

THL Zinc Ltd
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

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FOR THE YEAR ENDED 31 MARCH 2026

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**THL Zinc Ltd
CORPORATE INFORMATION**

		Date of appointment
DIRECTORS:	Khushal Thecka	31-Aug-25
	Savinilorna Ramen Payandi Pillay	07-Jun-24
	Vandana Jhupsee Ramooah - Alternate Director to Savinilorna Ramen Payandi Pillay	07-Jun-24
ADMINISTRATOR & SECRETARY:	IQ EQ Corporate Services (Mauritius) Ltd 33, Edith Cavell Street Port Louis, 11324 Mauritius	
REGISTERED OFFICE:	C/o IQ EQ Corporate Services (Mauritius) Ltd 33, Edith Cavell Street Port Louis, 11324 Mauritius	
BANKER:	Standard Chartered Bank (Mauritius) Limited Units 6A and 6B 6th Floor, Standard Chartered Tower 19-21, Bank Street, Cybercity Ebène 72201 Mauritius	
AUDITOR:	Baker Tilly Level 2, Tribeca Central Trianon 72261 Mauritius	

THL Zinc Ltd
COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of THL Zinc Ltd (the "Company") for the year ended 31 March 2026.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments in companies incorporated only in Namibia and South Africa.

RESULTS AND DIVIDEND

The Company's loss for the year ended 31 March 2026 is **USD 1,867,906** (2025: USD 64,316,024).

The directors did not recommend any payment of dividend for the year ended 31 March 2026 (2025: NIL).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standard Board have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue business in the foreseeable future.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2001.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor, Baker Tilly, has indicated its willingness to continue in office and its re-appointment will be decided in the next annual meeting.

By order of the Board

Director:

Signed by:



Date: 23 April 2026



THL Zinc Ltd
CERTIFICATE FROM THE SECRETARY
(SECTION 166(D) OF THE MAURITIUS COMPANIES ACT 2001)

We certify, as secretary of THL Zinc Ltd (the "Company"), that based on records and information made available to us by the directors and sole shareholder of the Company, the Company has filed with the Registrar of Companies, all such returns as required of the Company under the Mauritius Companies Act 2001, in terms of section 166(D), for the year ended 31 March 2026.

A handwritten signature in blue ink, appearing to read 'Baudin' followed by a stylized flourish, is written over a horizontal line.

for IQ EQ Corporate Services (Mauritius) Ltd
Corporate Secretary

Date: 24th April 2026

IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port-Louis, 11324, Mauritius

T: +230 212 9800
F: +230 212 9833

mauritus@iqeq.com
www.iqeq.com

INDEPENDENT AUDITOR'S REPORT*To the Shareholder of THL Zinc Ltd***Report on the Audit of the Financial Statements***Opinion*

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We have audited the financial statements of THL Zinc Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 7 to 30 give a true and fair view of the financial position of the Company as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001.

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 Mauritius, 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.

Materiality Uncertainty Related to Going Concern

As disclosed in Note 20, the Company's total liabilities exceed their total assets by USD 511,727,307. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis. The validity of this assumption depends on the continued support of the intermediate holding company to meet its liabilities as and when they fall due to carry on business without any curtailment in its operations. These financial statements do not include any adjustments that would result from non-availability of finance.

Our opinion is not modified in this respect.

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

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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



INDEPENDENT AUDITOR'S REPORT

To the Shareholder of THL Zinc Ltd

Report on the Audit of the Financial Statements (Continued)

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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 scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 the directors.
- ▶ Conclude on the appropriateness 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



INDEPENDENT AUDITOR'S REPORT

To the Shareholder of THL Zinc Ltd

Report on the Audit of the Financial Statements (Continued)

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Other Information

The directors are responsible for the other information. The other information comprises the corporate information, directors' report and secretary's certificate.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report has been prepared for and only for the Company's shareholder, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed to our prior consent in writing.

Baker Tilly

Date: 24 April 2026

Sin C. LI, CPA, CGMA

Licensed by FRC

THL Zinc Ltd
Statement of financial position
As at 31 March 2026

		(Amount in USD)	
	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Investment in subsidiaries	5	402,568,177	400,568,177
Total non-current assets		402,568,177	400,568,177
Current assets			
Other receivables	7	14,769	15,569
Cash and cash equivalents		960	5,197
Total current assets		15,729	20,766
Total assets		402,583,906	400,588,943
Equity and liabilities			
Equity			
Issued capital	8	9,001,000	9,001,000
Other equity reserve	6(ii)	(429,593,904)	(429,593,904)
Accumulated losses		(91,134,403)	(89,266,497)
Shareholder's deficit		(511,727,307)	(509,859,401)
Non-current liabilities			
Borrowings	10	34,527,491	778,000
Other payables	11	202,433	-
Total non-current liabilities		34,729,924	778,000
Current liabilities			
Optionally convertible redeemable preference shares ("OCRPS")	9	867,418,000	867,418,000
Borrowings	10	-	33,749,491
Other payables	11	12,163,289	8,502,853
Total current liabilities		879,581,289	909,670,344
Total liabilities		914,311,213	910,448,344
Total equity and liabilities		402,583,906	400,588,943

These financial statements have been approved by the board of directors and authorised for issue on: 24 April 2026

Signed by:

 Director 678A0DBEA8D0492...


