AJC JEWEL MANUFACTURERS TO ACQUIRE 80% STAKE IN UAE JEWELLERY BUSINESS FOR ₹9.6 CR, CONSOLIDATING INTERNATIONAL OPERATIONS

₹9.60 Cr acquisition to be executed entirely through non-cash share swap; Sharjah-based UAE entity expected to become subsidiary upon completion

MALAPPURAM, KERALA – September 02, 2026 – **AJC Jewel Manufacturers Ltd. (BSE: 544425)** is taking a significant step towards consolidating its international operations, with the Company's Board approving the proposed acquisition of an **80% stake in AJC Jewel Manufacturers (FZC), Sharjah, UAE**. The UAE entity, engaged in precious metal jewellery manufacturing, reported revenue of **₹127.95 crore in CY2025** and **₹72.46 crore during January–June 2026**, compared with **₹53.82 crore in CY2024**.

The proposed **₹9.60 crore transaction** will be executed entirely through a **non-cash share-swap arrangement**, with up to **5,67,492 equity shares** of AJC Jewel Manufacturers proposed to be issued at **₹169.16 per share**, subject to shareholder and regulatory approvals. Upon completion, AJC Jewel Manufacturers (FZC) will become a **subsidiary of AJC Jewel Manufacturers Ltd.**

FROM UAE PRESENCE TO UAE OWNERSHIP

The proposed transaction is not a greenfield entry into the UAE. AJC Jewel Manufacturers (FZC) is an operating company incorporated in **Sharjah on May 15, 2024**, with its principal activity being **precious metal jewellery manufacturing**. The business reported revenue of AED 2.08 crore (₹53.82 crore) in CY2024, which increased to AED 4.94 crore (₹127.95 crore) in CY2025. During January–June 2026, the company reported revenue of AED 2.80 crore (₹72.46 crore).

The revenue progression highlights the scale of the existing UAE operation, with CY2025 revenue growing by approximately **138% year-on-year**. With ₹72.46 crore of revenue recorded in the first six months of CY2026, the UAE business has continued to demonstrate a strong revenue trajectory. However, the Company has not made any representation regarding the annualised revenue, profitability or future financial performance of the UAE entity.

The proposed acquisition will move AJC from having an international operating presence to **majority ownership of an existing UAE jewellery manufacturing business**, enabling the listed company to have greater ownership and control over the operation following completion.

₹9.60 CR NON-CASH ACQUISITION STRUCTURE

The acquisition is structured as a **share swap rather than a cash transaction**. The maximum purchase consideration of **₹9,59,96,946.72** payable to the transferor for the acquisition of 80% of AJC Jewel Manufacturers (FZC) will be discharged through the proposed preferential issue of up to **5,67,492 equity shares** of AJC Jewel Manufacturers Ltd. at an issue price of **₹169.16 per share**.

The transaction is proposed to be undertaken on an **arm's-length basis** and in accordance with **Chapter V of the SEBI ICDR Regulations**. The issue price has been determined with reference to a valuation report issued by an **independent Chartered Accountant and Registered Valuer**, in accordance with applicable laws.

The share-swap structure enables AJC to consolidate its majority ownership in the UAE operation **without an immediate cash outflow for the acquisition consideration**, while the issuance of equity represents the consideration payable to the promoter-group transferor.

The proposed preferential issue of up to **5,67,492 equity shares** will constitute **approximately 8.55% of the Company's post-issue equity share capital**. The proposed share issuance represents the equity consideration for **consolidating 80% ownership of the UAE operating business;** following the proposed allotment, promoter and promoter-group shareholding is expected to **increase from 56.33% to 59.85%,** based on the Company's shareholding as of August 21, 2026**. Mr. Afzal Rahman Perinkadakkad,** the proposed allottee, is expected to **hold 8.55%** of the Company's post-issue share capital**.**

UAE: A STRATEGIC HUB FOR GOLD & JEWELLERY

The UAE represents a strategically relevant market for AJC given the country's established position within the global gold and precious metals ecosystem. According to the UAE Ministry of Economy and Tourism, the country is the world's second-largest global hub for gold trade, with approximately **AED 683 billion (US$186 billion)** of gold traded across UAE markets in 2024. The country's gold, precious metals and gemstones sector comprises **more than 6,200 companies and 53 licensed gold refineries**, highlighting the depth of the supporting ecosystem.

