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LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
31 MARCH 2026

LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of,
Lenskart Optical Trading L.L.C
Dubai, U.A.E.

Opinion

We have audited the accompanying financial statements of **Lenskart Optical Trading L.L.C**, which comprise the statement of financial position as at 31 March 2026 and the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, a summary of material accounting policies and other explanatory related notes to financial statements set out on pages 4 to 30.

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

Basis for opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible, for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and for designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's responsibilities for the audit of 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 ISA 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 ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

Auditor's responsibilities for the audit of Financial Statements (continued)

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

Report on other legal and regulatory requirements

The accompanying financial statements of **Lenskart Optical Trading L.L.C** comply with the U.A.E. Federal Law No. (32) of 2021 on Commercial Companies.

Further we report that:-

- The Company has maintained proper books of accounts.
- The financial statements are in agreement with the accounting records maintained by the Company.
- We have obtained all information we considered necessary for the purpose of audit.
- Transactions and terms with related parties are disclosed in Note 15.
- Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2026 with any of the applicable provisions of the U.A.E. Federal Law No. (32) of 2021 on Commercial Companies or its Memorandum and Articles of Association, which may have material effect on the financial position of the Company as at 31 March 2026 or on the results of its operations for the year.

ام اس اي النومان & رافي محاسبون قانونيون - ا.ع.م
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MSI ALNOMAN & RAVI
CHARTERED ACCOUNTANTS - UAE

Name of the Engagement Partner :
Siddharth Ravi
(Partner)
Ministry of Economy Reg. No. 1188

Dated : 11 May 2026

LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	2026 AED	2025 AED
ASSETS:			
NON-CURRENT ASSETS			
Property, plant and equipment	6	5,534,426	7,385,847
Intangible assets	7	1,032	1,376
Right-of-use assets	8	10,464,276	15,537,806
Capital work-in-progress	9	72,000	-
Investment in subsidiary	10	100,000	100,000
Deferred tax asset	11	2,938,327	1,649,713
Other non-current financial assets	12	1,205,809	1,095,852
Total non-current assets		20,315,870	25,770,594
CURRENT ASSETS			
Inventories	13	4,489,802	5,225,860
Trade and other receivables	14	4,006,734	7,349,242
Due from related parties	15	12,213,287	7,590,654
Cash and cash equivalents	16	8,489,394	4,682,843
Total current assets		29,199,217	24,848,599
Total assets		**49,515,087**	**50,619,193**
EQUITY AND LIABILITIES:			
EQUITY			
Share capital	1	150,000	150,000
Accumulated (loss)		(68,576,999)	(53,382,901)
Total equity		(68,426,999)	(53,232,901)
Loan from shareholders	15	79,462,293	64,463,892
Shareholders' funds		11,035,294	11,230,991
LIABILITIES:			
NON-CURRENT LIABILITIES			
Employees' terminal benefits		1,021,749	786,889
Lease liability	17	4,563,632	9,456,710
Provision for employee stock option	18	318,773	244,782
Total non-current liabilities		5,904,154	10,488,381

LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	2026 AED	2025 AED
LIABILITIES: ***(continued)***			
CURRENT LIABILITIES			
Lease liability	17	5,821,063	5,986,468
Trade and other payables	19	3,404,580	4,695,734
Due to related parties	15	13,594,372	8,792,134
Accrued expenses and provisions	20	9,755,624	9,425,485
Total current liabilities		32,575,639	28,899,821
Total liabilities		38,479,793	39.388.202
Total equity and liabilities		**49,515,087**	**50,619,193**

For Lenskart Optical Trading L.L.C

Directors

Lenskart Optical Trading LLC

The notes on pages 9 to 30 are an integral part of the financial statements.
The independent auditor's report is set out on pages 1-3.

LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 AED	2025 AED
Revenue	21	51,727,618	36,278,846
Cost of revenue	22	(24,152,580)	(13,233,427)
Gross profit		**27,575,038**	**23,045,419**
Other income	23	4,342,932	4,883,201
General and administrative expenses	24	(33,465,765)	(33,550,948)
Depreciation and amortisation expenses	25	(7,335,073)	(6,199,668)
Impairment expenses		(290,346)	-
(Loss) before financing and tax		**(9,173,214)**	**(11,821,996)**
Finance charges	26	(7,309,498)	(6,581,584)
(Loss) before tax		**(16,482,712)**	**(18,403,580)**
Deferred tax credit	27	1,288,614	1,649,713
(Loss) for the year		**(15,194,098)**	**(16,753,867)**
Other comprehensive income		-	-
Total comprehensive (loss) for the year		**(15,194,098)**	**(16,753,867)**

For Lenskart Optical Trading L.L.C

Lenskart Optical Trading LLC

Directors

The notes on pages 9 to 30 are an integral part of the financial statements.
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LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

(Amount in AED)

PREVIOUS YEAR	Share capital	Accumulated (loss)	Total equity
As at 1 April, 2024	150,000	(36,629,034)	(36,479,034)
Total comprehensive (loss) for the year	-	(16,753,867)	(16,753,867)
As at 31 March, 2025	150,000	(53,382,901)	(53,232,901)
CURRENT YEAR			
As at 1 April, 2025	150,000	(53,382,901)	(53,232,901)
Total comprehensive (loss) for the year	-	(15,194,098)	(15,194,098)
As at 31 March, 2026	150,000	(68,576,999)	(68,426,999)

LENSKART OPTICAL TRADING L.L.C
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
(Loss) for the year before tax	(16,482,712)	(18,403,580)
Adjustments for:		
Depreciation of property, plant and equipment	2,261,199	2,072,903
Finance charges on lease liability	1,241,004	2,242,384
Depreciation of right-of-use assets	5,073,530	4,126,421
Amortisation of intangible assets	344	344
Inventory shrinkage provision provided/reversed	33,539	4,839
Adjustments in right-of-use-assets	-	(3,725)
Finance charges on loan from holding company	6,178,451	4,436,415
Interest income on other financial assets	(109,957)	(97,215)
Employees' terminal benefits provided	552,403	467,567
Employee stock option	73,991	85,509
Operating (loss) before working capital changes	(1,178,208)	(5,068,138)
Change in inventories	702,519	(1,964,122)
Change in trade and other receivables	3,342,508	(5,133,283)
Change in due from related parties	(4,622,633)	(4,006,586)
Change in prepayments	-	(421,295)
Changes in non current financial assets	-	(102,532)
Change in trade and other payables	(1,291,154)	(545,680)
Change in due to related parties	4,802,238	(2,340,416)
Change in accrued expenses and provisions	330,139	7,864,128
Employees' terminal liability paid during the year	(317,543)	(146,181)
Net cash generated from / (used in) operating activities	1,767,866	(11,864,105)
Cash flows from investing activities		
Purchase of property, plant and equipment	(409,778)	-
Addition in capital work-in-progress	(72,000)	(1,926,732)
Net cash (used in) investing activities	(481,778)	(1,926,732)
Cash flows from financing activities		
Movement in loan from shareholders	8,819,950	22,696,038
Repayment of lease liability	(6,299,487)	(5,796,398)
Net cash generated from financing activities	2,520,463	16,899,640
Net increase in cash and cash equivalents	**3,806,551**	**3,108,803**
Cash and cash equivalents at the beginning of the year	4,682,843	1,574,040
Cash and cash equivalents at the end of the year	**8,489,394**	**4,682,843**

LENSKART OPTICAL TRADING L.L.C
DUBAI - U.A.E.

NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2026

1 Reporting entity

'Lenskart Optical Trading L.L.C' here-in-after called 'the Company' is a limited liability company - single owner (LLC-SO), operating under commercial license no. 985311 issued by the Department of Economic Development, Government of Dubai.

The Company's share capital is AED 150,000/- which comprises of 1500 shares of AED 100/- each, fully held by Lenskart Solutions Pte Ltd., a company registered in Singapore.

The company is engaged in the business of spectacles, sunglasses & contact lenses trading and optical center.

The Company's operations are carried out through outlets in various parts of UAE which all are operating under separate branch licenses. There were 18 branches operating in UAE during the year.

The Company has a subsidiary in U.A.E. These financial statements are prepared for the Company as a 'standalone' financial statements since the Company's ultimate parent issues consolidated financial statements.

2 Reporting period

These financial statements cover the year from 01 April 2025 to 31 March 2026. The previous year covers the figures from the year from 01 April 2024 to 31 March 2025.

3 Basis of preparation

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs), which includes International Accounting Standards (IASs) and its Interpretations.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Basis of accounting

The Company follows the accrual basis of accounting under which the transactions and events are recognised as and when they occur and are recorded in the financial statements for the period to which they relate to.