 Director

The notes on pages 11 to 30 form an integral part of these financial statements.
 Independent auditor's report on pages 4 to 6.

THL Zinc Ltd
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2026

		(Amount in USD)	
	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Finance income	13	<u>101</u>	-
Other Income			
Reversal of investment in subsidiary	5(c)	<u>2,000,000</u>	-
Administrative expenses			
Impairment of investment in subsidiary	5(c)	-	(60,125,367)
Audit fees		(9,869)	(11,381)
Professional fees		(26,948)	(12,133)
Other expenses	14	<u>(1,435)</u>	(1,635)
Total Administrative expenses		<u>(38,252)</u>	(60,150,516)
Finance costs	15	<u>(3,829,755)</u>	(4,165,508)
Loss before tax		<u>(1,867,906)</u>	(64,316,024)
Tax expense	16	-	-
Loss for the year		<u>(1,867,906)</u>	(64,316,024)
Total comprehensive loss for the year		<u>(1,867,906)</u>	(64,316,024)

The notes on pages 11 to 30 form an integral part of these financial statements.

THL Zinc Ltd
Statement of changes in equity
For the year ended 31 March 2026

	(Amount in USD)			
	Issued capital	Other equity reserve*	Accumulated losses	Shareholder's deficit
At 1 April 2024	9,001,000	(429,593,904)	(24,950,473)	(445,543,377)
Total comprehensive loss for the year	-	-	(64,316,024)	(64,316,024)
At 31 March 2025	9,001,000	(429,593,904)	(89,266,497)	(509,859,401)
At 01 April 2025	9,001,000	(429,593,904)	(89,266,497)	(509,859,401)
Total comprehensive loss for the year	-	-	(1,867,906)	(1,867,906)
At 31 March 2026	9,001,000	(429,593,904)	(91,134,403)	(511,727,307)

*Refer to note 6(ii)

The notes on pages 11 to 30 form an integral part of these financial statements.
 Independent auditor's report on pages 4 to 6.

THL Zinc Ltd
Statement of Cash flows
For the year ended 31 March 2026

		(Amount in USD)	
	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Cash flows from operating activities			
Net cash used in operating activities	12	<u>(4,237)</u>	(29,500)
Net decrease in cash and cash equivalents		(4,237)	(29,500)
Cash and cash equivalents at beginning of the year		<u>5,197</u>	<u>34,697</u>
Cash and cash equivalents at end of the year		<u>960</u>	<u>5,197</u>

The notes on pages 11 to 30 form an integral part of these financial statements.
 Independent auditor's report on pages 4 to 6.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

1 Company overview

THL Zinc Ltd (the "Company") was incorporated in Mauritius, under the Mauritius Companies Act 2001, on 15 April 2008 as a private company. The Company was granted a Global Business Licence under section 72(6) of the Financial Services Act. The Company's registered office address is c/o IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius. The Company's principal activity is investment holding.

2 Basis of preparation

The financial statements of the Company have been prepared using the going concern principle under the historical cost convention except for financial liabilities classified as financial liabilities at fair value through profit or loss and are drawn up in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for Companies holding a Global Business Licence.

The Company has taken advantage of paragraph 4(a) of International Financial Reporting Standard "IFRS 10 - Consolidated Financial Statements", which dispenses it from the need to present consolidated financial statements. The Company is owned by Vedanta Resources Limited, which prepares group accounts that comply with International Financial Reporting Standards and these are available for public view from the company secretary, Vedanta Resources Limited, C/O Tmf Group 13th Floor, One Angel Court, London, United Kingdom, EC2R 7HJ and at www.vedantaresources.com.

3(a) Accounting policies

A summary of the material accounting policies, which have been applied consistently, is set out below.

(i) Investment in subsidiary

A subsidiary is an entity (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries represent equity holdings in subsidiaries except preference shares, valued at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

(ii) Financial instruments

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

(a) Financial assets – recognition & subsequent measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

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

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

Financial assets at amortized cost (debt instruments)

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

(b) Financial asset - Derecognition

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

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

(c) Impairment of financial assets

In accordance with IFRS 9, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits.
- ii) Other receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

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3(a) Accounting policies (continued)
(ii) Financial Instruments (continued)

(c) Impairment of financial assets (Contd.)

The Company follows 'simplified approach' for recognition of impairment loss allowance on other receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

ECL impairment loss allowance (or reversal) during the year is recognised as income/expense in profit or loss. The statement of financial position presentation for various financial instruments is described below:

Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

(d) Financial liabilities – Recognition & subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value, and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include other payables, loans and borrowings and optionally convertible redeemable preference shares ("OCRPS"). Optionally convertible redeemable preference shares ("OCRPS") are classified as financial liabilities at fair value through profit or loss.

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

Ordinary shares are classified as 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.

Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to stated capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the compound instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

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3(a) Accounting policies (continued)
(ii) Financial instruments (continued)

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

(e) Financial liabilities – Derecognition

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

(f) Offsetting of financial instruments

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

(iii) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists or in case of goodwill where annual testing of impairment is required then an impairment review is undertaken, the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. Fair value for mineral and oil and gas assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post-tax discount rate to arrive at the net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. The carrying value is net of deferred tax liability recognised in the fair value of assets acquired in the business combination.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised except if initially attributed to goodwill.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

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3(a) Accounting policies (continued)

(iv) Accounting for foreign currency transactions and translations

The directors consider USD to be the currency that most faithfully represent the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results, as well as the currency in which it receives capital contribution from its investors. This determination also considers the competitive environment in which the Company operates. The Company's financial statements are prepared in USD.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currencies at exchange rates prevailing on the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All differences are taken to the statement of profit or loss except those where the monetary item is designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in the other comprehensive income.