Dubai, in particular, has developed into a major international centre for the precious metals trade. According to the Dubai Multi Commodities Centre (DMCC), Dubai accounts for **approximately 15% of worldwide gold trade**, with its precious-metals ecosystem spanning refining, trading, financing, logistics, jewellery design and manufacturing.

For AJC, the relevance of the UAE extends beyond domestic jewellery demand. The Sharjah operation provides a platform from which the Company can explore opportunities in **jewellery manufacturing, regional distribution and international customer servicing across the wider Middle East**, while leveraging the UAE's established trading and logistics infrastructure.

The opportunity is further supported by the India-UAE Comprehensive Economic Partnership Agreement (CEPA), under which India receives preferential market access across more than 97% of UAE tariff lines, covering 99% of Indian exports by value. Gems and jewellery are among the key sectors benefiting from the agreement, creating an enabling trade environment for Indian jewellery businesses seeking to deepen their presence in the UAE.

The Ministry of Commerce & Industry's CEPA FAQ also notes that the value-addition requirement for the gems and jewellery sector ranges from **3% to 7%**, with the framework specifically noting its potential to encourage jewellery exports to the UAE.

Against this backdrop, the proposed consolidation of 80% of AJC Jewel Manufacturers (FZC) provides AJC with an operating platform from which it can explore opportunities across jewellery manufacturing, regional distribution and international customer servicing, while leveraging its existing manufacturing and design capabilities in India.

BUILDING AN INTEGRATED INDIA – UAE JEWELLERY PLATFORM

The proposed consolidation is aligned with AJC's broader strategy of developing a scalable jewellery manufacturing platform across domestic and international markets.

AJC manufactures **22K and 18K gold jewellery** for retail chains, corporates and independent jewellers across India and international markets. Its manufacturing capabilities span traditional casting, studded jewellery, bespoke orders and CNC-machined jewellery, supported by a **21,780 sq. ft. manufacturing facility in Malappuram, Kerala**

The Company also operates a digital-first B2B ecosystem featuring a library of more than **5,000 jewellery designs**, supporting product customisation, order visibility and execution for retail partners.

The UAE acquisition adds an international operating platform to these existing capabilities. Greater ownership of the Sharjah business is expected to provide AJC with a stronger platform to integrate its Indian manufacturing and design capabilities with international customer and distribution opportunities.

Management Commentary

Commenting on the development, **Mr. Ashraf P, Chairman & Managing Director of AJC Jewel Manufacturers Ltd.**, stated:

"The proposed acquisition of an 80% stake in AJC Jewel Manufacturers FZC marks an important step in consolidating our international operations and strengthening our presence in the UAE. The UAE's established position within the global gold and jewellery ecosystem and its connectivity to the wider Middle East make it strategically relevant to our international growth plans. Greater ownership of our UAE operations will provide us with enhanced control over our international business platform and create a stronger base to serve regional markets."

"Importantly, the transaction is structured entirely through a share-swap arrangement, allowing us to consolidate the UAE business without a cash outflow for the acquisition consideration. We remain focused on operational integration, disciplined execution and building a scalable and integrated jewellery manufacturing platform to support sustainable long-term growth."

TRANSACTION TIMELINE

The proposed acquisition is expected to be completed within approximately **3–6 months**, subject to necessary regulatory approvals and shareholder approval for the proposed preferential issue.

Following completion, the UAE entity will become a subsidiary of AJC Jewel Manufacturers Ltd., subject to the satisfaction of applicable conditions and approvals.

About AJC Jewel Manufacturers Ltd.

AJC Jewel Manufacturers Ltd. is an integrated manufacturer of **22K and 18K gold jewellery products** catering to leading retail chains, corporates, and independent jewellers across India and international markets. Operating from its advanced **21,780 sq. ft. manufacturing facility in Malappuram, Kerala**, the company specializes in precision-engineered, design-led jewellery manufacturing across traditional casting, studded jewellery, bespoke orders, and CNC-machined jewellery.

The company combines in-house design capabilities, modern manufacturing technologies, and a digital-first B2B ecosystem to deliver scalable and operationally efficient solutions to its customers. Through its proprietary B2B platform featuring a library of **5,000+ jewellery designs**, AJC enhances order visibility, customization flexibility, and faster execution for its retail partners.

Disclaimer

This document contains forward-looking statements, which are not historical facts and are subject to risks and uncertainties such as government actions, local developments, and technological risks. The Company is not responsible for any actions taken based on these statements and does not commit to publicly updating them to reflect future events or circumstances.

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