

**RIYA INTERNATIONAL PTE. LTD.**

(Registration Number: 201525423R)

**DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

# RIYA INTERNATIONAL PTE. LTD.

## DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

CONTENTS	PAGE
DIRECTORS' STATEMENT	1 - 2
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	3 - 5
STATEMENTS OF FINANCIAL POSITION	6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENTS OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 43
DETAILED STATEMENT OF PROFIT OR LOSS	44 - 45

# RIYA INTERNATIONAL PTE. LTD.

## DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of RIYA INTERNATIONAL PTE. LTD. (the "company") for the financial year ended 31 March 2026.

### 1. OPINION OF THE DIRECTORS

- (a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2026, and of the financial performance, changes in equity and cash flows of the company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

### 2. DIRECTORS

The directors of the company in office at the date of this statement are:

Modi Shirishkumar Jagdishbhai  
Thakkar Jayesh Kanubhai  
Kotak Pankaj Mangharam

### 3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object was to enable the directors to acquire benefits by means of acquisition of shares or debentures in the company or any other body corporate.

### 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors who held office at the end of the financial year, had no interest in the shares of the Company and its related corporation as recorded in the register of directors' shareholding required to be kept by the Company under Section 164 of the Singapore Companies Act 1967 ("the Act") except as stated below:

<u>Names of Directors &amp; Corporation in which interests are held</u>	<u>Number of ordinary equity shares registered in the name of the director</u>	
	<u>At beginning of year (Rs. 2.00 per share)</u>	<u>At end of year (Rs. 1.00 per share)</u>
Gokul Agro Resources Limited (Ultimate holding company)		
Thakkar Jayesh Kanubhai	14,512,379	29,024,758
Modi Shirishkumar Jagdishbhai	300	600

## RIYA INTERNATIONAL PTE. LTD.

### DIRECTORS' STATEMENT – cont'd

#### 5. SHARE OPTIONS

During the financial year, no share options were granted to subscribe for unissued shares of the company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued of the company.

There were no unissued shares of the company under option at the end of the financial year.

#### 6. INDEPENDENT AUDITOR

The independent auditor, Prudential Public Accounting Corporation, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors



.....  
Modi Shirishkumar Jagdishbhai  
Director



.....  
Thakkar Jayesh Kanubhai  
Director

Date: 30 April 2026

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
RIYA INTERNATIONAL PTE. LTD.**

***Report on the Audit of the Financial Statements***

*Opinion*

We have audited the accompanying financial statements of **RIYA INTERNATIONAL PTE. LTD.** (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2026, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2026 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
RIYA INTERNATIONAL PTE. LTD. – cont'd**

**Responsibilities of Management and Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include overseeing the Company's financial reporting process.

*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 assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

P

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
RIYA INTERNATIONAL PTE. LTD. – cont'd**

**Auditor's Responsibilities for the Audit of the Financial Statements – cont'd**

- (d) 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.
- (e) 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.

We communicate with the directors 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.

***Report on Other Legal and Regulatory Requirement***

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

*Prudential PAC*

**PRUDENTIAL PUBLIC ACCOUNTING CORPORATION  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS  
SINGAPORE**



Date: 30 April 2026

## RIYA INTERNATIONAL PTE. LTD.

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	<u>Note</u>	<u>2026</u> US\$	<u>2025</u> US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	(7)	1,479,648	1,497,713
Investment property	(8)	3,565,281	3,565,281
Total non-current assets		5,044,929	5,062,994
<b>Current assets:</b>			
Trade and other receivables	(9)	33,094,965	30,818,557
Other current assets	(10)	917,765	869,440
Derivative financial instruments	(11)	-	10,210
Cash and bank balances	(12)	4,781,136	14,887,185
Total current assets		38,793,866	46,585,392
<b>Total assets</b>		<b>43,838,795</b>	<b>51,648,386</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	(13)	5,200,000	5,200,000
Retained earnings		18,121,661	14,198,543
Total equity		23,321,661	19,398,543
<b>Non-current liabilities:</b>			
Long-term borrowing from financial institution	(14)	2,573,472	-
<b>Total non-current liabilities</b>		2,573,472	-
<b>Current liabilities:</b>			
Current portion of long-term borrowing from financial institution	(14)	97,939	1,078,725
Short-term borrowing from financial institutions	(15)	11,468,000	-
Trade and other payables	(16)	5,589,534	30,314,277
Derivative financial instruments	(11)	19,355	66,024
Income tax payable	(20)	768,834	790,817
Total current liabilities		17,943,662	32,249,843
Total liabilities		20,517,134	32,249,843
<b>Total equity and liabilities</b>		<b>43,838,795</b>	<b>51,648,386</b>

The accompanying notes form an integral part of these financial statements.

## RIYA INTERNATIONAL PTE. LTD.

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>2026</u> <u>US\$</u>	<u>2025</u> <u>US\$</u>
Revenue	(17)	767,627,444	810,016,208
Cost of sales		<u>(760,807,066)</u>	<u>(801,527,035)</u>
Gross profit		6,820,378	8,489,173
Other income	(18)	412,253	606,292
Administrative expenses		(1,103,718)	(1,227,521)
Finance costs	(19)	(1,408,187)	(2,897,732)
Other expenses		<u>(19,614)</u>	<u>(204,675)</u>
Profit before income tax		4,701,112	4,765,537
Income tax expenses	(20)	<u>(777,994)</u>	<u>(777,879)</u>
Profit for the year	(21)	3,923,118	3,987,658
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>3,923,118</u>	<u>3,987,658</u>

The accompanying notes form an integral part of these financial statements.