Functional and presentation currency

The financial statements are presented in Arab Emirates Dirhams (AED) and all values are rounded to the nearest AED.

4 Material accounting policies

Associated companies

Associated companies are defined as those companies in which the Company holds a long term equity interest, has representation on the board of directors and is in a position to exercise significant influence in their management, but not control, over the financial & operating policies.

Taxation

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

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years (temporary difference) and items that are never taxable or deductible (permanent difference). The Company's current tax is calculated as per Federal Decree-Law No. 47 of 2022.

Deferred tax
Deferred tax asset or deferred tax liability is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax asset is also recognised on unused tax losses and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which it can be utilized.

Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant & equipment

(i) Basis of measurement
Property, plant & equipment are measured at cost less accumulated depreciation and any impairment in value.

(ii) Subsequent costs
The cost for replacing part of an item of property, plant & equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the part so replaced is derecognised. The costs of day-to-day servicing of property, plant & equipment are recognised in profit or loss as incurred.

4 **Material accounting policies *(continued)***

Property, plant & equipment (continued)

(iii) Depreciation

Depreciation is calculated to write-off the cost of property, plant & equipment on the straight line basis over their estimated useful lives as follows :

	Number of years
Leasehold improvements	*5 years*
Plant and machinery	*7 years*
Furniture and electric fixtures	*5 - 7 years*
Office equipment	*5 years*
Computer and peripherals	*3 years*

Intangible assets

The Company recognise an intangible asset, when it is probable that there will be future economic benefits from the asset; and the cost of the asset can be reliably measured. These are measured at cost less accumulated amortisation and any accumulated impairment losses. An intangible asset with a finite useful life is amortised and is subject to impairment testing. An intangible asset with an indefinite useful life is not amortised, but is tested annually for impairment. When an intangible asset is disposed of, the gain or loss on disposal is included in profit or loss.

Intangible assets of the Company comprise of cost incurred for acquiring computer software which are amortised to profit or loss on a straight line basis over their estimated useful lives of 5 years.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis which includes the import and other associated costs till it reaches the warehouse / premises. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less cost to complete and sell. The impairment loss is recognized immediately in profit or loss.

Financial instruments

Financial instruments include financial assets and financial liabilities. Financial assets and financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

4 Material accounting policies *(continued)*

Financial instruments (continued)

Financial assets (continued)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis. All financial assets not classified as measured at amortized cost or FVTOCI 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 amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - subsequent measurement

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

Financial assets - derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

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, 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.

4 Material accounting policies *(continued)*

Financial instruments (continued)

Financial liabilities (continued)

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 of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Impairment of assets

(i) Financial assets

The new impairment model applies to financial assets measured at amortised cost and debt instruments at FVTOCI, but not to investments in equity instruments. The new model requires considerable judgement in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12 month ECLs; these are ECLs that result from all possible default within 12 months after the reporting date;, and
- Lifetime ECLs; these are ECLs that result from all possible default over the expected life of a financial instrument.

For trade receivables and contract assets that do not contain a significant financing component, the Company adopts the simplified approach and measures loss allowances at an amount equal to lifetime ECL (i.e. the risk of default occurring over the expected life of the financial instrument). For bank balances, 12 month ECL is applied as it is assumed that the credit risk has not increased significantly since initial recognition. For all other financial assets, the credit allowance is determined after assessing the stage in which the particular financial asset is placed; whether performing, credit risk significantly increased or credit-impaired.

Loss allowance under lifetime ECL basis is calculated by applying a default rate percentage to the group of financial assets. The financial assets are grouped based on their characteristics and considering various relevant circumstances. While calculating a default rate percentage, the management analyses the historical credit loss experience and then adjust them by forward-looking information.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Company expects to receive. The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements by the Company.

4 Material accounting policies *(continued)*

Impairment of assets (continued)

(ii) Non financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

Foreign currency transactions

Transactions in foreign currencies are translated to UAE Dirhams at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to UAE Dirhams at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to UAE Dirhams at the foreign exchange rates ruling at the dates the values were determined. All differences are taken to profit or loss.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer.

(i) Sale of goods

The company is engaged in the business of spectacles, sunglasses and contact lenses trading. Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Delivery occurs when the products have been shipped/transported to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

4 Material accounting policies *(continued)*

Revenue recognition (continued)

(i) Sale of goods *(continued)*

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

(ii) Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred and the balance amount is recognised as deferred revenue.

