J. C. BHALLA & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Lenskart Arabia Limited

Report on Special Purpose Financial Statements

We have audited the accompanying Special Purpose Financial Statements of **Lenskart Arabia Limited** (the "Company"), which comprise the Special Purpose Balance Sheet as at March 31, 2026, the Special Purpose Statement of Profit and Loss (including other comprehensive income), the Special Purpose Statement of Changes in Equity as at March 31, 2026 and Special Purpose Statement of Cash Flows for the financial period from April 01, 2025 to March 31, 2026, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Financial Statements").

These Special Purpose Financial Statements have been approved by the Board of Directors of the Company and have been prepared by the Management for its internal use in relation to preparation of consolidated financial statements of the Lenskart Solutions Pte Limited ("the parent Company") and Lenskart Solutions Limited (Formerly known as 'Lenskart Solutions Private Limited') (the 'Ultimate Holding Company') for the period ended March 31, 2026.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Financial Statement are prepared in all material respects, in accordance with the basis of preparation as indicated in Note 1A to the accompanying the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of accounting and Restriction on Distribution and Use

We draw attention to Note 1A to the accompanying Special Purpose Financial Statements, which describes the basis of accounting. As a result, the Special Purpose Financial Statements may not be suitable for another purpose. Our report is intended solely for the purpose of the preparation of consolidated financial statement of the parent Company and the ultimate parent Company and should not be used, referred to or distributed for any other purpose. Our opinion is not modified

J. C. BHALLA & CO. Chartered Accountants in respect of this matter.

Management's Responsibility

The Company's Board of Directors is responsible for the preparation of these Special Purpose Financial Statements in accordance with the basis of preparation indicated in Note 1A to the accompanying Special Purpose Financial Statements. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation of these Special Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether these Special Purpose 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 SAs 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.

For J C Bhalla & Co.
Chartered Accountants
Firm Regn No. 001111N

J C BHALLA & CO. Chartered Accountants

(Akhil Bhalla)
Partner
Membership No. 505002
UDIN: 26505002UWEKNR2554

Place: Noida
Date : May 11, 2026

Lenskart Arabia Limited
Special Purpose Standalone Balance Sheet as at 31 March 2026
(All amounts in INR unless otherwise stated)

Particulars	Note	As at 31 Mar 2026	As at 31 Mar 2025
Assets			
Non-current assets			
Property, plant and equipment	2A	222,375,209	193,457,718
Capital work-in-progress	2B	9,711,631	-
Other intangible assets	4	143,614	174,931
Right to use asset	3	474,613,653	446,350,044
Financial assets			
Other financial assets	5A	19,463,156	13,733,448
Other non-current assets	5B	4,056,652	6,198,879
Total non-current assets		**730,363,915**	**659,915,020**
Current assets			
Inventories	6	147,034,220	68,807,644
Financial assets			
Cash and cash equivalents	7	38,703,544	40,753,715
Other current assets	8	221,113,963	120,617,590
Total current assets		**406,851,727**	**230,178,949**
Total assets		**1,137,215,642**	**890,093,969**
Equity and liabilities			
Equity			
Equity share capital	9	929,444,730	487,244,509
Other equity	10	(1,188,918,679)	(664,969,065)
Total equity		**(259,473,949)**	**(177,624,556)**
Non-current liabilities			
Financial liabilities			
Lease Liabilities	11	292,311,668	301,429,299
Other non-current liabilities	12	2,991,016	2,640,606
Provisions	12	16,167,769	-
Total non-current liabilities		**311,470,453**	**304,069,905**
Current liabilities			
Financial liabilities			
Borrowings	13	-	82,894
Trade payables	14		
a) total outstanding dues of micro and small enterprises		-	-
b) total outstanding dues other than dues of micro and small enterprises		840,082,607	572,766,134
Lease Liabilities	15	189,323,355	140,940,491
Other financial liabilities	16	31,016,133	11,623,250
Provision	17	5,208,493	21,788,892
Other current liabilities	18	19,588,551	16,446,959
Total current liabilities		**1,085,219,139**	**763,648,620**
Total liabilities		**1,396,689,592**	**1,067,718,525**
Total equity and liabilities		**1,137,215,641**	**890,093,969**
Material accounting policies (refer note no. 1)	1		

The accompanying notes form an integral part of these special purpose financial statements

As per our report of even date attached

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No.:001111N

Akhil Bhalla
Partner
Membership No.: 505002

Place: Gurugram
Date: May 11, 2026

For and on behalf of the Board of Directors of
Lenskart Arabia Limited

Amit Chaudhary
Director
DIN: 08908841

Place: Gurugram
Date: May 11, 2026

Lenskart Arabia Limited
Special Purpose Standalone Statement of Profit and Loss for the year ended 31 March 2026
(All amounts in INR unless otherwise stated)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	19	644,787,727	337,660,587
Other income	20	3,096,809	1,031,320
Total income		**647,884,536**	**338,691,907**
Expenses			
Purchases of Stock in trade	21	272,413,987	154,139,496
Changes in inventory of traded goods	22	(74,826,448)	(44,198,497)
Employee benefits expense	23	297,876,101	235,662,532
Finance costs	24	45,862,436	44,858,557
Depreciation and amortization expense	25	198,659,420	144,069,163
Other expenses	26	406,563,663	293,047,955
Total expenses		**1,146,549,159**	**827,579,207**
Loss for the year (A)		**(498,664,623)**	**(488,887,300)**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(31,734,321)	(7,107,438)
Remeasurement gain on defined benefit plans (gratuity)		6,233,187	-
Other comprehensive income for the year (B)		**(25,501,134)**	**(7,107,438)**
Total comprehensive income for the year (A+B)		**(524,165,757)**	**(495,994,733)**

