

INDEPENDENT AUDITOR'S REPORT

The Shareholders
Al Firdous Holdings (P.J.S.C.)
And its subsidiary
Dubai – United Arab Emirates

Report on the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Al Firdous Holdings (P.J.S.C.) and its subsidiary (together referred to as the "Group"), which comprise the consolidated statement of financial position as at March 31, 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholder's equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Because of the significance of the matters described in the basis for disclaimer of the opinion paragraph below, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion, accordingly, we do not express an opinion on the consolidated financial statements of the Group.

Basis for Disclaimer of Opinion

a) Receivable on sale of the investment portfolio

As disclosed in note 6 to the consolidated financial statements, the amount of AED 326,789,701 (31 March, 2022: AED 326,789,701) is due from Islamic Arab Insurance Co. Labuan, Malaysia, being the consideration for the sale of the Group's subsidiary, Al Firdous Group Co. Ltd. for Hotels, and its Islamic investing and financing assets, collectively referred to as the "Investment Portfolio". This amount was due for settlement by March 31, 2011 but is still outstanding as of the date of these consolidated financial statements. The Board of Directors considers that the amount will be recovered in full on the eventual disposal of the assets by Islamic Arab Insurance Co. Labuan. However, we have not been provided with sufficient and appropriate audit evidence to support this conclusion. Accordingly, we were unable to determine the extent of provision, if any, that may be required against this receivable. The audit report on the consolidated financial statements for the year ended March 31, 2022 was also disclaimed in respect of this matter.

b) Advance against the purchase of property

As disclosed in note 7- a to the consolidated financial statements, an amount of AED 289,939,984 (31 March, 2022: AED 289,939,984) was advanced through a related party for the purchase of land in Dubai. The related party has undertaken to secure the same amount of AED 289,939,984 by the assignment of properties to the Group with fair value not less than an equivalent amount. However, to date, no assignment of properties has taken place and we have not been provided with sufficient and appropriate audit evidence to support the recoverability of this amount. Accordingly, we were unable to determine whether any provision may be required against the advance for purchase of property. The audit report on the consolidated financial statements for the year ended March 31, 2022 was also disclaimed in respect of this matter.

**Independent Auditor's Report for Al Firdous Holdings (P.J.S.C.) and its subsidiary
for the year ended March 31, 2023 (continued)**

Emphasis of Matter

We draw attention to Exhibit-C to the consolidated financial statements. As stated therein, the Group has incurred a loss of AED 930,020 for year ended March 31, 2023 (March 31, 2022 AED 1,523,280) and has accumulated losses of AED 43,387,136 as at March 31, 2023 (March 31, 2022 42,457,116). Notwithstanding this fact, the consolidated financial statements of the Group have been prepared on a going concern basis as management believes that the future operations of the Group will be able to support its business and to meet its obligations as they fall due. Besides, the major shareholder has assured to continue the financial support during the year ended March 31, 2023 and has committed to do so in the foreseeable future.

Other Matters

The annual consolidated financial statements for the year ended March 31, 2022 were audited by another auditor, who disclaimed the review conclusion and audit opinion on June 15, 2022 with regard to the above matters.

Responsibilities of the Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Group's Articles/Memorandum of Association and the UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

We were engaged to conduct our audit in accordance with International Standards on Auditing ("ISAs"). However, because of the matters described in the basis for disclaimer of the opinion section above, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements of the Group. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

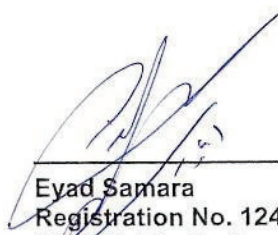
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

**Independent Auditor's Report for Al Firdous Holdings (P.J.S.C.) and its subsidiary
for the year ended March 31, 2023 (continued)**

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (32) of 2021, we report that, except for the matters referred to in the basis of disclaimer opinion paragraphs:

- 1) we have obtained all information we considered necessary for the purpose of our audit.
- 2) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021, and the Articles of Association of the Group.
- 3) the Group has maintained proper books of account.
- 4) the consolidated financial information included in the Directors' report is consistent with the books of account of the Group.
- 5) the Group has not purchased or invested in shares or stock during the year ended March 31, 2023.
- 6) Note 7 reflects disclosures related to related party transactions and the terms under which they were conducted.
- 7) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended March 31, 2023 any of the applicable provisions of UAE Federal Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its financial position as at March 31, 2023.
- 8) based on the information provided to us, no social contributions were made during the year.



Eyad Samara
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Rödl Middle East
Certified Public Accountants



June 20, 2023
Dubai – U.A.E.