

- Replacement of IAS 1 Presentation of Financial Statements by IFRS 18 Presentation and Disclosure in Financial Statements- (mandatorily effective from 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures- (mandatorily effective from 1 January 2027)

The Company is currently assessing the impact of these standards on the future financial statements and intends to adopt these standards, if applicable, when they become effective and mandatory applied.

3.14 FINANCIAL RISK MANAGEMENT

Credit risk:

Credit risk is the risk of financial loss to the company if a customer or counter-party to a financial instrument fails to meet its contractual obligations. The company's cash is placed with banks of repute.

The exposure to credit risk on trade receivables and amounts due from related parties are monitored on an ongoing basis by the management and these are considered recoverable by the company's management.

Market risk:

Market risk is the risk that changes in market prices, such as investment prices, interest rates and currency rates will affect the company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Interest rate risk:

Interest rate risk is the risk of variability in profit due to change in interest rates on interest bearing assets and interest-bearing liabilities. The interest rate on the company's financial instruments is based on market rates.

Currency risk:

Currency risk faced by the company is minimal as there are minimal foreign currency transactions. Most of the monetary assets and liabilities are denominated in UAE Dirhams (AED) or in United States Dollar (USD), which is pegged to AED.



SIGNIFICANT ACCOUNTING POLICIES (continue)

3.15 CAPITAL MANAGEMENT

The company's policy is to maintain a strong capital base so as to maintain lender and creditor confidence and to sustain future development of the business.

Capital consists of share capital and other equity amounting to AED -476.21 Lakhs. The Company manages its capital with an objective to ensure that adequate funds are available to it to continue the operations of the Company as a going concern and provide the Shareholder with reasonable rate of return under the prevailing economic conditions and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.



AOL (FZE)

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

4. (a) Property, Plant and Equipment AED in Lakhs

	Factory Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Data Processing System	Total
Cost or valuation							
At 1 April 2024	-	-	-	3.79	-	-	3.79
Additions	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	3.79	-	-	3.79
Transfer to Assets Held for sale	-	-	-	-	-	-	-
At 31 March 2025	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	-	-	-	-
Transfer to Assets Held for sale	-	-	-	-	-	-	-
At 31 March 2026	-	-	-	-	-	-	-
Depreciation							
At 1 April 2024	-	-	-	3.52	-	-	3.52
Charge for the year	-	-	-	0.02	-	-	0.02
Disposals / adjustments	-	-	-	(3.54)	-	-	(3.54)
Impairment	-	-	-	-	-	-	-
Transfer to Assets Held for sale	-	-	-	-	-	-	-
At 31 March 2025	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer to Assets Held for sale	-	-	-	-	-	-	-
At 31 March 2026	-	-	-	-	-	-	-
Net Block value							
At 31 March 2026	-	-	-	-	-	-	-
At 31 March 2025	-	-	-	-	-	-	-

4 (b) Right of Use Assets

	Right to use of Building
Movements during the year	
At April 1, 2024	-
Addition	-
Deletion	-
Modification of ROU	-
Balance as on March 31, 2025	-
Addition	-
Modification	-
Deletion	-
Modification of ROU	-
Balance as on March 31, 2026	-
Accumulated Depreciation	
At April 1, 2024	-
Addition	-
Deletion	-
Modification of ROU	-
Balance as on March 31, 2025	-
Addition	-
Deletion	-
Modification of ROU	-
Balance as on March 31, 2026	-
Net Block value	
At March 31, 2026	-
At March 31, 2025	-



5. Investment	31/Mar/26	31/Mar/25
Investment in subsidiary		
<i>Equity Instruments (Unquoted)</i>		
Capital investment in AOL Composites (Jiangsu) Co. Ltd	39.44	39.44
Other Investment		
1 (March 31 2024: 1) equity share of Arab Emirates Dhiram (AED) 4 each fully paid-up in Eminent One Ventures Limited	-	-
Provision for diminution in investment	(39.44)	(39.44)
	<u>-</u>	<u>-</u>

6. Loans	31/Mar/26	31/Mar/25
Non-Current		
Security deposit	-	-
Current		
Security deposit	0.04	0.04
Loan and advances to related parties	19.42	19.42
	<u>19.46</u>	<u>19.46</u>