Material accounting policies (refer note no. 1)
The accompanying notes form an integral part of these special purpose financial statements

As per our report of even date attached

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No.:001111N

J.C. BHALLA & CO. Chartered Accountants

Akhil Bhalla
Partner
Membership No.: 505002

Place: Gurugram
Date: May 11, 2026

For and on behalf of the Board of Directors of
Lenskart Arabia Limited

Amit Chaudhary
Director
DIN: 08908841

Place: Gurugran
Date: May 11, 2026

LENSKART ARABIA LIMITED

Lenskart Arabia Limited
Special Purpose Standalone Statement of Cash Flows for the year ended 31 March 2026
(All amounts in INR unless otherwise stated)

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A	**Cash flow from operating activities**		
	Loss before tax	**(492,431,437)**	**(488,887,300)**
	Adjustments for:		
	Interest income	(1,283,622)	(1,031,320)
	Depreciation and amortization expense	198,659,420	144,069,162
	Finance costs	45,862,436	44,858,557
	Provision for Warranty	(4,685,852)	-
	Share based payment	216,144	-
	Provision for doubtful advances	6,446,458	-
	Bad Debts	16,189,760	-
	Operating profit before working capital adjustments	**(231,026,693)**	**(300,990,901)**
	Working capital adjustments:		
	(Increase) in inventories	(78,226,576)	(45,324,884)
	(Increase)/ Decrease in other financial assets	(5,729,708)	(4,102,909)
	(Increase) in other assets	(98,354,146)	(102,516,788)
	(Increase) in trade receivables	(22,636,217)	-
	(Decrease)/ increase in other financial liabilities	19,392,882	10,092,368
	Increase in other non current liabilities	350,410	2,640,606
	(Decrease)/Increase in other liabilities	3,141,591	13,537,488
	Increase in trade payables	267,316,473	347,274,899
	Increase/(Decrease) in provisions	4,273,222	20,360,105
	Cash used in operating activities	**(141,498,762)**	**(59,030,017)**
	Income tax paid	-	-
	Net cash used in operating activities (A)	**(141,498,762)**	**(59,030,017)**
B	**Cash flows from investing activities**		
	Acquisition of property plant and equipment	(67,443,530)	(131,569,856)
	Acquisition of intangible assets	-	(58,147)
	Acquisition of CWIP	(9,711,631)	
	Interest received	1,283,622	-
	Net cash (used in) investing activities (B)	**(75,871,539)**	**(131,628,004)**
C	**Cash flows from financing activities**		
	Proceeds from issue of share capital (including share premium)	442,100,221	363,309,528
	Repayment from short term borrowings (net)	-	
	Payment of principal portion of lease liabilities	(132,821,183)	(94,619,898)
	Payment of interest portion of lease liabilities	(45,862,436)	(44,858,580)
	Net cash flow from financing activities (C)	**263,416,602**	**223,831,050**
	Net (decrease) in cash and cash equivalents (A+B+C)	**46,046,301**	**33,173,029**
	Net movement in Foreign currency translation reserve	(48,013,574)	(7,107,438)
	Cash and cash equivalents at the beginning of the year	40,670,818	14,605,226
	Cash and cash equivalents at the end of the year	**38,703,545**	**40,670,818**
	Cash and cash equivalents comprises of :		
	Cash on hand	596,186	3,686,218
	Balances with scheduled bank in current accounts	38,107,358	37,067,497
	Overdraft	-	(82,897)
		38,703,545	**40,670,818**

Material accounting policies (refer note no. 1)
The accompanying notes form an integral part of these special purpose standalone financial statements.

As per our report of even date attached

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No.:001111N

Akhil Bhalla
Partner
Membership No.: 505002

Place: Gurugram
Date: May 11, 2026

For and on behalf of the Board of Directors of
Lenskart Arabia Limited

Amit Chaudhary
Director
DIN: 08908841

Place: Gurugram
Date: May 11, 2026

Lenskart Arabia Limited
Special Purpose Statement of changes in equity for the year ended 31 March 2026
(All amounts in INR unless otherwise stated)

A Equity share capital

Particulars	No. of shares	Amount
Balance as at 01 April 2024	**5,591,611**	**124,034,981**
Add:- Issued during the year	15,918,407	363,309,528
Balance as at 31 March 2025	**21,510,018**	**487,344,509**
Balance as at 01 April 2025	**21,510,018**	**487,344,509**
Add:- Issued during the year	18,302,045	442,100,221
Balance as at 31 March 2026	**39,812,063**	**929,444,731**

