

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

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

FOR THE YEAR ENDED 31 MARCH 2026

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

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the year ended 31 March 2026

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Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
Adeer Tower, 15th Floor
Prince Turki Bin Abdulaziz Street, Al Khobar Corniche
P.O. Box 3795
Al Khobar 31952
Kingdom of Saudi Arabia
Head Office – Riyadh

C.R. No. 2051058792

Tel: +966 13 840 4600

Fax: +966 13 882 0087

ey.ksa@sa.ey.com
ey.com

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

Opinion

We have audited the financial statements of Vedanta Copper International VCI Limited ("the Company"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRSs as endorsed in KSA").

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and the Company's Articles of Association, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

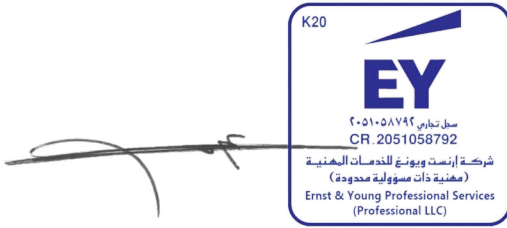
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting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

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

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

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

for Ernst & Young Professional Services



Ali Khalid Khamis
Certified Public Accountant
License No. (616)

Al Khobar: 4 Muharram 1448H
19 June 2026

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS

For the year ended 31 March 2026

		<i>For the period from 14 November 2023 to 31 March 2025</i>
	<i>2026</i>	<i>SR</i>
	<i>SR</i>	<i>SR</i>
General and administration expenses	7	(30,000)
NET LOSS FOR THE YEAR / PERIOD	(160,796)	(30,000)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR / PERIOD	(160,796)	(30,000)

The attached notes 1 to 21 form part of these financial statements.

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

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	<i>Note</i>	2026	2025
		SR	SR
ASSETS			
NON-CURRENT ASSETS			
Capital work in progress	8	27,707,911	6,280,727
Right of use asset	9	944,383	-
TOTAL NON-CURRENT ASSETS		28,652,294	6,280,727
CURRENT ASSETS			
Bank balances		10,279,111	1,070,161
Prepayments and other current assets	10	17,625,271	9,590,354
TOTAL CURRENT ASSETS		27,904,382	10,660,515
TOTAL ASSETS		56,556,676	16,941,242
EQUITY AND LIABILITIES			
EQUITY			
Capital	11	29,437,500	100,000
Accumulated losses		(190,796)	(30,000)
TOTAL EQUITY		29,246,704	70,000
NON-CURRENT LIABILITY			
Employees' defined benefits liabilities	12	94,595	39,072
Loan from related parties	13	7,029,376	-
Lease liability	9	1,020,130	-
TOTAL NON-CURRENT LIABILITY		8,144,101	39,072
CURRENT LIABILITIES			
Accounts payable		2,328,648	-
Loan from related parties	13	14,198,181	14,373,878
Due to related parties	13	2,347,113	2,255,184
Current portion of lease liability	9	8,295	-
Accrued expenses and other current liabilities	15	283,634	203,108
TOTAL CURRENT LIABILITIES		19,165,871	16,832,170
TOTAL LIABILITIES		27,309,972	16,871,242
TOTAL EQUITY AND LIABILITIES		56,556,676	16,941,242

The attached notes 1 to 21 form part of these financial statements.

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	<i>Capital</i> <i>SR</i>	<i>Accumulated</i> <i>losses</i> <i>SR</i>	<i>Total</i> <i>SR</i>
Issued during the period	100,000	-	100,000
Loss for the period	-	(30,000)	(30,000)
Other comprehensive income	-	-	-
Total other comprehensive loss	-	(30,000)	(30,000)
As at 31 March 2025	100,000	(30,000)	70,000
As at 1 April 2025	100,000	(30,000)	70,000
Capital increased during the year (note 11)	29,337,500	-	29,337,500
Loss for the year	-	(160,796)	(160,796)
Other comprehensive income	-	-	-
Total other comprehensive loss	-	(160,796)	(160,796)
As at 31 March 2026	29,437,500	(190,796)	29,246,704