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

(iv) Management fee income:
The management fee income is recognized on accrual basis as the service is provided.

Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

Leases

Company as a lessee;
For all leases, other than lease of low-value assets or short term leases, the Company as a lessee, recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate which reflects the fixed rate at which the Company could borrow an amount similar to the value of the right-of-use asset, in the same currency, for a same term, and with similar collateral. Generally the Company uses its incremental borrowing rate as the discount rate.

4 Material accounting policies *(continued)*

Leases (continued)

Company as a lessor;

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognised lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

Employees' terminal benefits

Employees' terminal benefits are provided for in accordance with the UAE Labour Law based on employees' salaries and number of years of service.

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement consist of cash in hand and cash at bank.

5 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and 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 in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have most significant effect on the amounts recognised in the financial statements are described below:

Impairment losses on inventories

The Company reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in profit or loss, the Company makes judgement as to whether there is any observable data indicating that there is any future saleability of the product and the net realisable value for such product. Accordingly, provision for impairment is made where the net realisable value is less than cost based on best estimates by the management. The provision for obsolescence of stock in inventory is based on past movement of the inventory.

5 Use of estimates and judgements *(continued)*

Impairment losses on property, plant and equipment

The Company reviews its property, plant and equipment to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be recognised in profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is a reduction in the carrying value of property, plant and equipment. Accordingly, provision for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property, plant and equipment.

Impairment losses on trade and other receivables and other financial assets

The Company reviews its trade and other receivables and other financial assets to assess impairment at least on annual basis. The Company's credit risk is primarily attributable to its trade receivables. In determining whether the impairment loss should be reported in profit or loss, the Company makes judgement as to whether there is any observable data indicating that there is a measurable decrease in the amount to be realized from the respective parties. Accordingly, an allowance for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Estimated useful lives and residual values of property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset and the expected physical wear and tear which depends on operational factors. The Company management has carried out a review of the useful lives and residual values of property and equipment. Management has not highlighted any requirement for an adjustment to the residual values and remaining useful lives of property, plant and equipment for the current or future periods.

6 Property, plant and equipment

(Amount in AED)

	Leasehold improvements	Plant and machinery	Furniture & electric fixture	Office equipment	Computers & peripherals	Total
Cost or deemed cost						
As at 1 April, 2024	5,983,531	992,325	2,007,680	678,456	336,977	9,998,969
Transfer from capital work in progress	943,154	530,582	223,532	186,025	50,060	1,933,353
As at 31 March, 2025	6,926,685	1,522,907	2,231,212	864,481	387,037	11,932,322
Additions during the year	49,377	29,485	116,635	154,123	60,158	409,778
As at 31 March, 2026	6,976,062	1,552,392	2,347,847	1,018,604	447,195	12,342,100
Accumulated depreciation						
As at 1 April, 2024	1,558,875	202,065	354,069	223,800	134,763	2,473,572
Depreciation expense	1,284,170	143,930	306,200	217,141	121,462	2,072,903
As at 31 March, 2025	2,843,045	345,995	660,269	440,941	256,225	4,546,475
Depreciation expense	1,390,771	188,451	330,841	249,273	101,863	2,261,199
As at 31 March, 2026	4,233,816	534,446	991,110	690,214	358,088	6,807,674
Carrying amounts						
As at 31 March, 2025	4,083,640	1,176,912	1,570,943	423,540	130,812	7,385,847
As at 31 March, 2026	2,742,246	1,017,946	1,356,737	328,390	89,107	5,534,426

7 Intangible assets

(Amount in AED)

	Software	Total
Cost or deemed cost		
As at 1 April, 2024	1,720	1,720
As at 31 March, 2025	1,720	1,720
As at 31 March, 2026	1,720	1,720
Accumulated amortisation		
As at 1 April, 2024	-	-
Amortisation expenses during the year	344	344
As at 31 March, 2025	344	344
Amortisation expenses during the year	344	344
As at 31 March, 2026	688	688
Carrying amounts		
As at 31 March, 2025	1,376	1,376
As at 31 March, 2026	1,032	1,032