B Other equity

Particulars	Attributable to owners of the Company				
	Reserves and surplus		Other comprehensive income		Total
	Retained earnings	ESOP Reserve	Reasurement of post employment benefit obligation	Foreign currency translation reserve	
Balance as at 01 April 2024	**(168,204,290)**	-	-	**(770,038)**	**(168,974,328)**
- Loss for the year	(488,887,300)	-	-	-	(488,887,300)
- Expense for employee share option	-	-	-	-	-
- Other comprehensive income (net of tax)	-	-	-	(7,107,438)	(7,107,438)
Balance as at 31 March 2025	**(657,091,590)**	-	-	**(7,877,476)**	**(664,969,066)**
Balance as at 01 April 2025	**(657,091,590)**	-	-	**(7,877,476)**	**(664,969,066)**
- Loss for the year	(498,664,623)	-	-	-	(498,664,623)
- Expense for employee share option	-	216,144		-	216,144
- Other comprehensive income (net of tax)	-	-	6,233,187	(31,734,321)	(25,501,134)
Balance as at 31 March 2026	**(1,155,756,213)**	**216,144**	**6,233,187**	**(39,611,797)**	**(1,188,918,680)**

Material accounting policies (refer note no. 1)
The accompanying notes form an integral part of these special purpose standalone financial statements

As per our report of even date attached

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No. 001111N

Akhil Bhalla
Partner
Membership No.: 505002

Place: Gurugram
Date: May 11, 2026

J.C. BHALLA & CO. Chartered Accountants

For and on behalf of the Board of Directors of
Lenskart Arabia Limited

Amit Chaudhary
Director
DIN: 08908841

Place: Gurugram
Date: May 11, 2026

LENSKART ARABIA LIMITED

Lenskart Arabia Limited

Summary of Material Accounting Policies and Other Explanatory Information for the year ended March 31, 2026

Reporting entity

Lenskart Arabia Limited is domiciled and incorporated in Saudi Arabia. The address of the Company's registered office is Bldg 3141, Anas Bin Malik St., Al Malqa District, Riyadh 13521, KSA.

The Company's holding company is Lenskart Solutions Pte. Ltd, incorporated in Singapore and ultimate holding company is Lenskart Solutions Ltd (formerly known as Lenskart Solutions Private Limited) incorporated in India.

The principal activities of the Company are retail and distribution of spectacles and other optical goods.

1. Basis of preparation and material accounting policies

1A. Basis of Preparation

These Special Purpose Financial Statements of the Company have been prepared by the Company in accordance with Indian accounting standards (IND-AS) notified under section 133 of the Companies Act 2013, read together with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognized accounting practices and policies in India. These Special Purpose Financial Statements have been prepared by the Management for the purpose of preparation of consolidated financial statements of the Lenskart Solution Pte Limited ("the parent Company") and Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited) ("the ultimate parent Company") for the year ended March 31, 2026.

1B. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities like certain investments	Fair value
Other financial assets and liabilities	Amortised cost

1C. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2026 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each osf these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

(ii) Impairment of trade receivables

The impairment provisions for trade receivables disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(iii) Provision for Warranties

The company offers one year warranty on Eyeglass. Warranty costs on sale of goods are provided on the basis of management's estimate of the expenditure to be incurred during the unexpired period. Provision is made for the estimated liability in respect of warranty costs in the year of recognition of revenue and is included in the Statement of Profit and Loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made as and when required.

1D. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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).

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When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1E. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by the Ministry of Corporate Affairs.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non- current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of assets and liabilities.

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Lenskart Arabia Limited

Summary of Material Accounting Policies and Other Explanatory Information for the year ended March 31, 2026

1.1 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use, amount of government grant and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is provided on a pro-rata basis under the straight-line method. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Estimated useful life (in years)
Office Equipment	5
Computers and Peripherals	3
Furniture and Fixtures	7
Leasehold Improvement	5
Electrical Fittings and Fixtures	7
Plant & Machinery	7

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

J C BHALLA & CO. Chartered Accountants

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1.2 Financial instruments

(i) Recognition and initial 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. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

(ii) Classification and subsequent measurement

Financial assets

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured *at amortised cost* if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

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- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

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Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) Derecognition

A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

J.C. BHALLA & CO. Chartered Accountants

LENSKART ARABIA LIMITED

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) *Impairment of financial assets*

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant

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and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realisations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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 and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses. 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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(vi) *Impairment of assets*

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.3 Inventories

Inventories which comprise of finished goods are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase and other expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

The methods of determination of cost of various categories of inventories are as follows:

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.4 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks with an original maturity of three months or less and short-term highly liquid investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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1.5 Revenue recognition

The Company recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Unless otherwise mentioned, the Company concludes that it is acting as a principal in the provision of goods or services in its contracts with customers.

(i) Sales of goods
Revenue from sale of goods is recognised upon transfer of control to the customers, at the point in time when the goods are sold to the customers.

