

Steiner Construction SA, Tolochenaz

*Financial Statements for the period from 12 July 2022 to
31 March 2023 and Report of the Statutory Auditor*

Report of the Statutory Auditor

To the General Meeting of
Steiner Construction SA, Tolochenaz

Report of the Auditor of the Financial Statements

Opinion

We have audited the financial statements of Steiner Construction SA (the Company), which comprise the balance sheet as at 31 March 2023, and the profit and loss account, cash flow statement and notes for the period from 12 July 2022 to 31 March 2023.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 provisions of Swiss law, and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte AG

Andreas Bodenmann
Licensed Audit Expert
Auditor in Charge

Fabian Hell
Licensed Audit Expert

Zurich, 27 April 2023
AB/FH

Enclosures

- Financial statements (balance sheet, profit and loss account, cash flow statement and notes)
- Proposed appropriation of available earnings

Steiner Construction SA

**Financial Statements
Statutory (OR)
as per 31 March 2023**

Confidential

**STEINER CONSTRUCTION SA
BALANCE SHEET AS AT**

Ref. **31.03.2023
CHF**

ASSETS

Current assets

Cash and cash equivalents	4.1	50,132,679
Accounts receivables third	4.2	585,128
Other accounts receivables		
- Shareholdings		49,557,499
- Third parties		-
Receivables from projects, net		46,867,295
Prepayments of subcontractor project costs	4.3	2,167,152
Prepaid expenses		1,592,488

Total current assets **150,902,240**

Intangible assets 1,456,443

Total non-current assets **1,456,443**

TOTAL ASSETS **152,358,683**

EQUITY AND LIABILITIES

Liabilities

Trade payables		
- Third		55,591,384
- Shareholdings		-
Prepayments from projects, net		26,252,256
Current non-interest-bearing liabilities		
- Third parties		471,089
Accruals of subcontractor project costs		51,559,837
Other accruals		1,428,094
Provisions	4.4	3,250,487

Total current liabilities **138,553,146**

Provisions 4.4 1,446,457

Total non-current liabilities **1,446,457**

Total liabilities **139,999,603**

Equity		
Share capital	1.0	116,000
Statutory capital reserves		9,900,000
Cumulative losses		
Loss carried forward from previous year		-
Profit / (Loss) for the period		<u>2,343,079</u>
Cumulative gains/losses		<u>2,343,079</u>
		-
Total equity		<u>12,359,080</u>
TOTAL EQUITY AND LIABILITIES		<u>152,358,683</u>

This being the first year of operation, previous year figs are not mentioned

STEINER CONSTRUCTION SA	Ref	CHF
PROFIT AND LOSS ACCOUNT		01.09.2022
		- 31.03.2023
		Actual
REVENUE		
Gross sales general contracting and real estate development		195,563,693
Revenue deductions		-
Net sales		<u>195,563,693</u>
Other operating income		35,731
Operating income		<u>195,599,424</u>
EXPENSES		
Material costs		173,171,148
Personnel expenses		13,093,294
Administration expenses		5,303,242
Other operating expenses	4.5	1,330,843
Depreciation		108,384
		<u>193,006,911</u>
Earnings before interest and taxes (EBIT)		<u>2,592,513</u>
Financial Expenses		(13,894)
Financial Income		261,477
Ordinary profit/(loss) before taxes		<u>2,840,096</u>
Profit/(loss) before taxes		<u>2,840,096</u>
Current income taxes		(497,017)
PROFIT/(LOSS) FOR THE PERIOD		<u><u>2,343,079</u></u>

This being the first year of operation, previous year comparatives are not mentioned

STEINER CONSTRUCTION SA	01.09.2022
CASH FLOW STATEMENT	- 31.03.2023
	CHF
Earnings before interest and taxes (EBIT)	2,592,513
Depreciation	108,384
Increase (+) / Release (-) of provisions	1,446,457
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Cash flow from operating activities before change in net working capital	4,147,354
Decrease (+) / Increase (-) of accounts receivables	-585,128
Decrease (+) / Increase (-) of other accounts receivables	-49,557,498
Decrease (+) / Increase (-) of receivables / prepayments from projects, net	-20,615,039
Decrease (+) / Increase (-) of prepaid expenses and subcontractor accruals	47,800,197
Increase (+) / Decrease (-) of trade payables	55,591,384
Increase (+) / Decrease (-) of other current liabilities and accruals	4,652,653
Financial expenses paid	-13,894
Financial income received	261,477
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Cash flow from operating activities	41,681,506
Investment in property, plant and equipment and intangible assets	-1,564,827
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Cash flow from investing activities	-1,564,827
Proceeds from issue of shares	10,016,000
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Cash flow from financing activities	10,016,000
	<hr/>
INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS	50,132,679
Cash and cash equivalents as at 01.09.	-
Cash and cash equivalents as at 31.03	50,132,679

This being the first year of operation, previous year comparatives are not mentioned

STEINER CONSTRUCTION SA
NOTES TO FINANCIAL ACCOUNTS AS AT 31ST MARCH 2023

1. Incorporation and Company Formation

Company was registered on 12.07.2022, with Registered office at Route de Lully 5, 1131 Tolochenaz
The Articles of Association was formed on 22 September, 2022. The Company was registered with nominal capital of CHF 100,000, divided into 100 shares of CHF 1,000 each.