7. Other Assets	31/Mar/26	31/Mar/25
Non-Current		
Capital advances	-	-
Current		
Advances recoverable in cash or kind	1.17	1.17
Prepaid expenses	0.12	0.29
Balances with statutory / government authorities	0.00	1.01
Total Other Current Assets	<u>1.30</u>	<u>2.47</u>
	<u>1.30</u>	<u>2.47</u>

8. Inventories	31/Mar/26	31/Mar/25
<i>(Valued at lower of cost and net realisable value)</i>		
Finished and traded goods	-	(0.00)
Raw material	-	-
Semi finished goods	(0.00)	(0.00)
Stores, spares and others	-	0.00
	<u>(0.00)</u>	<u>(0.00)</u>

9. Trade Receivables	31/Mar/26	31/Mar/25
Trade receivables	0.81	0.81
Receivables from related parties	3.66	3.66
	<u>4.47</u>	<u>4.47</u>
Less : Provision for doubtful debts	-	-
	<u>4.47</u>	<u>4.47</u>
Breakup of security details		
Secured, considered good	-	-
Unsecured, considered good	4.47	4.47
Considered doubtful	-	-
	<u>4.47</u>	<u>4.47</u>

There are no trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.



10. Cash and Cash equivalents

	31/Mar/26	31/Mar/25
Balances with banks:		
On current accounts	0.01	0.01
Cash On Hand	0.11	0.01
	<u>0.12</u>	<u>0.02</u>

11. Other Bank Balances

	31/Mar/26	31/Mar/25
Margin Money #	-	-
	<u>-</u>	<u>-</u>

12. Other Financial Assets

	31/Mar/26	31/Mar/25
Interest accrued on fixed deposits	-	-
Other Receivable	-	-
	<u>-</u>	<u>-</u>

13. Assets Held for Sale

	31/Mar/26	31/Mar/25
Building	-	-
Machinery & Others	-	-
	<u>-</u>	<u>-</u>

14. Share Capital

	31/Mar/26	31/Mar/25
Authorized Shares (Nos)		
586 (March 31, 2024 : 586) Equity Shares of AED 150000/- each	879.00	879.00
Issued, subscribed and fully paid-up shares (No.)		
586 (March 31, 2024 : 586) Equity Shares of AED 150000/- each	879.00	879.00
	<u>879.00</u>	<u>879.00</u>
Authorized Preference Shares (Nos)		
538 (31 March 2024 - 538) Share of 6% Non Cumulative Optionally Covetable Preference Share of AED 50,000 Each	269.00	269.00
Issued, subscribed and fully paid-up Preference shares (No.)	(269.00)	(269.00)
538 (31 March 2024 - 538) Share of 6% Non Cumulative Optionally Covetable Preference Share of AED 50,000 Each	(269.00)	(269.00)
	<u>(269.00)</u>	<u>(269.00)</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

Equity Shares

		31/Mar/26	31/Mar/25
At the beginning of the year	Nos.	586.00	586.00
Add:			
Issued during the year	Nos.	-	-
Outstanding at the end of the year	Nos.	<u>586.00</u>	<u>586.00</u>
At the beginning of the year	AED in Lakhs	879.00	879.00
Add:			
Issued during the year		-	-
Outstanding at the end of the year	AED in Lakhs	<u>879.00</u>	<u>879.00</u>



(b) Reconciliation of Preference shares outstanding at the beginning and at the end of the reporting year.

Preference Shares			
		31/Mar/26	31/Mar/25
At the beginning of the year	Nos.	538.00	538.00
Add:			
Outstanding at the end of the year	Nos.	<u>538.00</u>	<u>538.00</u>
At the beginning of the year	AED in Lakhs	(269.00)	(269.00)
Add:			
Outstanding at the end of the year	AED in Lakhs	<u>(269.00)</u>	<u>(269.00)</u>

15. Other Equity			
		31/Mar/26	31/Mar/25
Retained Earnings			
Balance as per the last financial statements		(1,624.04)	(1,591.65)
Loss for the year		(0.16)	(32.39)
Total Other Equity		<u>(1,624.21)</u>	<u>(1,624.04)</u>