(ii) Membership subscription
Revenue from membership fees is recognised over the period of membership by measuring the progress towards complete satisfaction of that performance obligation.

1.6 Foreign currency

Foreign currency transactions
Functional currency of the company is SAR. For reporting purpose, it has been converted into reporting currency of holding company i.e. INR.

Transactions in functional currencies are translated into the reporting currencies of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.
Monetary assets and liabilities denominated in functional currencies are translated into the reporting currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in functional currency are translated into the reporting currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in functional currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised as foreign currency translation reserve.

1.8 Employee benefits

The Company's obligation towards various employee benefits has been recognised as follows:

i. **Short-term employee benefits**
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the Standalone Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the Standalone Balance Sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

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iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

v. Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

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Notes to the special purpose standalone financial statements for the year ended 31 March 2026
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2A Property, plant and equipment

Particulars	Plant and machinery	Leasehold improvements	Furniture and fixtures	Office equipment	Computers and peripherals	Electrical fittings	Total
Cost							
At 01 April 2024	-	**57,824,847**	**29,023,879**	**1,440,131**	**10,326,548**	**3,082,938**	**101,698,343**
Additions during the year	13,276,563	67,130,677	14,157,705	30,152,557	4,296,668	2,555,686	131,569,856
Disposals	-	-	-	-	-	-	-
Exchange translation difference	-	1,527,794	766,842	38,102	272,838	81,454	2,687,030
At 31 March 2025	**13,276,563**	**126,483,318**	**43,948,426**	**31,630,790**	**14,896,054**	**5,720,078**	**235,955,229**
At 01 April 2025	13,276,563	126,483,318	43,948,426	31,630,790	14,896,054	5,720,078	**235,955,229**
Additions during the year	17,136,821	24,135,616	8,748,287	11,864,457	5,248,802	309,527	**67,443,510**
Disposals	-	-	-	-	-	-	-
Exchange translation difference	1,256,547	11,970,891	4,687,463	3,709,746	1,409,825	560,053	**23,594,525**
At 31 March 2026	**31,669,931**	**162,589,825**	**57,384,176**	**47,204,993**	**21,554,681**	**6,589,658**	**326,993,264**
Accumulated depreciation							
At 01 April 2024	-	**3,937,551**	**1,313,857**	**55,303**	**924,953**	**144,744**	**6,376,408**
Depreciation charge for the year	1,871,618	19,613,671	4,901,247	4,097,399	4,432,932	628,870	35,545,737
Disposals	-	-	-	-	-	-	-
Exchange translation difference	21,415	319,512	90,809	48,353	75,181	20,097	575,366
At 31 March 2025	**1,893,033**	**23,870,734**	**6,305,913**	**4,201,055**	**5,433,066**	**793,711**	**42,497,511**
At 01 April 2025	**1,893,033**	**23,870,734**	**6,305,913**	**4,201,055**	**5,433,066**	**793,711**	**42,497,511**
Depreciation charge for the year	2,889,097	27,343,576	7,025,906	10,288,498	6,385,440	858,928	**54,791,445**
Disposals	-	-	-	-	-	-	-
Exchange translation difference	353,538	3,910,413	1,020,869	1,018,573	899,604	126,102	**7,329,100**
At 31 March 2026	**5,135,668**	**55,124,723**	**14,352,688**	**15,508,126**	**12,718,110**	**1,778,741**	**104,618,055**
Net carrying amounts							
At 31 March 2025	**11,383,530**	**102,612,584**	**37,642,513**	**27,429,735**	**9,462,988**	**4,926,367**	**193,457,718**
At 31 March 2026	**26,534,264**	**107,465,102**	**43,031,488**	**31,696,867**	**8,836,571**	**4,810,917**	**222,375,209**

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2B Capital work-in-progress

	As at 31 March 2026	As at 31 March 2025
Capital work-in-progress	9,711,631	-
	9,711,631	-

Notes:

(i) Capital work in progress ageing schedule for the year ended as on 31 March 2026 and 31 March 2025 is as follows:

As at 31 March 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9,711,631	-	-	-	9,711,631
Projects temporarily suspended	-	-	-	-	-
Total			-	-	**9,711,631**

As at 31 March 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

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3 Leases

The Company has lease contracts for various items Buildings used in its operation. Lease of building generally have lease term for 5 years. The Company's obligation under its leases are secured by the lessor's title to the leased asset.

The Company has certain leases of building with less than 12 months. The Company applies the " short term lease" and " lease of low value asset" recognition exemption for these leases.

The changes in the carrying value of ROU assets for the year ended 31 March 2026 are as follows:

Particulars	31 March 2026	31 March 2025
Opening balance	446,350,044	296,909,636
Additions	105,285,928	250,095,634
Exchange Difference	66,800,489	6,616,808
Depreciation	(143,822,808)	(107,272,034)
Closing balance	**474,613,653**	**446,350,044**

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the statement of profit and loss.