(v) Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(vi) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(vii) Related parties

Related parties are individuals and companies, including the management company, where the individual or the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(viii) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ix) Expense recognition

Expenses are accounted for in the statement of profit or loss and other comprehensive income on an accrual basis.

(x) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

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3(a) Accounting policies (continued)

(x) Taxation (Contd.)

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3(b) (a) Application of new and revised International Financial Reporting Standards (“IFRS”)

The following amendment issued by the International Accounting Standards Board (“IASB”) became effective for annual reporting periods beginning on or after 1 April 2025 and has been applied by the Company in the current financial year:

Lack of Exchangeability (Amendments to IAS 21)

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to clarify how an entity determines whether a currency is exchangeable into another currency and how to determine the spot exchange rate when exchangeability is lacking. The amendments also introduce additional disclosure requirements to enable users of financial statements to assess the impact of a currency not being exchangeable.

The adoption of these amendments did not have a material impact on the Company’s financial position, performance or cash flows.

(b) Standards and interpretations issued but not yet effective

The following new standards and amendments to existing standards were issued but are not yet effective for the financial year ended 31 March 2026. The Company has not early adopted these standards and amendments. The Company is currently assessing the potential impact of these standards and amendments on its financial statements.

New standards/Amendments to:	Effective date
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	01-Jan-26
Annual Improvements to IFRS Accounting Standards – Volume 11	01-Jan-26
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01-Jan-26
IFRS 18 – Presentation and Disclosure in Financial Statements	01-Jan-27
Amendments to IFRS 19 – Subsidiaries without Public Accountability	01-Jan-27
Amendment to IAS 21 – Translation to a Hyperinflationary Presentation Currency	01-Jan-27

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to address matters identified during the post-implementation review of IFRS 9. The amendments:

- clarify the date of recognition and derecognition of certain financial assets and financial liabilities, including a new exception for certain financial liabilities settled through electronic cash transfer systems;
 - provide additional guidance on assessing whether financial assets meet the solely payments of principal and interest (SPPI) criterion;
 - introduce enhanced disclosure requirements for financial instruments with contractual terms that may change cash flows, including instruments linked to environmental, social and governance (ESG) targets; and
 - update disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).
- The amendments are effective for annual periods beginning on or after 1 January 2026, with early application permitted. The Company does not expect these amendments to have a material impact on its financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11

The Annual Improvements include amendments to:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a ‘de facto agent’
- IAS 7: Cost method

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

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3(a) Accounting policies (continued)

(b) Standards and interpretations issued but not yet effective

Annual Improvements to IFRS Accounting Standards – Volume 11

The amendments do not include transition requirements, other than that an entity is required to apply the amendment to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. The Company does not expect these amendments to have a material impact on its financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued amendments addressing contracts referencing nature-dependent electricity. The amendments:

- clarify the application of the 'own use' requirements;
- permit hedge accounting where such contracts are used as hedging instruments; and
- introduce additional disclosure requirements to enhance transparency regarding their effects on financial performance and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted. The amendments shall be applied retrospectively; prior periods need not be restated to reflect the application of the amendments. The Company does not expect these amendments to have a material impact on its operations or financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the financial statements.

Amendments to IFRS 19 – Subsidiaries without Public Accountability

Following the issuance of IFRS 19 in May 2024, the IASB issued amendments to IFRS 19 to align its reduced disclosure framework with IFRS Accounting Standards issued between February 2021 and May 2024 that were not reflected in the original version of IFRS 19.

The amendments update and refine the disclosure requirements applicable to eligible subsidiaries applying IFRS 19 and:

- remove certain disclosure objectives, including those relating to supplier finance arrangements, lack of exchangeability and non-current liabilities with covenants;
- reduce disclosure requirements relating to supplier finance arrangements;
- remove disclosure requirements that are interpretative guidance rather than mandatory disclosures; and
- replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 Presentation and Disclosure in Financial Statements.

The amendments have the same effective date as IFRS 19, being annual reporting periods beginning on or after 1 January 2027, with early application permitted.

The Company is currently assessing whether it qualifies to apply IFRS 19 and, if applicable, the potential impact of applying IFRS 19 and these amendments on its financial statements.

Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency

In November 2025, the International Accounting Standards Board ("IASB") issued Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates).

The amendments address how an entity translates amounts when its functional currency is the currency of a non-hyperinflationary economy and its presentation currency is the currency of a hyperinflationary economy. The amendments aim to reduce diversity in practice by clarifying the translation approach in these circumstances and introduce additional disclosure requirements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. The Company is currently assessing the potential impact of these amendments on its financial statements.

4 Significant accounting estimates and judgement

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

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

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

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4 Significant accounting estimates and judgement (Contd.)

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Functional currency

The directors consider the USD to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results to the members. This determination also considers the competitive environment in which the Company operates.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has access to resources to continue in business for the foreseeable future. Refer to note 20 for more details.

Estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below:

Investment in subsidiaries

Investments in subsidiaries are assessed on an annual basis for impairment in accordance with IAS 36. In making this assessment the directors determine the recoverable amount of the investments which is based on discounted cash flow (DCF) and consider among other factors, the financial health and business prospects of the subsidiaries. The use of DCF requires significant judgements, inputs and estimates to be made by management. If the carrying amount of the investment exceeds its recoverable amount, an impairment loss is recognised to reduce the carrying amount.

Fair value of financial liabilities at FVTPL

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

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

5 Investment in subsidiaries

	(Amount in USD)	
	As at	As at
	31 March 2026	31 March 2025
<i>At carrying value</i>		
At 1 April and 31 March	402,568,177	400,568,177

- (a) During the year 2013-14, the Company has provided for an impairment of USD 221,789,180 on its investment held in THL Zinc Namibia Holdings (Proprietary) Ltd ("THLZNHL"). The directors have re-assessed the investment in the subsidiary for indicators of impairment and have recorded a further impairment of USD 60,125,367 during the previous year. During the current year impairment of USD 2,000,000 has been reversed.
- (b) During the year ended 31 March 2026, the directors have assessed the investment in Black Mountain Mining (Proprietary) Ltd (BMM) for indicators of impairment and are of opinion that no impairment has to be provided on this investment.
- (c) Details of the investments held during the year are provided below:

Company	Principal Activity	Place of operation	No of Ordinary Shares Held		Proportion of ownership interests		Value of Investments at cost less impairment	
			2026	2025	2026	2025	2026	2025
(Amount in USD)								
THL Zinc Namibia Holdings (Proprietary) Ltd	Mining	Namibia	100	100	100%	100%	431,089,121	431,089,121
Black Mountain Mining (Proprietary) Ltd	Mining	South Africa	740	740	74.0%	74.0%	251,393,603	251,393,603
Less: Impairment (Refer to note 5(a))							(279,914,547)	(281,914,547)
							402,568,177	400,568,177

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

6 Loan receivable

		(Amount in USD)	
		As at	As at
		31 March 2026	31 March 2025
Non-current			
Loan to related party			
Bloom Fountain Limited (BFL)	note (i)	3,536,419	3,536,419
Less: Provision for impairment-BFL	note (i)	(3,536,419)	(3,536,419)
		-	-
		-	-

- (i) During the year 2015, the Company has entered into an agreement to provide a loan facility of USD 3,000,000 to Bloom Fountain Limited ("BFL"), a fellow subsidiary of the Company, for a period of 12 months at an interest rate of 2.6% per annum. The loan is unsecured in nature. On 1 March 2016, the amount under the facility was increased to USD 3,600,000 and repayment date was extended to 28 March 2019. The total amount outstanding under this facility as at 31 March 2017 was USD 3,536,419 and accrued interest of USD 173,400. The said outstanding balance along with the accrued interest thereon has been impaired during the year 2016-17 and charged to profit or loss. As at 31 March 2025, the amount outstanding under the said facility along with the accrued interest (net of impairment) is Nil (2024: Nil). During the year 2020-21, the parties extended the loan till 31 October 2022 with an increased rate of interest of 7.11% p.a. effective from March 2020. During the year ended 31 March 2023, the parties extended the loan till 31 October 2025 with an increased rate of interest of 8.68% effective from November 2022. During the current year, the parties extended the loan till 31 October 2026. The recoverability of the loan and interest is not certain. Hence, the loan is impaired and interest is not being accrued.
- (ii) The Company had advanced loans of USD 1,745,772,494 to Twin Star Mauritius Holdings Limited (TSMHL), a fellow subsidiary of the Company. TSMHL was holding shares of Cairn India Limited ("Cairn India"), another fellow subsidiary of the Company. During the year 2016-17, the merger of Cairn India into the Company's intermediate holding company, Vedanta Limited ("Vedanta"), was substantially completed and was implemented in the month of April 2017 by allotment of shares of Vedanta to the shareholders of Cairn India. As per the terms of the Scheme of merger, Vedanta and its subsidiaries (including TSMHL) did not receive any consideration in lieu of their holding in Cairn India which stood extinguished upon the merger being implemented. Hence, the Company made an impairment provision of USD 1,779,654,112 against the loan (including accrued interest) it had extended to TSMHL and the effects of the same were carried through the statement of changes in equity. During the year 2017-2018, subsequent to the liquidation of TSMHL, the Company recognised an additional impairment for the balance USD 716,331 through the statement of changes in equity. The loan payable to Cairn India Holdings Limited of USD 1,250,000,000 along with accrued interest of USD 100,776,539 was assigned to TSMHL which had the effect of recovery of the loan already impaired and an impairment reversal of an equivalent amount. Hence, net impairment reversal of USD 1,350,060,208 has been recognised in other equity. The balance loan of USD 429,593,904 was converted into equity and was written off during the year 2017-2018 due to filing for liquidation by TSMHL.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

7 Other receivables

	(Amount in USD)	
	As at	As at
	31 March 2026	31 March 2025
Advance others- Receivable from Bloom Fountain Limited (Refer to note 7 (i))	14,638	14,638
Accrued interest - Bloom Fountain Limited (Refer to note 6(i))	173,400	173,400
Less: Impairment of accrued interest (Refer to note 6(i))	<u>(173,400)</u>	<u>(173,400)</u>
	-	-
Prepaid expenses	131	931
	<u>14,769</u>	<u>15,569</u>

- (i) During 2017-18, Sesa Sterlite Mauritius Holdings Limited ("SSMHL"), a fellow subsidiary, which entered into liquidation, assigned its net assets to Bloom Fountain Limited (BFL), its parent company and hence the Company transferred its receivable from SSMHL to BFL amounting to USD 14,638.