8 Right-of-use assets

	(Amount in AED) Leasehold premises	Total
Cost or deemed cost		
As at 1 April, 2024	21,044,020	21,044,020
Additions during the year	3,756,982	3,756,982
Reclassifications during the year	861,145	861,145
As at 31 March, 2025	25,662,147	25,662,147
Adjustments during the year	187	187
As at 31 March, 2026	25,662,334	25,662,334
Accumulated depreciation		
As at 1 April, 2024	5,140,500	5,140,500
Charge for the year	4,126,421	4,126,421
Reclassifications during the year	861,145	861,145
Adjustments during the year	(3,725)	(3,725)
As at 31 March, 2025	10,124,341	10,124,341
Charge for the year	5,073,530	5,073,530
Adjustments during the year	187	187
As at 31 March, 2026	15,198,058	15,198,058
Carrying amounts		
As at 31 March, 2025	15,537,806	15,537,806
As at 31 March, 2026	10,464,276	10,464,276

Notes:

(i) *The Company has lease contracts for stores used in the normal course of business. The Company's obligation under its leases are secured by the lessor's title to the leased asset. Such leases are recognized as right to use asset.*

The Company also has office on lease with lease period less than 12 months. The Company applies the " short term lease" recognition exemption for these leases.

(ii) *The movement in lease liabilities during the year is as follows:*

Particulars	31 March 2026	31 March 2025
Balance as at beginning of the year	15,443,178	15,278,546
Additions during the year	-	3,718,646
Finance cost accrued during the year	1,241,004	2,242,384
Payment of lease liabilities	(6,299,487)	(5,796,398)
Balance as at end of the year	**10,384,695**	**15,443,178**
Current lease liabilities	*5,821,063*	*5,986,468*
Non- Current lease liabilities	*4,563,632*	*9,456,710*

The effective interest rate for lease liabilities is 9.60% p.a.

8 Right-of-use assets *(continued)*

(iii) The following are the amount recognized in statement of profit or loss:

Particulars	31 March 2026	31 March 2025
Depreciation expense on right of use assets	5,073,530	4,126,421
Interest expense on lease liabilities	1,241,004	2,242,384
Expense relating to short term lease (included in other expense)	3,670,540	2,235,691

(iv) Details of the contractual maturity of lease liabilities as at the end of reporting year on an undiscounted basis are as follows:

Particulars	31 March 2026	31 March 2025
Not later than one year	6,111,812	6,299,487
Later than one year but not later than five years	5,361,085	11,472,897

9 Capital work-in-progress

	2026 AED	2025 AED
Opening balance	-	6,621
Addition during the year	72,000	1,926,732
Capitalized during the year	-	(1,933,353)
	72,000	-

This represents the costs incurred on the stores under improvement.

10 Investment in subsidiary

	2026 AED	2025 AED
Investment at cost	100,000	100,000

This represents the acquisition of 100% shareholding in Lenskart Optical Lenses Cutting L.L.C, a limited liability company registered in U.A.E. The investment is stated at cost.

11 Deferred tax assets

This represents the potential tax benefit arising from tax losses carried forward, which may be utilised to offset future taxable income of the Company in accordance with the current UAE tax laws, subject to recoverability assessment.

The deferred tax calculation for the current year has been prepared on a combined basis for the Company and its UAE subsidiary, as the Company obtained a group corporate tax registration including its subsidiary with effect from the current financial year. Accordingly, the balance as at 31 March 2026 represents the total deferred tax position of the group.

12 Other non-current financial assets

	2026 AED	2025 AED
Security deposits	1,205,809	1,095,852

This represents the security deposits against leased premises which are given on a long-term basis, stated at their discounted value.

13 Inventories

	2026 AED	2025 AED
Finished goods for sale	4,815,365	5,517,883
Less: provision for shrinkage	(325,563)	(292,023)
	4,489,802	5,225,860

14 Trade and other receivables

	2026 AED	2025 AED
Trade receivables	302,397	1,760,001
Loss allowance - current	(62,367)	-
	240,030	1,760,001
Advances to suppliers	3,085,441	3,558,818
Prepayments	572,037	1,837,740
Deposits	92,020	92,018
Other advances and receivables	17,206	4,493
Value added tax receivable	-	96,172
	4,006,734	7,349,242

15 Related party transactions and balances

Related parties include the shareholders, key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the shareholders or directors or over which they exercise significant management influence.

Below are the related parties of the Company:

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

(ii) Holding Company
Lenskart Solutions PTE. Ltd.