2. Applicable accounting law

These financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957 – 963b Swiss Code of Obligations.

This being the first year of operation of the Company, prior year comparatives are not applicable.

3. Significant Accounting Policies (not regulated in the Swiss Code of Obligations)

Revenue from General Contracting and Receivables/prepayments from projects, net.

Long-term contracts for the construction of third-party real estate are accounted for using the percentage of completion (PoC) method, whereby external and internal costs and estimated profits are taken into account. The degree of completion is determined on the basis of the work performed on the construction site. The different executed activities of the project are measured based on available units (e.g. m, m², m³, kg) in comparison to the estimated total quantities needed for the completion (surveys of the work performed-method). With the application of the surveys of the work performed-method, the difference between contract costs incurred and contract costs recognised (billed) is accrued in prepayments of subcontractor project cost respectively accruals of subcontractor project cost.

Anticipated losses from construction contracts are covered in full by valuation allowances.

Customer contracts in progress are shown as an asset in the balance sheet under "Receivables from projects, net", or as a liability under "Prepayments from projects, net". If the prepayments received from customers exceed the project receivables, these are shown under liabilities; otherwise, these are shown under assets. These positions comprise the total contract costs incurred (actual and accrued), including a share of the profit, less customer prepayments and allowances for expected losses.

4. Details to Balance Sheet and Profit and Loss account

4.1 Cash and cash equivalents

For payments of various projects bank accounts of CHF 44,384,027,41 which can only be used for payments for these projects, exist.

4.2 Details trade receivables

Part of the accounts receivables has been offset with receivables from projects, net and with prepayments from projects, net

The netting is as follows:

		<u>31.03.2023</u>
Accounts receivables before netting	CHF	8,184,191
Netting with receivables/prepayments from projects, net	CHF	-7,599,063
Allowance for doubtful accounts	CHF	-
Accounts receivables as shown in the balance sheet	CHF	<u>585,128</u>

4.3 Prepayments and accruals of subcontractor project costs

Prepayments of subcontractor project costs as well as accruals of subcontractor project costs as per 31 March 2023 contain claims from subcontractors of CHF 1.0 Mill. are uncertain and were recognized from today's point of view, is estimated to be highly probable by the management. Depending on the outcome of negotiations and in favour of Steiner, whose recoverability, however, final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

4.4 Provisions

	31.03.2023	
	Short Term	Long Term
Warranty provisions	-	1,446,457
Project risk provisions	2,261,653	-
Other provisions	988,834	-
Provisions as shown in the balance sheet	<u>3,250,487</u>	<u>1,446,457</u>

4.5 Other operating expenses

		2022-2023
Rent including operating lease	CHF	96,581
Insurance costs	CHF	8,955
Maintenance and repair	CHF	-37,675
Other operating expenses	CHF	<u>1,262,982</u>
Total operating expenses	CHF	<u>1,330,843</u>

Non-capitalized financial leasing commitments

Total Leasing commitments	CHF	4,806,040
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5 Future minimum payments under operating leases

Future minimum payments under operating leases in the total amount of CHF 4.8 Mill. (previous year NA) occur from operating leasing-contracts (equipment and rents), which are split as follows:

CHF	31.03.2023
Future minimum payments within 1 year	453,400
Future minimum payments within 2 - 5 years	4,352,640
Future minimum payments after more than 5 years	-
Total	4,806,040

6 Subsequent event

Subsequent to the close of financial books, there was a Capital infusion of CHF 9.44 Mill from HCC Infrastructure Ltd., a group company of the ultimate shareholder, Hindustan Construction Co. Ltd. Contribution to Share Capital amounts to CHF 0.2 Mill and contribution to Capital Reserve amounts to CHF 9.42 Mill.

Number of full-time equivalents on annual average

In current year as well as in previous year, the number of full-time equivalents on annual average is more than 150.

Roundings

'Due to rounding, the numbers presented throughout this document may not necessarily correspond exactly with the totals.

This being the first year of operation, previous year figs are not mentioned

STEINER CONSTRUCTION SA
APPROPRIATION OF AVAILABLE EARNINGS AS AT MARCH 31, 2023

	<u>31.03.2023</u>
	<u>CHF</u>
Profit/(Loss) carried forward from previous year	-
Profit / (Loss) for the period	2,343,079
Cumulative profit / (Loss)	2,343,079
Dividend	-
Allocation to the general legal reserves	-
Profit /(Loss) carried forward to next year	<u><u>2,343,079</u></u>

This being the first year of operation, previous year figs are not mentioned