The attached notes 1 to 21 form part of these financial statements

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

STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

		2026	<i>For the period from 14 November 2023 to 31 March 2025</i>
	Note	SR	SR
OPERATING ACTIVITIES			
Loss for the year / period		(160,796)	(30,000)
<i>Adjustments to reconcile loss for the year / period to net cash flows from operating activities:</i>			
Depreciation on right of use assets	9	23,694	-
		(137,102)	(30,000)
<i>Working capital adjustments:</i>			
Prepayments and other receivables		(8,034,917)	(9,590,354)
Accounts payables		2,328,648	-
Due to related parties		91,929	2,255,184
Accruals and other liabilities		80,526	203,108
Cash flows from operations		(5,670,916)	(7,162,062)
Employees' defined benefit liabilities paid	12	(9,837)	-
Net cash flows used in operating activities		(5,680,753)	(7,162,062)
INVESTING ACTIVITY			
Addition to capital work in progress	8	(21,301,476)	(6,241,655)
Net cash flows used in an investing activity		(21,301,476)	(6,241,655)
FINANCING ACTIVITIES			
Proceeds from issuance of capital		29,337,500	100,000
Proceeds from loan from related parties		21,227,557	14,373,878
Repayment of loan from related parties		(14,373,878)	-
Net cash flows from financing activities		36,191,179	14,473,878
NET INCREASE IN BANK BALANCE		9,208,950	1,070,161
Bank balance at the beginning of the year / period		1,070,161	-
BANK BALANCE AT THE END OF THE YEAR / PERIOD		10,279,111	1,070,161
Significant non-cash transactions:			
Provision for employees' defined benefits liabilities	12	65,360	-
Interest expenses on lease liabilities	9	60,348	39,072
Recognition of right of use asset and lease liability	9	968,077	-

The attached notes 1 to 21 form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2026

1 CORPORATE INFORMATION

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

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

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

As per the Articles of Association of the Company, the first fiscal period of the Company was from the date of commercial registration 30 Rabi Al-Thani 1445H (corresponding to 14 November 2023). Accordingly, the comparative information of these financial statements cover the period from 14 November 2023 to 31 March 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Approval of financial statements

These financial statements have been approved for issuance on 4 Muharram 1448H, (corresponding to 19 June 2026).

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Current versus non-current classification

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.1 Current versus non-current classification (continued)

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

3.2 Fair value measurement

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Foreign currencies

Transactions and balances

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

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

3.4 Cost and expenses

Direct costs

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

Administration and general expense

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

3.5 Borrowing costs

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

3.6 Capital work in progress

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

3.7 Impairment of non-financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.7 Impairment of non-financial assets (continued)

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

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

3.8 Leases

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- land 30 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies for impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the average borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.9 Financial instruments – initial recognition and subsequent measurement

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

i) Financial assets

Initial recognition and measurement

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

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

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. Currently, the Company does not have any financial instruments valued at fair value through OCI.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

i) Financial assets (continued)

Subsequent measurement (continued)

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

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

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. The Company currently does not have any financial instruments designated at fair value under this category.

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.

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

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

Impairment

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

i) Financial assets (continued)

Impairment (continued)

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

- LGD: This is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD.
- PD: the likelihood of a default over a particular time horizon
- EAD: This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

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

Specific provision

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

Write-off

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

ii) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- (i) Financial liabilities at fair value through profit or loss
- (ii) Loans and borrowings

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. The Company has not designated any financial liability as at fair value through profit or loss.

Vedanta Copper International VCI Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

ii) Financial liabilities (continued)

Subsequent measurement (continued)

Loans and borrowings

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

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

iii) Offsetting of financial instruments

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

3.10 Bank balances

Bank balances and cash in the statement of financial position comprise of cash at bank, which are subject to insignificant risk of change in value.

3.11 Employee benefits

Short-term employees' benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating leaves, air fare and other allowances that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. The liabilities are presented under accrued expenses and other current liabilities.