(iii) Subsidiary Company
Lenskart Optical Lenses Cutting L.L.C

(iv) Key management personnel
Peyush Bansal - Director
Amit Chaudhary - Director

15 Related party transactions and balances *(continued)*

a) Transactions with the related parties during the year were as below:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
	AED	AED
Lenskart Solutions Pte. Ltd.:		
Services availed	-	236,164
Recharge of expenses	135,072	384,373
Management fee	3,090,121	2,249,285
Interest expense on loan	6,178,452	4,436,415
Loan received	8,819,950	22,696,038
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited) :		
Purchase of consumables	463,890	652,742
Purchase of goods	4,419,844	4,765,355
Recharge of expenses	30,544	-
Asset purchase	78,541	640,411
Lenskart Optical Lenses Cutting L.L.C :		
Recharge of expenses	4,586,661	1,302,725
Sale of goods	2,586,989	1,701,242
Purchase of goods	17,202,809	6,605,685
Sublease income	666,540	598,170
Management fee	-	1,382,235
Lenskart Solutions INC :		
Amount written back	18,375	-
Stellio Ventures :		
Royalty expense	13,473	-
Lenskart Arabia Limited :		
Recharge of expenses	462,142	1,252,441
Management fee income	2,212,327	2,900,237
Sale of consumables	44,556	-

The Company undertakes transactions with related parties as part of its normal course of business. These transactions primarily comprise the purchase and sale of goods, rendering and receipt of services, financing arrangements and other business dealings. All related party transactions are carried out on an arm's length basis, consistent with market practices, and in the best interests of the Company. Management acknowledges its responsibility to maintain adequate documentation and evidence to substantiate that all related party transactions are conducted at arm's length and in compliance with applicable laws and regulations.

15 Related party transactions and balances *(continued)*

b) Balances between the Company and its related parties as at end of the reporting year were as below:

	2026 AED	2025 AED
Due from related parties :		
Lenskart Arabia Limited	9,840,625	7,201,098
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited)	2,372,662	-
Lenskart Optical Lenses Cutting L.L.C	-	371,181
Lenskart Solutions INC	-	18,375
	12,213,287	7,590,654

	2026 AED	2025 AED
Due to related parties		
Lenskart Solutions Pte. Ltd.	10,120,136	6,944,545
Lenskart Optical Lenses Cutting L.L.C	3,460,179	-
Stellio Ventures	13,473	-
Lenskart Solutions FZCO, Dubai	584	584
Lenskart Solutions Limited (formerly known as Lenskart Solutions Private Limited)	-	1,847,005
	13,594,372	8,792,134

Loan from shareholders	2026 AED	2025 AED
Lenskart Solutions Pte. Ltd.	79,462,293	64,463,892

The loans are carrying interest @ 9.6 % p.a. and the above balance includes the accrued interest also. Though as per the agreement, the loans are payable on demand, the management has decided to consider it as non current liability.

16 Cash and cash equivalents

	2026 AED	2025 AED
Cash in hand	20,099	17,285
Bank balances	8,469,295	4,665,558
	8,489,394	4,682,843

17 Lease liability

	2026 AED	2025 AED
Balances as at the end of reporting year	10,384,695	15,443,178
Non-current liabilities	*4,563,632*	*9,456,710*
Current liabilities	*5,821,063*	*5,986,468*

18 Provision for employee stock option

	2026 AED	2025 AED
Provision created under employee stock option plan	318,773	244,782

Provision has been created under the employee stock option plan as defined in the 'Plan' which was established by a shareholders' resolution with the objective of granting options, at the discretion of the Company, to the Optionee who are eligible and qualify under the Plan. Such options shall be convertible into shares of the Company and the Optionee holding such Options shall be allotted shares of the Company on exercise of such options. Company here refers to 'Lenskart Solutions Limited', the ultimate Parent Company.