The movement in lease liabilities during the year ended 31 March 2026 are as follows:

Particulars	31 March 2026	31 March 2025
Opening balance	442,369,790	278,629,130
Additions during the year	105,285,928	250,095,634
Finance cost accrued during the year	45,862,436	44,858,580
Exchange Difference	41,719,506	6,301,112
Payment of lease liabilities	(153,602,637)	(137,514,666)
Closing balance	**481,635,023**	**442,369,790**
Of which		
Current lease liabilities	189,323,355	140,940,491
Non- Current lease liabilities	292,311,668	301,429,299

The effective interest rate for lease liabilities is 10%.

The following are the amount recognised in statement of profit or loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expense on right of use assets	143,822,808	107,272,034
Interest expense on lease liabilities	45,862,436	44,858,580
	189,685,244	**152,130,614**

*CAM charges are not considered as rent expense for Ind AS 116.

Details of the contractual maturity of lease liabilities as at 31 March 2026 on an undiscounted basis are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Not later than one year	187,118,547	148,229,107
Later than one year but not later than five years	335,566,489	376,295,979
Later than five years	-	-

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4 Intangible assets

Particulars	Softwares	Total
Cost		
As at 01 April 2024	**156,620**	**156,620**
Additions during the year	58,147	58,147
Disposals		
Exchange translation difference	4,138	4,138
As at 31 March 2025	**218,905**	**218,905**
As at 01 April 2025	**218,905**	**218,905**
Additions during the year	-	-
Disposals		-
Exchange translation difference	20,718	**20,718**
As at 31 March 2026	**239,623**	**239,623**
Accumulated amortisation		
As at 01 April 2024	**3,423**	**3,423**
Amortisation for the year	40,003	**40,003**
Disposals	-	-
Exchange translation difference	548	**548**
As at 31 March 2025	**43,974**	**43,974**
As at 01 April 2025	**43,974**	**43,974**
Amortisation for the year	45,147	**45,147**
Disposals		-
Exchange translation difference	6,887	**6,887**
As at 31 March 2026	**96,008**	**96,008**
Net carrying amounts		
As at 31 March 2025	**174,931**	**174,931**
As at 31 March 2026	**143,615**	**143,614**

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(All amounts in INR unless otherwise stated)

5A Other non- current financial assets

	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Security deposits	1,94,63,156	1,37,33,448
	1,94,63,156	**1,37,33,448**

5B Other non-current assets

	As at 31 March 2026	As at 31 March 2025
Prepaid Expenses	40,56,652	61,98,879
	40,56,652	**61,98,879**

6 Inventories

	As at 31 March 2026	As at 31 March 2025
At lower of cost and net realisable value		
Traded goods (including goods in transit)	14,70,34,220	6,88,07,644
	14,70,34,220	**6,88,07,644**

7 Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Cash on hand	5,96,186	36,86,218
Balances with scheduled bank	3,81,07,358	3,70,67,497
	3,87,03,544	**4,07,53,715**

8 Other current assets

	As at 31 March 2026	As at 31 March 2025
Considered good		
Prepaid expenses	38,73,133	64,76,652
Balance with government authorities	9,89,73,776	5,44,26,979
Other receivables	2,16,78,937	1,71,11,836
Less: Provision for other receivables	(64,46,458)	-
Advances to suppliers	10,30,34,575	4,14,08,241
Imprest to Staff	12,09,238	11,93,882
Less: Provision for advances	(12,09,238)	-
	22,11,13,963	**12,06,17,590**

9 Equity share capital

	As at 31 March 2026	As at 31 March 2025
Issued, subscribed & fully paid up equity shares		
Equity share capital	92,94,44,730	48,73,44,509
(as on 31 March 2025 - 21,510,018 ordinary shares)		
(as on 31 March 2026 - 39,812,063 ordinary shares)		
	92,94,44,730	**48,73,44,509**

10 Other equity

	As at 31 March 2026	As at 31 March 2025
Retained earnings		
Opening balance	(65,70,91,589)	(16,82,04,290)
Add: Loss for the year	(49,86,64,623)	(48,88,87,299)
Balance at the end of the year	**(1,15,57,56,212)**	**(65,70,91,589)**
Foreign currency translation reserve		
Opening balance	(78,77,476)	(7,70,038)
Add: Movement during the year (refer note "ii" below)	(3,17,34,321)	(71,07,438)
Balance at the end of the year	**(3,96,11,797)**	**(78,77,476)**
FVOCI Reserve		
Opening balance	-	-
Add: Remeasurement of Defined Benefit Plans_Gratuity	62,33,187	-
Balance at the end of the year	**62,33,187**	-
ESOP Reserve		
Opening balance	-	-
Add: Expense for employee share option	2,16,144	-
Balance at the end of the year	**2,16,144**	-
Total	**(1,18,89,18,679)**	**(66,49,69,065)**

Nature and purpose of reserves

(i) Retained earnings
Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

(ii) Foreign currency translation reserve
This reserve is created due to changes in historic rates and closing rates of assets and liabilities of foreign subsidiary.