Defined benefit plans

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

3.12 Borrowings

Borrowings are initially recognised at the fair value (being proceeds received), net of eligible transaction costs incurred, if any. Subsequent to initial recognition, long-term borrowings are measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the separate statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Vedanta Copper International VCI Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.12 Borrowings (continued)

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

3.13 Provisions

General

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

3.14 Income tax

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

3.15 Value-Added Tax ("VAT")

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

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

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

3.16 Withholding tax

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

3.17 Contingencies

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

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provisions

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

Impairment of non-financial assets

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

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

Fair value measurement of financial instruments

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

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 the resources to continue the business for the foreseeable future. Further, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Vedanta Copper International VCI Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of these financial statements are consistent with those used in the previous year, except for certain amendments to standards adopted by the Company as of 1 January 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The adoption of these standards and interpretations did not have any effect on the Company's financial position, financial performance or disclosures.

5.1 Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Company's financial statements.

6 STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

6.1 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.

The standard 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 and notes to the financial statements.

6.2 IFRS 19 Subsidiaries without Public Accountability: Disclosures

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

6 STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

6.3 Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the ‘settlement date’ and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Company does not anticipate that the amendments will have a material effect on the Company’s financial statements.

6.4 Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

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

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

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the ‘own-use’ requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Company does not expect that the amendments will have a material impact on its financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

7 GENERAL AND ADMINISTRATION EXPENSES

	2026	<i>For the period from 14 November 2023 to 31 March 2025</i>
	SR	SR
Professional fees	95,900	30,000
Depreciation on right of use asset (note 9)	23,694	-
Employees' cost	19,111	-
License renewal fees	12,802	-
Others	9,289	-
	<u>160,796</u>	<u>30,000</u>

8 CAPITAL WORK IN PROGRESS

	2026	2025
	SR	SR
<i>Cost</i>		
At the beginning of the year / period	6,280,727	-
Additions	21,427,184	6,280,727
At the end of the year / period	<u>27,707,911</u>	<u>6,280,727</u>

8.1 Capital work in progress as of each reporting date includes the following:

	2026	2025
	SR	SR
Equipment acquisition cost	14,216,084	-
Salaries & wages	5,359,723	2,837,435
Consultancies cost	4,083,046	2,890,126
Engineering, procurement, and commissioning costs	2,058,211	-
Finance costs	1,930,499	553,166
Interest expenses on lease liability (note 9)	60,348	-
	<u>27,707,911</u>	<u>6,280,727</u>

Capital work in progress represents costs incurred in relation to the development of a continuous copper casting and rolling plant in the Kingdom of Saudi Arabia, including plant and equipment under installation and related construction activities. The project is being executed through engineering, procurement, construction and equipment supply arrangements covering design, procurement, construction, installation, testing and commissioning of the plant. The Company also has outstanding contractual commitments in relation to the construction and supply of plant and equipment as at the reporting date (refer note 18). Management expects the project to be completed in October 2026 and has assessed that no impairment indicators exist as at the reporting date. The project is progressing in line with the approved plan, and no material cost overruns or delays have been identified.

In 2025, the Company had initially approved a project budget of approximately SR 78.75 million for the establishment of the CCR plant, based on an estimated production capacity of 122 KTPA (16 TPH). During the current year, management revised the project scope and capacity to 155 KTPA (20 TPH) in line with updated strategic objectives and anticipated market demand. As a result, the total project cost was revised to approximately SR 117.75 million reflecting capacity enhancement, technology upgrades, and associated cost escalations, including engineering, procurement, and construction activities.

Vedanta Copper International VCI Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

9 RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Company has entered into a land lease agreement for a period of 30 years commencing from 6 July 2025.

	<i>Land SR</i>	<i>Total SR</i>
Cost		
Additions	968,077	968,077
At 31 March 2026	968,077	968,077
Accumulated depreciation:		
Charge for the year	23,694	23,694
At 31 March 2026	23,694	23,694
Net carrying value:		
At 31 March 2026		944,383

The movement in lease liabilities is as follows:

	<i>2026 SR</i>	<i>2025 SR</i>
Addition	968,077	-
Interest expense for the year	60,348	-
	1,028,425	-

The interest expense arising on the lease liability has been capitalised as part of capital work in progress and depreciation expense for right-of-use asset is recognised in profit or loss.