19 Trade and other payables

	2026 AED	2025 AED
Trade payables	1,950,202	3,417,842
* Deferred revenue	879,269	580,883
Other payable	306,047	-
Advance from customers	237,245	697,009
# Value added tax payable	31,817	-
	3,404,580	4,695,734

* *This represents the membership fee collected from customers for the years.*

\# *Value added tax payable represents the Company's liability towards value added taxes collected from customers (output taxes) after deducting the taxes paid on the purchases & expenses (input taxes) based on the return prepared and filed by the management as per VAT rules & regulations in UAE, and subject to assessment and confirmation by the Federal Tax Authority.*

20 Accrued expenses and provisions

	2026 AED	2025 AED
Marketing expenses	2,724,490	3,362,248
Rent and related expenses	2,669,552	1,997,469
Professional and legal expenses	1,181,143	832,345
Staff benefits	1,112,073	1,546,067
Utilities	497,426	-
Postage and courier charges	329,124	-
Provision for warranty	67,090	840,249
Others	1,174,726	847,107
	9,755,624	9,425,485

21 Revenue

	2026 AED	2025 AED
Sale of traded goods	51,727,618	36,278,846

22 Cost of revenue

	2026 AED	2025 AED
Opening inventory	5,517,883	3,553,761
Purchases	23,416,523	15,192,710
Inventory shrinkage provision provided/reversed	33,539	4,839
Less: closing inventory	(4,815,365)	(5,517,883)
	24,152,580	13,233,427

23 Other income

	2026 AED	2025 AED
Management support service fee	2,172,599	4,285,031
Liability no more payable	1,503,793	-
Sublease income	666,540	598,170
	4,342,932	4,883,201

24 General and administrative expenses

	2026 AED	2025 AED
Salaries and benefits	15,465,529	15,035,038
Marketing expenses	4,976,093	7,547,707
Stores rent and other expenses	3,670,540	2,235,691
Management charges	3,148,874	2,251,269
Bank charges and exchange losses	1,618,729	1,092,184
Legal and professional charges	1,133,772	1,056,645
Insurance expenses	866,862	624,728
Postage and courier charges	731,549	602,209
Electricity and water expenses	579,522	470,477
Telephone expenses	537,882	563,172
Consumption of stores and spares	446,028	396,505
Office maintenance	394,739	426,049
Travel and conveyance	333,674	342,165
Repairs and maintenance	239,996	173,686
Printing and stationery expenses	73,382	102,091
Other expenses	21,754	143,277
Warranty expense	(773,160)	488,055
	33,465,765	33,550,948

25 Depreciation and amortisation expenses

	2026 AED	2025 AED
Depreciation of right-of-use assets	5,073,530	4,126,421
Depreciation of property, plant and equipment	2,261,199	2,072,903
Amortisation of intangible assets	344	344
	7,335,073	6,199,668

26 Finance charges

	2026 AED	2025 AED
Interest on loan from holding company	6,178,451	4,436,415
Finance charges on lease liability	1,241,004	2,242,384
Less: interest income on financial assets	(109,957)	(97,215)
	7,309,498	6,581,584

27 Deferred tax credit

	2026 AED	2025 AED
Tax on loss carried forward	(1,288,614)	(1,649,713)

Tax losses carried forward are calculated in accordance with the basic tax loss rules under the tax laws currently effective and are subject to recoverability assessment by the Tax Authorities.

28 Financial risk management objectives & policies

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.

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 minimizes 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.

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.

28 Financial risk management objectives & policies *(continued)*

Market risk

As at reporting date, as the Company's transactions are primarily denominated in AED, 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

The company is not exposed to any significant interest rate risk during the financial year.

(*iii*) Price risk

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

29 Capital management

The Company's capital management objectives are :
- to ensure the Company's ability to continue as a going concern.
- to provide an adequate return to shareholders.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage.

30 Going concern assumption

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future and will be able to meet its obligations as they fall due. As at 31 March 2026, the Company's total equity was negative amounting to AED 68.43 million, primarily due to accumulated losses from prior periods. Despite this, the Directors have concluded that it remains appropriate to prepare the financial statements on a going concern basis since the Company is supported by shareholder loan of AED 79.46 million which will not be called for repayment in the next 12 months as confirmed by the shareholder and also, the management is fully confident of better business performance by the Company in the next year.

31 Fair values of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Company includes trade and other receivables, due from related parties & cash and cash equivalents. Financial liabilities of the Company includes loan from shareholder, trade and other payables, due to related parties & accrued expenses and provisions. The fair values of the financial assets and liabilities are not materially different from their carrying values unless stated otherwise.

32 Subsequent events

There were no significant events occurring after the statement of financial position date that would materially affect the working or the financial statements of the Company.

33 Reclassification of figures of the preceding year's financial statements

Certain figures of the financial statements for the year ended 31 March 2025 have been reclassified to be consistent with the current year's classification.

For Lenskart Optical Trading L.L.C

Directors

Lenskart Optical Trading LLC