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11 Non-Current Lease Liabilities

	As at 31 March 2026	As at 31 March 2025
ROU Lease liabilities - Non-current	292,311,668	301,429,299
	292,311,668	**301,429,299**

12 Other non-current liabilities

	As at 31 March 2026	As at 31 March 2025
Contract liabilities - Non Current	2,991,016	2,640,606
	2,991,016	**2,640,606**

Provisions
Non-current provisions

	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Provision For Gratuity	6,065,888	-
Provision for compensated absences	10,101,881	-
	16,167,769	-

13 Borrowings

	As at 31 March 2026	As at 31 March 2025
Bank Overdraft	-	82,894
	-	**82,894**

14 Trade payables

	As at 31 March 2026	As at 31 March 2025
Payable to related party*	512,312,060	373,096,935
Payable to unrelated parties	327,770,547	199,669,199
	840,082,607	**572,766,134**

**Refer note 31 of Related party disclosures*

The trade payable ageing schedule for the year ended as on 31 March 2026 and 31 March 2025 is as follows:

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	231,230,027	256,486,387	220,001,703	132,364,490	-	**840,082,607**
Disputed Dues :- MSME	-	-	-	-	-	-
Disputed Dues :- Others	-	-	-	-	-	-

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	119,219,442	360,641,430	92,905,262	-	-	**572,766,134**
Disputed Dues :- MSME	-	-	-	-	-	-
Disputed Dues :- Others	-	-	-	-	-	-

15 Current Lease Liabilities

	As at 31 March 2026	As at 31 March 2025
ROU Lease liabilities - current	189,323,355	140,940,491
	189,323,355	**140,940,491**

16 Other financial liabilities

	As at 31 March 2026	As at 31 March 2025
Employee benefits payable	4,140,748	11,623,250
Payable for Capital Expenditure	26,875,385	-
	31,016,133	**11,623,250**

17 Current Provisions

	As at 31 March 2026	As at 31 March 2025
Provision For Gratuity	1,205,535	8,012,839
Provision for Leave Encashment	3,011,672	8,291,497
Provision for Warranty	991,286	5,484,556
	5,208,493	**21,788,892**

18 Other current liabilities

	As at 31 March 2026	As at 31 March 2025
Statutory dues payable	-	2,762,512
Contract liabilities - current	17,305,089	6,191,271
Advance from Customers	1,439,882	7,493,176
Refund Liabilities	843,580	-
	19,588,551	**16,446,959**

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19 Revenue from operations

	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of goods		
Sale of goods	614,617,131	331,469,293
Sale of services		
Membership fee	29,646,322	6,191,294
Sale of services	524,274	-
	644,787,727	**337,660,587**

Notes:
Sale of goods includes sale of traded goods. These include prescription eyewear, sunglasses, contact lenses and accessories.

20 Other income

	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income:		
-on financial assets carried at amortised cost	1,283,622	1,031,320
Written back of provision	1,813,187	-
	3,096,809	**1,031,320**

21 Purchase of stock in trade

	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of traded goods*	272,413,987	154,139,496
	272,413,987	**154,139,496**

**Refer note 31 for Related party*

22 Changes in inventory of traded goods

	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance		
Traded goods	68,807,644	26,138,703
Closing Balance		
Traded goods	147,034,220	68,807,644
Foreign Currency Translation	(3,400,128)	(1,529,556)
	(74,826,448)	**(44,198,497)**

23 Employee benefits expense

	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	289,318,228	219,706,475
Gratuity	5,089,481	7,460,338
Staff welfare	3,252,249	8,495,719
Share based payments to employees	216,144	-
	297,876,101	**235,662,532**

24 Finance costs

	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on lease liabilities	45,862,436	44,858,557
	45,862,436	**44,858,557**

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25	**Depreciation and amortization expense**		**For the year ended 31 March 2026**	**For the year ended 31 March 2025**
	Depreciation of property, plant and equipment		54,791,466	35,545,737
	Amortisation of intangible assets	(refer note 4)	45,147	40,003
	Amortization of Right-of-use assets	(refer note 3)	143,822,808	108,483,423
			198,659,420	**144,069,163**

26	**Other expenses**	**For the year ended 31 March 2026**	**For the year ended 31 March 2025**
	Marketing and promotion expenses	136,007,364	66,395,495
	Consumption of store and spares	5,665,255	4,963,679
	Information technology support expenses	306,060	179,932
	Office maintenance and security	5,282,601	3,077,625
	Legal and professional fees	10,271,042	6,415,239
	Postage and courier expenses	13,696,203	20,146,311
	Contractual labour	8,429,751	1,177,449
	Rent & CAM charges	13,169,022	388,551
	Travel and conveyance	20,302,667	22,869,932
	Auditor Remuneration	941,602	2,752,662
	Communication	7,515,044	3,737,601
	Electricity and water	13,498,689	11,228,852
	Bank Charges	1,475,005	1,240,274
	Repair and maintenance - others	4,273,040	732,003
	Insurance	9,721,051	12,772,648
	Staff recruitment and training	24,717	2,387,803
	Payment and collection charges	19,213,490	6,008,494
	Rates and taxes	6,859,543	11,839,899
	Printing and stationary	1,640,335	1,172,310
	Warranty Expense	(4,685,852)	5,062,436
	Management charges**	108,718,136	107,914,244
	Provision for other receivables	6,446,458	-
	Commission & incentive expense	-	571,128
	Foreign Exchange Gain/Loss - Realised	253,049	-
	Bad Debts***	16,189,760	-
	Provision for advances	1,209,238	-
	Miscellaneous	140,392	13,389
		406,563,663	**293,047,955**
	A) Payment to auditors include:		
	Statutory audit fee	941,602	2,752,662
	Tax audit fee		
	Others		
		941,602	**2,752,662**