8 Issued capital

	(Amount in USD)	
	As at	As at
	31 March 2026	31 March 2025
Ordinary shares		
<u>Issued and fully paid</u>		
At 1 April and 31 March	<u>9,001,000</u>	<u>9,001,000</u>

The shares in the capital of the Company comprise 1,000 ordinary shares of USD 1 per share and 90,000 ordinary shares of par value USD 100, issued to THL Zinc Ventures Ltd. The ordinary share carry voting rights and right to dividend.

9 Optionally Convertible Redeemable Preference Shares ("OCRPS")

Issued to	(Amount in USD)			
	No. of OCRPS of USD 1 each and premium of USD 99		Amount of liability	
	As at	As at	As at	As at
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
THL Zinc Ventures Ltd. (9(i))	8,592,680	8,592,680	859,268,000	859,268,000
THL Zinc Holding BV (9(ii))	81,500	81,500	8,150,000	8,150,000
	<u>8,674,180</u>	<u>8,674,180</u>	<u>867,418,000</u>	<u>867,418,000</u>

- (i) In earlier years, the Company had issued 8.5 million, 0.25% Optionally Convertible Redeemable Preference Shares ("OCRPS") of USD 1 each with a premium of USD 99 each to THL Zinc Ltd. The OCRPS are convertible at option of investor into variable number of equity shares based on the fair value as on the date of conversion at any time, also these are redeemable at the option of issuer at any time. Such OCRPS are expected to be in redeemed in next 12 months, therefore it has been classified as current at fair value.
- (ii) In earlier years, the Company had issued 81.5 thousand, 0.25% Optionally Convertible Redeemable Preference Shares ("OCRPS") of USD 1 each with a premium of USD 99 each to THL Zinc Holding BV ("THLZBV"). The OCRPS are convertible at option of investor into variable number of equity shares based on the fair value as on the date of conversion at any time, also these are redeemable at the option of issuer at any time. Such OCRPS are expected to be in redeemed in next 12 months, therefore it has been classified as current at fair value. The fair value of the OCRPS approximate carrying amount at year end.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026
10 Borrowings

	(Amount in USD)	
	As at 31 March 2026	As at 31 March 2025
Non-Current		
Loan from Namzinc (Pty) Ltd (Refer to note 10 (i))	33,749,491	-
Loan from THLZBV (Refer to note 10 (ii))	178,000	178,000
Loan from Cairn India Holdings Limited (Refer to note 10 (iii))	600,000	600,000
	34,527,491	778,000

Refer to Note 18 for related party disclosures.

	(Amount in USD)	
	As at 31 March 2026	As at 31 March 2025
Current		
Loan from Namzinc (Pty) Ltd (Refer to note 10 (i))	-	33,749,491
	-	33,749,491

Refer to Note 18 for related party disclosures.

- (i) Pursuant to a board meeting of 29 November 2016, the Company executed a loan agreement with Namzinc (Pty) Ltd ("NPL"), a group company for an amount of USD 50,000,000 at an interest rate of 2.25% per annum and repayable within one year. During the year 2017-18, the amount under this facility has been extended to USD 100,000,000 payable in July 2020. During the year 2020-21, the maturity of this loan was further extended to October 2022 which was further extended to October 2023 for an interest rate of 1 year SOFR plus 3.5% p.a. During the year ended 31 March 2024, the Company has drawn an additional amount of USD 28,000,000 under this facility. The maturity of this loan has been further extended to October 2025 at an interest rate of 12% p.a. During the previous year ended 31 March 2025 the existing loan along with accrued interest has been reclassified from non-current liability to current liability. During the current year maturity of the loan has been further extended to October 2027 with revised interest rate of 9.60% per annum, accordingly loan has been reclassified to non-current. As at 31 March 2026, the principal amount of loan outstanding under this facility was **USD 33,749,491** (2025: USD 33,749,491) along with accrued interest of **USD 11,280,755** (2025: USD 7,568,310).
- (ii) During the year 2021-2022, the Company executed an unsecured loan facility agreement with THL Zinc Holding BV, a group company for a facility amount of USD 1,000,000 at an interest rate of 7.74% p.a. repayable in December 2024. During the year 2021-2022, an amount of USD 103,000 was drawn under this facility. During the previous year the existing loan was extended to 20 December 2028 with revised interest rate of USD 9.60% per annum. As at 31 March 2026, the principal amount of loan outstanding under this facility was **USD 178,000** (2025: USD 178,000) along with accrued interest of **USD 58,550** (2025: USD 41,462).
- (iii) During the year ended 31 March 2024, the Company executed an unsecured loan facility agreement with Cairn India Holdings Limited (CIHL) for a facility amount of USD 600,000 at an interest rate of 13% p.a. repayable in June 2026. During the current year loan maturity has been extended till March 2029 and interest being payable at maturity. As at 31 March 2026, the principal amount of loan outstanding under this facility was **USD 600,000** (2025: USD 600,000) along with accrued interest of **USD 202,433** (2025: USD 124,433).