The amounts recognised during the year are as follows

	<i>2026 SR</i>	<i>2025 SR</i>
Interest expenses on lease liability (note 8)	60,348	-
Depreciation expenses for right of use asset (note 7)	23,694	-

Lease liability is classified as follows:

	<i>2026 SR</i>	<i>2025 SR</i>
Current	8,295	-
Non-current	1,020,130	-
	1,028,425	-

The following payments are expected against the lease liability in future years:

	<i>2026 SR</i>	<i>2025 SR</i>
Within the next 12 months (next annual reporting period)	89,998	-
Between 2 and 5 years	359,991	-
More than 5 years	2,249,944	-
	2,699,933	-

Vedanta Copper International VCI Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

10 PREPAYMENTS AND OTHER CURRENT ASSETS

	<i>2026</i>	<i>2025</i>
	<i>SR</i>	<i>SR</i>
Advances to suppliers	15,993,460	9,516,094
VAT receivable, net	1,352,863	74,260
Prepayments	278,948	-
	<u>17,625,271</u>	<u>9,590,354</u>

11 CAPITAL

Capital is divided into 294,375 shares of SR 100 each (2025: 100 shares of SR 1000 each). The Company is owned 100% by Vedanta Limited, a company incorporated in India.

During the year, the Company's share capital was increased through a fresh capital injection by the Owner. The capital increase was duly approved by way of appropriate owner resolution, and all necessary legal and regulatory formalities have been completed.

12 EMPLOYEES' DEFINED BENEFITS LIABILITIES

	<i>2026</i>	<i>2025</i>
	<i>SR</i>	<i>SR</i>
At the beginning of the year / period	39,072	-
Current service costs	65,360	39,072
Benefits paid	(9,837)	-
At the end of the year / period	<u>94,595</u>	<u>39,072</u>

13 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent partners, directors and key management personnel and entities controlled or significantly influenced by such parties. Related parties, other than the Owner, are collectively classified and disclosed under the category "Other related parties". Following is the list of major related parties of the Company:

<i>Name of related party</i>	<i>Nature of relationship</i>
Vedanta Limited	Owner
Fujairah Gold FZC	Other related party
Vedanta Limited- Copper Exps	Other related party
Vedanta Limited Corporate	Other related party
Ferro Alloys Corporation Limited	Other related party

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

13 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

Major transactions with related parties during the year / period are as follows:

<i>Related Party</i>	<i>Nature of transactions</i>	<i>Amount of transactions</i>	
		<i>2026</i>	<i>For the period from 14 November 2023 to 31 March 2025</i>
		<i>SR</i>	<i>SR</i>
Fujairah Gold FZC	Loan received	14,198,181	14,373,878
	Finance cost	860,162	553,166
Vedanta Limited- Copper Exps	Expenses paid on behalf of Company	9,505	2,249,551
	Loan received	7,029,376	-
	Finance cost	466,876	-
Vedanta Limited Corporate	Expenses paid on behalf of Company	228,613	5,633
Ferro Alloys Corporation Limited	Expenses paid on behalf of Company	38,860	-

Loan from related parties

Loans received comprise borrowings obtained from related parties to finance the construction of the Company's plant. These borrowings have been utilised to fund ongoing project development activities, and the related borrowing costs have been capitalised as part of capital work in progress. The details of loans obtained are as follows:

Loan from Fujairah Gold FZC

In prior period, the Company obtained a loan amounted to SR 13.8 million from the related party which have been settled during the year. The Company obtained a new loan of SR 13.7 million, which is repayable in February 2027 and carries interest at Secured Overnight Financing Rate ("SOFR") plus 4% margin. The loan is classified under current liabilities.

Loan from Vedanta Limited- Copper Exps

During the year, the Company obtained a loan amounting to SR 6.5 million, which is repayable in June 2028 and carries a fixed interest rate of 9.05% per annum. The loan is classified under non-current liabilities.

Terms and conditions of transactions with related parties

The pricing policies and terms of payment of transactions with the related parties are approved by the Company's management. The outstanding balances at the year end are unsecured, and settlement occurs in cash.