16. Long Term Borrowings			
		31/Mar/26	31/Mar/25
Non-Current			
Term Loans			
Secured Loans			
Foreign Currency Loan from Bank		-	-
Unsecured Loans			
Foreign Currency Loan from related party		-	-
Total Non-Current long term borrowings		<u>-</u>	<u>-</u>
The above amount includes			
Secured borrowings			
Unsecured borrowings			
Current Maturities			
Term Loans			
Secured Loans			
Foreign Currency Loan from Bank		53.73	26.05
Other Loan from Banks		-	-
Total Current Maturities		<u>53.73</u>	<u>26.05</u>
The above amount includes			
Secured borrowings			
Unsecured borrowings			
Amount disclosed under the head "Current Borrowings" (note)		(53.73)	(26.05)
		<u>-</u>	<u>-</u>

1. Term Loan from Bank of Baroda are secured by way of charge on fixed assets of the Company, personal guarantee of Dr. Kailash S. Choudhari and Corporate Guarantee of M/s Aksh Optifibre Limited.

2. Term loan from bank of Baroda carries interest rate @ 5.00% based on Cour Order received by the Company.



17 Other Financial Liabilities		
	31/Mar/26	31/Mar/25
Non-Current		
Others	131.97	131.97
	<u>131.97</u>	<u>131.97</u>
Payable to related party	131.97	131.97
Others	-	(0.00)

18. Provisions		
	31/Mar/26	31/Mar/25
Non-Current		
Provision for Gratuity & Compensated Absences	7.17	7.17
	<u>7.17</u>	<u>7.17</u>

19. Short Term Borrowings		
	31/Mar/26	31/Mar/25
Secured Loans		
Working capital facility from Bank	-	44.41
Current maturities of long term debt	53.73	26.05
Unsecured Loans		
Loan from Related Parties	11.02	10.68
Loan from Others	65.70	57.87
	<u>130.45</u>	<u>139.01</u>
Aggregate secured loans	-	44.41
Aggregate unsecured loans	130.45	94.60

20. Trade Payables		
	31/Mar/26	31/Mar/25
Current		
Trade Payables	208.67	208.67
	<u>208.67</u>	<u>208.67</u>
Other Details		
Trade payables to related parties	172.22	172.22
Others	36.45	36.45

Trade payables are generally non-interest bearing and are generally on credit terms of 30 to 90 days.

21. Other Financial Liabilities		
	31/Mar/26	31/Mar/25
Current		
Others	23.30	15.65
Total Current financial liabilities	<u>23.30</u>	<u>15.65</u>

22. Other Current Liabilities		
	31/Mar/26	31/Mar/25
Current		
Advance from Customers	-	-
Others	0.00	0.00
Total Current financial liabilities	<u>0.00</u>	<u>0.00</u>



23. Revenue From Operations		
	31/Mar/26	31/Mar/25
Revenue from operations		
Sale of products		
- Finished goods	-	-
- Traded goods	-	0.81
Other operating revenue		
- Exchange Fluctuation	-	-
Revenue from operations (gross)	<u>-</u>	<u>0.81</u>
24. Other Income		
	31/Mar/26	31/Mar/25
Other Income	<u>-</u>	<u>-</u>
25. Cost of raw material and components consumed		
	31-Mar-26	31-Mar-25
Inventory at the beginning of the year	-	0.00
Add: Purchases	(0.00)	0.01
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	<u>(0.00)</u>	<u>0.01</u>
26. Details of purchase of traded goods		
	31/Mar/26	31/Mar/25
Optical fibre & Fibre reinforced plastic rods	<u>-</u>	<u>-</u>
27. (Increase)/ decrease in inventories		
	31/Mar/26	31/Mar/25
Inventories at the end of the year		
Finished/Traded goods	-	(0.00)
Semi Finished goods	(0.00)	(0.00)
	<u>(0.00)</u>	<u>(0.00)</u>
Inventories at the beginning of the year		
Finished/traded goods	(0.00)	(0.00)
Semi finished goods	(0.00)	0.47
	<u>(0.00)</u>	<u>0.47</u>
28. Employee benefits expense		
	31/Mar/26	31/Mar/25
Salaries, wages and bonus	-	0.24
Staff welfare expenses	-	0.16
	<u>-</u>	<u>0.40</u>