11 Other payables

	(Amount in USD)	
	As at 31 March 2026	As at 31 March 2025
Non-current		
Accrued Interest on Loan from CIHL	202,433	-
	202,433	-

	(Amount in USD)	
	As at 31 March 2026	As at 31 March 2025
Current		
Audit fees	8,000	9,881
Accrued interest on OCRPS (Refer to note 18)	340,469	318,786
Accrued interest on loan from related parties (Refer to note 18)	11,339,305	7,734,205
Payable to related parties (Refer to note 18)	359,164	322,999
Other payables*	116,351	116,982
	12,163,289	8,502,853

*Other payables are unsecured, interest free and repayable on demand.

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

12 Net cash used in operating activities

(Amount in USD)

	Year ended 31 March 2026	Year ended 31 March 2025
Loss before tax	(1,867,906)	(64,316,024)
<i>Adjusted for:</i>		
- Interest expense (Note 15)	3,829,216	4,164,328
-(Reversal)/ impairment of investment in subsidiary (Note 5 (c))	(2,000,000)	60,125,367
	<u>(38,690)</u>	<u>(26,329)</u>
Working capital changes:		
- Change in other receivables (Note 7)	800	-
- Change in other payables	33,653	(3,171)
	<u>33,653</u>	<u>(3,171)</u>
Net cash used in operating activities	<u>(4,237)</u>	<u>(29,500)</u>

13 Finance income

(Amount in USD)

	Year ended 31 March 2026	Year ended 31 March 2025
Other Income	101	-
	<u>101</u>	<u>-</u>

14 Other expenses

(Amount in USD)

	Year ended 31 March 2026	Year ended 31 March 2025
VAT expenditure	(1,435)	(1,635)
	<u>(1,435)</u>	<u>(1,635)</u>

15 Finance costs

(Amount in USD)

	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on OCRPS	(21,683)	(21,683)
Interest on loan from related parties (Refer to note 18)	(3,807,533)	(4,142,645)
Foreign exchange fluctuation	(19)	-
Bank charges	(520)	(1,180)
	<u>(3,829,755)</u>	<u>(4,165,508)</u>

THL Zinc Ltd
Notes to the Financial Statements
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16 Tax expense

The Company is subject to tax at the rate of 15% (2025: 15%). Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business License on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company was entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income, up to 30 June 2021. Mauritius does not impose tax on capital gains and as such will not be exposed to any capital gains tax in Mauritius upon disposal of investments, and any dividend paid by the Company to its shareholder is not subject to any withholding or other tax in Mauritius.

The Financial Services Commission ("FSC") issued a Category 1 Global Business License ("GBL1") to the Company on 19 August 2010. Hence these regulations are applicable to the Company post 30 June 2021.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

The Company is subject to a Corporate Climate Responsibility ("CCR") Levy of 2% on its chargeable income when turnover exceeds MUR 50 million (approximately USD 1.1M). Turnover means gross income, including any exempt income, derived by the

(i) Tax expense

	(Amount in USD)	
	Year ended 31 March 2026	Year ended 31 March 2025
Current tax	-	-

(ii) Tax reconciliation

	Year ended 31 March 2026	Year ended 31 March 2025
Loss before taxation	(1,867,906)	(64,316,024)
Tax at statutory rate of 15%	(280,186)	(9,647,404)
Non deductible expenses	574,382	9,018,805
Non Taxable Income	(300,000)	-
Effect of unused tax losses not recognised as deferred tax assets	5,803	628,599
Income tax expense	-	-

At 31 March 2026, the Company has unutilized tax losses of **USD 2,225,432** (2025: USD 6,576,456). Losses incurred in an income year may be carried forward to be set off against net income of the following 5 income years only and accordingly tax losses of **USD 221,386** for FY 2020-21 has been lapsed as they were being carried forward for more than 5 years. The accumulated tax losses at 31 March 2026 are available for set off against any taxable income, as follows:

(iii) Tax losses carried forward

Loss relating to financial year ending	Carry forward up to financial year ending	Year ended 31 March 2026	Year ended 31 March 2025
31 March 2020	31 March 2025	-	-
31 March 2021	31 March 2026	-	221,386
31 March 2024	31 March 2029	2,160,413	2,164,413
31 March 2025	31 March 2030	26,329	4,190,657
31 March 2026	31 March 2031	38,690	-
Total		2,225,432	6,576,456

The directors have in accordance with the Company's accounting policy not recognised a deferred tax asset as the probability of taxable profit arising in future is remote.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

17 Financial Instruments

Fair Value

The carrying amounts of loan receivable, other receivables, cash at bank, borrowings and other payables approximate their fair values.