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

a) Loan from related parties:

	<i>2026</i>	<i>2025</i>
	<i>SR</i>	<i>SR</i>
Fujairah Gold FZC	14,198,181	14,373,878
Vedanta Limited- Copper Exps	7,029,376	-
	21,227,557	14,373,878

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

13 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

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

a) Loan from related parties (continued):

	2026	2025
	SR	SR
Classified and presented as under:		
Current liabilities	14,198,181	14,373,878
Non-current liabilities	7,029,376	-
	<u>21,227,557</u>	<u>14,373,878</u>

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

	2026	2025
	SR	SR
Vedanta Limited- Copper Exps	2,059,226	2,249,551
Vedanta Limited Corporate	287,887	5,633
	<u>2,347,113</u>	<u>2,255,184</u>

c) Accrued finance cost included in loan from related parties:

	2026	2025
	SR	SR
Fujairah Gold FZC	454,270	553,166
Vedanta Limited- Copper Exps	466,876	-
	<u>921,146</u>	<u>553,166</u>

14 TAXATION

a) Income tax

The Company is subject to income tax at the rate of 20% of taxable income relating to non-Saudi Owner calculated in accordance with tax regulations enforced in the Kingdom of Saudi Arabia. The differences between the financial and the taxable results mainly relates to adjustments for certain costs / claims based on the relevant fiscal regulation. No income tax provision made during the year due to taxable losses as follows (for the period from 14 November 2023 to 31 December 2025: same):

	2026	2025
	SR	SR
Accounting loss income tax	(160,796)	(30,000)
<i>Add: Taxable expenses to the losses</i>		
Provision for employees' benefits	65,360.00	-
Depreciation on right of use asset (note 9)	23,694	-
<i>Less: Deductible claims</i>		
Employees' benefits paid	(9,837.00)	-
Adjusted loss	<u>(81,579)</u>	<u>(30,000)</u>
Current income tax at the effective income tax rate 20% (2025: 20%)	<u>-</u>	<u>-</u>

*For the period
from 14
November 2023
to 31 March*

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

14 TAXATION (continued)

b) Deferred tax

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. As at the reporting date, no deferred tax asset has been recognised, as the Company is in the development stage and has not yet commenced revenue-generating operations. In the absence of sufficient evidence of future taxable profits, management has concluded that it is not probable that the deductible temporary differences will be utilised in the foreseeable future.

c) Status of assessment

Tax declarations for the period from 13 November 2023 to 31 March 2025 has been filed with the Zakat, Tax and Customs Authority (“ZATCA”). However, ZATCA has not yet raised any assessments.

Tax has been computed based on the Company's understanding and interpretation of the tax regulations enforced in the Kingdom of Saudi Arabia. The tax regulations in the Kingdom of Saudi Arabia are subject to different interpretations. The tax liability as computed by the Company could be different from tax liability as assessed by ZATCA for years for which assessment have not yet been raised by ZATCA.

15 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	2026 SR	2025 SR
Accrued Salaries & wages	173,347	175,900
Others	110,287	27,208
	<u>283,634</u>	<u>203,108</u>

16 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

16.1 Financial instruments

	2026 SR	2025 SR
<i>Financial assets at amortised cost:</i>		
Bank balances	10,279,111	1,070,161

	2026 SR	2025 SR
<i>Financial liabilities at amortised cost:</i>		
Trade payables	2,328,648	-
Amounts due to related parties	2,347,113	2,255,184
Loan from related parties	21,227,557	14,373,878
Lease liability	1,028,425	-
Accrued expenses and other current liabilities	283,634	203,108
	<u>27,215,377</u>	<u>16,832,170</u>

16.2 Financial instruments risk management objectives and policies

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

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

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

16.2 Financial instruments risk management objectives and policies (continued)

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

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

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily financed through loans from related parties, and accordingly is not exposed to significant market interest rate risk as these arrangements are subject to minimal external market fluctuations.

ii) Foreign currency risk

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

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

b) Credit risk

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

i) Bank balances

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

c) Liquidity risk

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

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

16.2 Financial instruments risk management objectives and policies (continued)

c) Liquidity risk (continued)