***Refer note 31 for Related party*
****Bad Debts include written off balances of collection partners*

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27 Employee benefit obligations

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Provision for gratuity	1,205,535	6,065,888	8,012,839	-
Provision for Leave Encashment	3,011,672	10,101,881	8,291,497	-
Total	**4,217,207**	**16,167,769**	**16,304,336**	**-**

A **Gratuity- Unfunded**

The Company has a unfunded defined benefit gratuity plan for qualifying employees. The scheme provide for lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five year of services. Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favourable than the provisions of the payment of Gratuity Act, 1972.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the status and amounts recognized in the balance sheet for the plan.

Disclosure of gratuity

(i) **Amount recognised in the statement of profit and loss is as under:**

Description	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	4,686,636	-
Interest cost	402,839	-
Amount recognised in the statement of profit and loss	**5,089,475**	**-**

(ii) **Movement in the liability recognised in the balance sheet is as under:**

Description	Year ended 31 March 2026	Year ended 31 March 2025
Present value of defined benefit obligation as at the start of the year	8,012,847	-
Current service cost	4,686,636	-
Interest cost	402,839	-
Re-measurements	(6,233,187)	-
Benefits paid	(270,709)	-
Translation difference	673,000	-
Present value of defined benefit obligation as at the end of the year	**7,271,426**	**-**

(iii) **Expense recognised in the Other Comprehensive Income (excluding tax)**

Description	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial loss (gain) on arising from change in financial assumption	(6,233,187)	-
Actuarial loss on arising from experience adjustment	-	-
Total actuarial loss	**(6,233,187)**	**-**

Re-measurement gain/(loss) on defined benefit plans comprises the actuarial losses resulting from increase or decrease in the present value of the defined benefit obligations because of changes in actuarial assumptions and experience adjustments and recognised in 'Other comprehensive income/(loss)', in accordance with IndAS 19, Employee Benefits.

(iv) **The principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:**

Description	Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	5.20%	4.87%
Retirement age	60 years	-
Employee attrition rate	18%	-
Rate of increase in compensation	4.31%	-

Due to its defined benefit plans, the Company is exposed to following significant risk :-

Change in Discount Rate : A decrease in discount rate will increase plan liability.

Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

Withdrawal Rate : A decrease in withdrawal rate will increase plan liability.

Demographical Assumption used

Assumption regulating future mortality are based on published statistics and mortality table IALM (2012-14)

Retirement Age : The employees of the Company are assumed to retire at the age of 58 years.

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(v) A quantitative sensitivity analysis for significant assumptions is as shown below :

Particulars	As at March 31, 2026	As at March 31, 2025
Base Liability	6,857,536	-
Increase discount rate by 1%	6,479,932	-
Decrease discount rate by 1%	7,280,855	-
Increase salary inflation by 1%	7,280,502	-
Decrease salary inflation by 1%	6,473,388	-
Increase Withdrawal Rate by 5.00%	6,255,173	-
Decrease Withdrawal Rate by 5.00%	7,683,435	-

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet

(vi) The following payments are expected contributions to the defined benefit plan in future years:

Description	As at March 31, 2026	As at March 31, 2025
0 to 1 Year	791,648	-
1 to 5 Year	2,780,749	-
5 Year onwards	6,197,170	-

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 2 years (March 31, 2025: 2 years)

B Leave Encashment

Leave Encashment which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the consolidated summary statement of assets and liabilities date. Leave Encashment which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as liability at the present value of the defined benefit obligation at the consolidated summary statement of assets and liabilities date.

Leave Encashment	As at March 31, 2026	As at March 31, 2025
Current	3,011,672	8,291,497
Non current	10,101,881	-

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28 Financial instruments and fair value measurements

A. Accounting classifications and fair values

The Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2026

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs which are not based on observable market data.

(ii) Financial instruments by category

Particulars	Classification	As at March 31, 2026	As at March 31, 2025
Financial assets			
Trade receivables*	Amortised cost	-	-
Cash and cash equivalents*	Amortised cost	38,703,544	40,753,715
Other financial assets	Amortised cost	19,463,156	13,733,448
Total financial assets		**58,166,700**	**54,487,163**
Financial liabilities			
Trade payables#	Amortised cost	840,082,607	572,766,134
Borrowings#	Amortised cost	-	82,894
Lease liabilities	Amortised cost	481,635,023	442,369,790
Other financial liabilities#	Amortised cost	31,016,133	11,623,250
Total financial liabilities		**1,352,733,763**	**1,026,842,068**

* The Company has not disclosed the fair values for financial instruments carried at amortised cost such as cash and bank balances because their carrying amounts are a reasonable approximation of fair value.