	(Amount in USD)	
	Year ended 31 March 2026	Year ended 31 March 2025
Financial assets- at amortised cost		
Cash and cash equivalents	960	5,197
Loan and other receivables* (Refer to note 6 & 7)	14,638	14,638
	<u>15,598</u>	<u>19,835</u>
* Excludes prepaid expense of USD 131 (2025: USD 931)		
Financial liabilities- at amortised cost		
Loans and other payables (Refer to note 10 & 11)	46,893,213	43,030,344
	<u>46,893,213</u>	<u>43,030,344</u>
Financial liabilities- at fair value through profit or loss		
OCRPS (Refer to note 9)	867,418,000	867,418,000
	<u>867,418,000</u>	<u>867,418,000</u>

Fair values hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The below tables summarise the categories of financial assets and liabilities as at 31 March 2026 and 31 March 2025 measured at fair value:

Year ended 31 March 2026

	Level 1	Level 2	Level 3
Financial liabilities - at fair value through profit or loss			
OCRPS (Refer to note 9)	-	-	867,418,000

As at 31 March 2025

	Level 1	Level 2	Level 3
Financial liabilities - at fair value through profit or loss			
OCRPS (Refer to note 9)	-	-	867,418,000

Reconciliation of Level 3 financial liabilities at fair value through profit or loss

	As at 31 March 2025
At 01 April 2024	867,418,000
Unrealised gain/(loss) on OCRPS	-
At 31 March 2025	<u>867,418,000</u>
Unrealised gain/(loss) on OCRPS	-
At 31 March 2026	<u>867,418,000</u>

(a) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not have any exposure to market risk.

(b) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. Any excess cash and cash equivalents of the Company are invested in short-term time deposits and liquid funds. The following table details the Company's exposure to interest rate risk. The total interest sensitivity gap represents the net notional amounts of all interest sensitive financial instruments.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

17 Financial instruments (continued)

(b) Interest rate risk (contd.)

<u>31 March 2026</u>	<u>Interest bearing</u>	<u>Non-interest bearing</u>	<u>(Amount in USD)</u> <u>Total</u>
Financial assets- at amortised cost			
Loans and other receivables*	-	14,638	14,638
Cash and cash equivalents	-	960	960
Total assets	-	15,598	15,598

* Excludes prepaid expense of USD 131

Financial liabilities- at amortised cost			
Other payables	-	12,365,722	12,365,722
Borrowings	34,527,491	-	34,527,491
Financial liabilities- at fair value			
OCRPS	867,418,000	-	867,418,000
Total liabilities	901,945,491	12,365,722	914,311,213

<u>31 March 2025</u>	<u>Interest bearing</u>	<u>Non-interest bearing</u>	<u>(Amount in USD)</u> <u>Total</u>
Financial assets- at amortised cost			
Loans and other receivables*	-	14,638	14,638
Cash and cash equivalents	-	5,197	5,197
Total assets	-	19,835	19,835

* Excludes prepaid expense of USD 931

Financial liabilities- at amortised cost			
Other payables	-	8,502,853	8,502,853
Borrowings	34,527,491	-	34,527,491
Financial liabilities- at fair value			
OCRPS	867,418,000	-	867,418,000
Total liabilities	901,945,491	8,502,853	910,448,344

All interest bearing assets and liabilities are at fixed interest rate and not sensitive to movement in interest rates.

Interest rate sensitivity

As at 31 March 2026 and 31 March 2025, the Company does not have any exposure to variable rate financial assets and liabilities, hence there is no interest rate risk.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

17 Financial instruments (continued)

(c) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk from its loans and other receivables and cash and cash equivalents.

The Company has clearly defined policies to mitigate counterparty risks. For cash and cash equivalents, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

Credit risk on loans and other receivables is limited as the counterparties, which are all related parties, have obtained financial support from the intermediate holding company to enable them to meet their obligations as and when they fall due and to carry on with their current business for the next 18 months. As such, management considers the probability of default to be close to zero and hence no allowance has been recognised based on 12-months ECL. The loan receivable from Bloom Fountain Limited has been impaired due to uncertainty about its recoverability.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	(Amount in USD)	
	Year ended	Year ended
	31 March 2026	31 March 2025
Loans, interest and other receivables from related parties*	14,638	14,638
Cash and cash equivalents	960	5,197
	15,598	19,835

* Excludes prepaid expense of **USD 131** (2025: USD 931)

(d) Currency risk management

The Company is not exposed to the movement in foreign exchange that may change in a manner which has material effect on the reported values of the Company's assets which are denominated in other foreign currencies at reporting year end.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	(Amount in USD)			
	Financial	Financial	Financial	Financial
	assets*	liabilities	assets*	liabilities
	Year ended	Year ended	Year ended	Year ended
	31 March 2026	31 March 2026	31 March 2025	31 March 2025
United States Dollar	15,598	914,311,213	19,835	910,448,344

* Excludes prepaid expense of **USD 131** (2025: USD 931)

For the years ended 31 March 2026 and 31 March 2025, the Company does not have any exposure to foreign currencies. Therefore, sensitivity relative to foreign currencies has not been disclosed.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

17 Financial instruments (continued)

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

However, the Company has recourse to its holding companies for such financing and the parent has indicated its intention to continue to provide financial support for at least 12 months as from the date of this report. As such, liquidity risk is considered as minimal.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below:

	(Amount in USD)			
<u>31 March 2026</u>	<u>Repayable on demand</u>	<u>Up to 1 year</u>	<u>More than 1 year</u>	<u>Total</u>
Financial liabilities				
Other payables	116,351	12,046,938	202,433	12,365,722
OCRPS	867,418,000	-	-	867,418,000
Borrowings	-	-	34,527,491	34,527,491
Total	867,534,351	12,046,938	34,729,924	914,311,213

	(Amount in USD)			
<u>31 March 2025</u>	<u>Repayable on demand</u>	<u>Up to 1 year</u>	<u>More than 1 year</u>	<u>Total</u>
Financial liabilities				
Other payables	116,982	8,385,871	-	8,502,853
OCRPS	867,418,000	-	-	867,418,000
Borrowings	-	33,749,491	778,000	34,527,491
Total	867,534,982	42,135,362	778,000	910,448,344

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

17 Financial instruments (continued)

(f) Capital risk management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

The capital structure of the Company consists of issued capital, retained earnings and net debt.