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

31 March 2026

	<i>Less than a year</i>	<i>1 to 5 years</i>	<i>> 5 years</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Accounts payables	2,328,648	-	-	2,328,648
Amounts due to related parties	2,347,113	-	-	2,347,113
Loan from related parties	14,198,181	7,029,376	-	21,227,557
Accrued expenses and other current liabilities	283,634	-	-	283,634
Lease liability	89,998	359,991	2,249,944	2,699,933
	19,247,574	7,029,376	-	28,886,885

31 March 2025

	<i>Less than a year</i>	<i>1 to 5 years</i>	<i>> 5 years</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Amounts due to related parties	2,255,184	-	-	2,255,184
Loan from related parties	14,373,878	-	-	14,373,878
Accrued expenses and other current liabilities	203,108	-	-	203,108
	16,832,170	-	-	16,832,170

e) Changes in liabilities arising from financing activities:

	<i>As at 31 March 2026</i>			
	<i>1 April 2025</i>	<i>Cash inflow/ others</i>	<i>(Cash outflow)</i>	<i>31 March 2026</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Loan from related parties	14,373,878	21,227,557	(14,373,878)	21,227,557
Capital invested	100,000	29,337,500	-	29,437,500
	14,473,878	50,565,057	(14,373,878)	50,665,057
	<i>As at 31 March 2025</i>			
	<i>14 November 2023</i>	<i>Cash inflow/ others</i>	<i>(Cash outflow)</i>	<i>31 March 2025</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Loan from a related party	-	14,373,878	-	14,373,878
Capital invested	-	100,000	-	100,000
	-	14,473,878	-	14,473,878

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

17 CAPITAL MANAGEMENT

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

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize equity value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, accounts payable, loan from related parties, accrued expenses and other current liabilities, lease liability and amounts due to related parties, less bank balances.

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

	<i>2026</i>	<i>2025</i>
	<i>SR</i>	<i>SR</i>
Loan from related parties	21,227,557	14,373,878
Accounts payable	2,328,648	-
Accrued expenses and other current liabilities	283,634	203,108
Lease liability	1,028,425	
Due to related parties	2,347,113	2,255,184
Less : bank balances	(10,279,111)	(1,070,161)
Net debt	16,936,266	15,762,009
Total equity	29,246,704	70,000
Capital and net debt	46,182,970	15,832,009
Gearing ratio	37%	99.56%

18 COMPARATIVE FIGURES

Certain of the prior year amounts have been reclassified to conform with the presentation in the current year.

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Following is a description of each category in the fair value hierarchy and the financial assets and liabilities of the Company that are included in each category at 31 March 2026 and 31 March 2025.

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 March 2026

20 COMMITMENTS AND CONTINGENCIES

20.1 Capital commitments

As at the reporting date, the Company had outstanding capital commitments relating to the development of its continuous copper casting and rolling plant amounting to approximately SR 57 million (31 March 2025: SR Nil) under construction contracts and SR 23.44 million (31 March 2025: SR 42.64 million) under plant and equipment supply contracts. These commitments primarily relate to ongoing engineering, procurement, construction, installation and commissioning activities, together with the supply of key plant and machinery required for completion of the project. The related commitments are expected to be settled in accordance with the terms of the respective agreements and the agreed project milestones.

20.2 Contingencies

	<i>2026</i>	<i>2025</i>
	<i>SR</i>	<i>SR</i>
Letters of credit	5,125,000	-

21 EVENTS AFTER REPORTING PERIOD

Subsequent to the reporting date, geopolitical tensions in parts of the Middle East have increased. Public communications from government and regulatory authorities have continued to emphasise the resilience of the economy and the continuation of business operations across key sectors, supported by established business continuity and risk management frameworks.

These developments arose after the reporting period and have therefore been assessed as non-adjusting events in accordance with IAS 10 Events after the Reporting Period. Accordingly, no adjustments have been made to the amounts recognised in the financial statements as at 31 March 2026, which reflect conditions existing at that date.

The Company has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these non-adjusting events on future periods.

Management has also considered the impact of these events on the Company's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

In the opinion of the Company's management, there have been no significant subsequent events other than the matters mentioned above, since the year ended 31 March 2026 that would have a material impact on the financial position of the Company as reflected in these financial statements.