\# The Company has not disclosed the fair value for financial instruments carried at amortised cost such as trade payables, borrowings and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

29 Capital and other commitments:

Particulars	As at March 31, 2026	As at March 31, 2025
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	197,065	-

30 Going Concern

The Special purpose Financial Statements of the Company for the year ended Mar 31, 2026, have been prepared on a going concern basis, notwithstanding that the Company has incurred accumulated losses of INR 1,189,134,825 and its current liabilities exceed current assets as at the reporting date by INR 678,367,412 (Previous Year: INR 533,469,671).

Notwithstanding the above conditions, the Management believes that the going concern basis of accounting in the preparation and presentation of these financial statements remains appropriate, based on its assessment of the Company's ability to continue to meet its obligations as and when they fall due. This assessment is primarily dependent on the following factors:

1. Continued financial support from the ultimate holding company, including commitment to provide necessary funds to meet the Company's financial and operational obligations as they arise.
2. The ability of the Company to raise additional funds, if required, through equity or other financing arrangements.
3. Management's plans to begin operatons is certain and only subject to macro economic factors, since this continues to be a market of high potential and opportunity.

Based on the above factors, the financial statements have been prepared on a going concern basis. Accordingly, no adjustments have been made relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary if the Company were unable to continue as a going concern.

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31 **Related party disclosures**

i. Ultimate Holding Company
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited)

ii. Holding Company
Lenskart Solutions Pte. Ltd.

iii. Key management personnel
Amit Chaudhary- Director
Atna Garg- Director
Sriraghav Prathivathi Narasimhan - Director

iv. Fellow subsidiary company
Lenskart Optical Trading LLC
Lenskart Optical Lenses Cutting LLC

v. Transactions with related parties during the period

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lenskart Solutions Pte. Ltd.		
Management Fees-Expense	13,873,559	41,064,753
Management Cross Charge (Distribution)	43,606,804	5,186,684
Travel Cross Charge- Expense	5,329,534	-
Travel Cross Charge (Distribution)	25,277	-
Equity Contribution by Lenskart Solutions Pte. Ltd.	442,100,221	363,309,528
Revenue from operations	2,050,423	-
Other Reimbursement- Expense	2,425,662	-
Lenskart Optical Lenses Cutting LLC		
Reimbursement of expenses	263,391	28,825,570
Management Fees	-	66,849,497
Sale of Goods	413,178	-
Purchase of goods	108,007,227	-
Lenskart Optical Trading LLC		
Reimbursement of expenses	-	2,788,888
Other Reimbursement- Expense	11,113,479	-
Management Cross Charge- Expense	52,272,848	-
Management Cross Charge- Income	956,397	-
Purchase of consumables	1,071,890	-
Purchase of goods	-	56,627,402
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited)		
Purchase of goods	88,711,401	60,949,737
Purchase of Property, plant and equipment	13,819,819	15,502,188
Reimbursement of expense- Expense	403,801	-
Purchase of Consumables	755,590	-

vi. Outstanding balances as at the year end

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lenskart Solutions Pte. Ltd.		
Trade payable	171,351,926	95,352,562
Lenskart Optical Trading LLC		
Trade payable	249,319,301	166,297,641
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited)		
Trade payable	52,548,914	51,350,323
Lenskart Optical Lenses Cutting LLC		
Trade payable	39,085,330	60,096,422

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32 Financial risk management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, and market risk (including foreign exchange risk). The directors review and agree policies and procedures for the management of these risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and other deposits etc.

The carrying amounts of financial assets represent the maximum credit risk exposure.

(i) Credit risk management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company has no exposure to credit risk with respect to receivables. For other financial assets including bank balances and other receivables, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Cash at bank is placed with reputable financial institutions with high credit ratings and no history of default. The management has assessed that the amount of ECL allowance on bank balances and other receivables were immaterial.

(B) 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 monitors its liquidity risk and maintains a level of bank balances deemed adequate by the directors to finance the Company's operations and rely on the financial support of its immediate holding company to mitigate the effects of fluctuations in cash flows. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. The contractual cash flows of the Company's current financial liabilities approximate the carrying amounts and they are expected to be settled within the next twelve months.

(C) Market risk

As at reporting date, as the Company's transactions are primarily denominated in SAR, it is subjected to minimal foreign exchange exposure. Hence, no sensitivity analysis is prepared.

(i) Foreign currency risk

The Company is not exposed to any significant foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the Company entities. Company currently does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

(ii) Interest rate risk

Liabilities: The Company is not exposed to interest rate risk as the borrowings carries a fixed rate of interest.

(iii) Price risk

The company is not exposed to price risk as there is no investments as on March 31, 2026.

As per our report of even date attached

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No.:001111N

Akhil Bhalla
Partner
Membership No.: 505002

Place: Gurugram
Date: May 11, 2026

J C BHALLA & CO Chartered Accountants

For and on behalf of the Board of Directors of
Lenskart Arabia Limited

Amit Chaudhary
Director
DIN: 08908841

Place: Gurugram
Date: May 11, 2026

LENSKART ARABIA LIMITED