Gearing ratio

The gearing ratio at the year end was as follows:

	(Amount in USD)	
	Year ended 31 March 2026	Year ended 31 March 2025
Debt (i)	901,945,491	901,945,491
Cash and cash equivalents	(960)	(5,197)
Net debt	901,944,531	901,940,294
Equity (ii)	(511,727,307)	(509,859,401)
Net debt to equity ratio (times)	N/A	N/A

(i) Debt is defined as long-term and short-term borrowings

(ii) Equity includes all capital, other equity and other reserves of the Company.

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

18 Related party transactions and balances

During the year ended 31 March 2026, the Company transacted with related parties. The nature and volume of transactions with the entities are as follows:

Name of Company	Relationship	Nature of transaction	(Amount in USD)	
			Year ended 31 March 2026	Year ended 31 March 2025
<u>Transactions</u>				
THL Zinc Ventures Ltd	Holding company	Interest expense on OCRPS (Note 15)	21,480	21,480
THL Zinc Holding BV	Group company	Interest expense on OCRPS (Note 15)	203	203
		Interest expense on loan (Note 15)	17,088	14,705
		Reimbursement of Expense	36,165	-
Namzinc (Pty) Ltd	Subsidiary	Interest expense (Note 15)	3,712,445	4,049,940
Cairn India Holdings Limited	Group company	Interest expense (Note 10)	78,000	78,000
<u>Outstanding receivable/(payable) balances</u>				
Vedanta Resources Limited	Intermediate holding company	Payable (Note 11)	(104,716)	(104,716)
Amount due to THL Zinc Ventures Ltd	Holding company	Payable (Note 11)	(359,164)	(322,999)
		Interest payable (Note 11)	(279,606)	(258,126)
		OCRPS (Note 9)	(859,268,000)	(859,268,000)
Amount due to THL Zinc Holding BV	Related party	Interest payable (Note 11)	(119,413)	(102,122)
		OCRPS (Note 9)	(8,150,000)	(8,150,000)
		Loan payable (Note 10)	(178,000)	(178,000)
Bloom Fountain Limited	Group company	Other receivable (Note 7)	14,638	14,638
		Loan (Note 6)	3,536,419	3,536,419
		Provision for impairment (Note 6)	(3,536,419)	(3,536,419)
		Accrued interest (Note 7)	173,400	173,400
		Provision for impairment for accrued interest (Note 7)	(173,400)	(173,400)
Namzinc (Pty) Ltd	Subsidiary	Loan payable (Note 10)	(33,749,491)	(33,749,491)
		Interest payable (Note 10 & 11)	(11,280,755)	(7,568,310)
Cairn India Holdings Limited	Group company	Loan payable (Note 10)	(600,000)	(600,000)
		Interest payable (Note 11)	(202,433)	(124,433)

THL Zinc Ltd
Notes to the Financial Statements
For the year ended 31 March 2026

18 Related party transactions and balances (continued)

Other related party transactions

IQ EQ Corporate Services (Mauritius) Ltd and its associates perform certain administration and tax related services for the Company. An amount of **USD 16,520** (2025: USD 10,079) which includes professional fees for the provision of directorship services of **USD 2,000** (2025: USD 2,004) was expensed during the year in respect of the aforesaid services. No compensation to key management personnel was paid during the year (2025: Nil).

19 Immediate, intermediate and ultimate holding company

The Company's immediate holding company is THL Zinc Ventures Ltd, a Global Business Company, established in Mauritius. The Company's intermediate holding companies are Vedanta Limited, a company incorporated in India, and Vedanta Resources Limited, a company incorporated in the United Kingdom.

The ultimate controlling party of the Company is Vedanta Incorporated (formerly "Volcan Investments Limited") and its wholly owned subsidiary Volcan Investments Cyprus Limited, which is beneficially owned by the Anil Agarwal Discretionary Trust. Vedanta Incorporated is incorporated in the Bahamas and does not prepare Consolidated financial statements.

20 Going concern

The Company incurred a net loss of **USD 1,867,906** (2025: USD 64,316,024) for the year ended 31 March 2026 and as at that date, its total liabilities exceeded its total assets by **USD 511,727,307** (2025: USD 509,859,401).

The Company has received a letter of support from Vedanta Limited, the intermediate holding company, which will provide financial support to the Company to enable the latter to meet its obligations as and when they fall due and to carry on its current business for the next 18 months. The Company owns investments with positive net asset values that are profitable, which provides the directors with comfort that support will continue to be provided by the group or could be obtained from its subsidiaries.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the Company will continue to receive the support of its intermediate holding company and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

21 Contingent liabilities

The Company does not have any contingent liabilities as at the year end which require disclosures in the financial statements.

22 Events after reporting period

There have been no material events after reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2026.