29. Finance costs

	31/Mar/26	31/Mar/25
Interest on Term Loan	1.73	1.85
Interest others	3.67	5.84
Bank Charges	0.00	0.04
	<u>5.40</u>	<u>7.73</u>

30. Depreciation and amortization expense

	31/Mar/26	31/Mar/25
Depreciation of Property plant & Equipment's	-	0.02
Depreciation on Right to use of Assets (Lease Assets)	-	-
	<u>-</u>	<u>0.02</u>

31. Impairment Loss

	31/Mar/26	31/Mar/25
Impairment Loss	-	-
	<u>-</u>	<u>-</u>

32. Other expenses

	31/Mar/26	31/Mar/25
Consumption of stores and spares	-	0.27
Power & Fuel	-	-
Travelling & Conveyance	-	-
Insurance	-	0.00
Rent	0.31	2.59
Auditors' Remuneration	0.04	0.04
Other Expenses	0.26	1.80
	<u>0.61</u>	<u>4.70</u>

33. Exceptional items Income / (Expense)

	31/Mar/26	31/Mar/25
Foreign Exchange Fluctuations	(4.16)	(0.90)
Profit/(Loss) on sale of Property, Plant & Equipment	-	(47.29)
Balances written off / written back	10.01	28.32
	<u>5.85</u>	<u>(19.87)</u>



AOL (FZE)

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

34. CONTINGENT LIABILITIES	AED in Lakhs	
	31/Mar/26	31/Mar/25
Capital commitments	-	-

Except for the above and ongoing business obligation which are under normal course of a business against which no loss is expected, there has been no other known contingent liability or capital commitment on on Company's account as of balance sheet date.

35. RELATED PARTY TRANSACTION

The Company enters into transactions with entities that fall within the definition of a related party. The management considers such transactions to be in the normal course of business.

Related parties comprise companies under common ownership and/or common management control / shareholders and directors.

Transaction with related parties	AED in Lakhs			
	Holding	Subsidiary / Fellow Subsidiary	KMP / Others	Total
Nature of Transaction				
Loan Taken	-	-	0.35	0.35

Figures in italic represents Previous Year

Balance due to/(from) as at	AED in Lakhs	
	31-Mar-26	31-Mar-25
Investment (net of provision)		
AOL Composite Jiangsu Co. Ltd (Subsidiary Company)	-	-
Loan and Advances Taken/Interest Payable		
Aksh Optifibre Limited, India (Holding Company)	(131.97)	(131.97)
Dr. Kailash Shantilal Choudhari(Director)	(11.02)	(10.68)
Loan and Advances Given		
AOL Technologies FZE (Fellow Subsidiary)	19.42	19.42
AOL Composite Jiangsu Co. Ltd (Subsidiary Company)	1.17	1.17

AOL (FZE)

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

Balance due to/(from) as at	AED in Lakhs	
	31-Mar-26	31-Mar-25
Trade and other Receivable		
Aksh Optifibre Limited, India (Holding Company)	-	-
Aksh Composites Private Limited (Fellow Subsidiary)	0.83	0.83
AOL Technologies Mauritius Ltd (Fellow Subsidiary)	2.83	2.83
Trade and other Payables		
Aksh Optifibre Limited, India (Holding Company)	(169.81)	(169.81)
Aksh Composites Private Limited (Fellow Subsidiary)	(2.41)	(2.41)
Dr. Kailash Shantilal Choudhari (Director Remuneration)	(15.50)	(15.50)

36. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND CLASSIFICATION OF ASSETS HELD FOR SALE

Company has invested AED 1148.00 Lakhs for setting up a project for manufacturing of FRP Rod Plant but considering the present slowdown in the Global Optical Fibre Industry, the Company has shut down its business operations and accordingly the Company has approached an investor for providing financial assistance / acquiring the plant on as it is basis. Company has received a non-binding offer from that investor. On the basis of the offer, the Company has made provision of AED 155.27 Lakhs as impairment of property, plant and equipment and classified AED 99.99 Lakhs as Assets Held for Sale.

37. COMPARATIVE AMOUNTS

Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

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

Approved by the management on May 21, 2026

For AOL (FZE)

Managing Director