## RIYA INTERNATIONAL PTE. LTD.

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

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Balance as at 1 April 2024	5,200,000	10,210,885	15,410,885
Total comprehensive income for the year	-	3,987,658	3,987,658
Balance as at 31 March 2025	5,200,000	14,198,543	19,398,543
Total comprehensive income for the year	-	3,923,118	3,923,118
Balance as at 31 March 2026	5,200,000	18,121,661	23,321,661

The accompanying notes form an integral part of these financial statements.

## RIYA INTERNATIONAL PTE. LTD.

### STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>2026</u> US\$	<u>2025</u> US\$
<b>Cash flows from operating activities:</b>			
Profit before income tax		4,701,112	4,765,537
Adjustment for:			
Depreciation on property, plant and equipment		19,614	17,826
Foreign currency exchange adjustment (gain) / loss		(19,457)	7,671
Fair value gain on derivative		(36,459)	(1,573,412)
Interest income		(154,045)	(487,165)
Interest expenses		911,181	1,980,192
		5,421,946	4,710,649
Operating profit before working capital changes		5,421,946	4,710,649
Trade and other receivables		(2,276,408)	28,124,370
Other current assets		(48,325)	7,615,736
Trade and other payables		(24,724,743)	(21,719,738)
		(21,627,530)	18,731,017
Cash (used in)/from operations		(21,627,530)	18,731,017
Income tax paid		(799,977)	(685,017)
		(22,427,507)	18,046,000
<b>Net cash (used in)/from operating activities</b>		<b>(22,427,507)</b>	<b>18,046,000</b>
<b>Investing activities:</b>			
Acquisition of property, plant and equipment		(1,549)	(4,615)
Interest received		154,045	487,165
		152,496	482,550
<b>Net cash from investing activities</b>		<b>152,496</b>	<b>482,550</b>
<b>Financing activities:</b>			
Interest paid		(911,181)	(1,980,192)
Fixed deposits, restricted		(1,513,600)	9,627,447
Borrowings			
- Proceeds		292,330,146	297,922,935
- Repayment		(279,250,003)	(315,970,622)
		10,655,362	(10,400,432)
<b>Net cash from/(used in) financing activities</b>		<b>10,655,362</b>	<b>(10,400,432)</b>
Net (decrease)/increase in cash and bank balances		(11,619,649)	8,128,118
Cash and bank balances at beginning of year		14,107,185	5,979,067
<b>Cash and bank balances at end of year</b>	(12)	<b>2,487,536</b>	<b>14,107,185</b>

The accompanying notes form an integral part of these financial statements.

# RIYA INTERNATIONAL PTE. LTD.

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1. GENERAL

Riya International Pte. Ltd. (the "company") (Registration number: 201525423R) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office and principal place of business at:

60 Paya Lebar Road  
#12-02 Paya Lebar Square  
Singapore 409051

The principal activities of the company are those of general wholesale imports and exports of agricultural products.

The financial statements of the company for the financial year ended 31 March 2026 were authorised for issue by the Board of Directors on 30 April 2026.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up and in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements determined on such a basis are disclosed in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION– cont'd

##### 2.2 Changes in Accounting Policies

###### a) Adoption of new revised FRSs and INT FRSs

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2024. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the financial statement.

###### b) Standards issued but not yet effective

As at the date of the authorisation of these financial statements, the Company has not adopted the following FRSs and INT FRSs that have been issued but not yet effective:

<u>Reference</u>	<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 109 and FRS 107	Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
FRS 118	Presentation and Disclosure in Financial Statements	1 January 2027
Various	Annual Improvements to FRSs-Volume 11	1 January 2026

The Company expect that the adoption of the above standards, interpretations and improvements, if applicable, will have no material impact on the financial statements in the period of initial application.

##### 2.3 Functional and Foreign currency

###### (a) Functional currency and presentation currency

The management has determined that the currency of the primary economic environment in which the Company operates (ie. the "functional currency") to be United States dollar. The financial statements of the Company are presented in United States dollar, which is the functional currency of the Company.

###### (b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting year. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting year are recognised in profit or loss.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.4 Property, plant and equipment

###### a) Measurement

Property, plant and equipment are initially stated at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

###### b) Components of costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentive received.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

###### c) Depreciation

Depreciation was calculated on the straight-line method and to write off the cost of the assets over their estimated useful lives as follows:-

	<u>Years</u>
Computers	3
Furniture and fittings	5
Right-of-use assets	3
Leasehold property	87

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and year of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

###### d) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in the statement of comprehensive income during the financial year in which it is incurred.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.4 Property, plant and equipment – cont'd

###### e) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of comprehensive income. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

##### 2.5. Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value, determined annually by independent professional valuer on the highest and best use basis. Gains or losses arising from changes in the fair value of investment property is included in profit or loss for the period in which they arise.

Investment property is subject to renovations or improvements at regular intervals. The costs of major renovations and improvements are capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss. The costs of maintenance, repairs and minor improvements are charged to profit or loss when incurred.

On disposal or retirement of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

##### 2.6 Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.6 Impairment of Non-Financial Assets – cont'd

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

##### 2.7 Revenue Recognition

Revenue is measured based on the consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good and service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

###### a) Sale of goods

Revenue from sale of commodities recognized when the company transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligations with respect to the product shipped.

The transaction price is documented on the sales invoice and agreed to by the customer. Payment is generally due at the time of delivery, as such a receivable is recognized as the consideration is unconditional and only the passage of time is required before payment is due.

###### b) Interest income

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

###### c) Commission income

Commission income is recognised at a point in time when the related services are rendered.

###### d) Rental income

Rental income from operating leases on investment property is recognised on a straight-line basis over the lease term.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.8 Government Grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognised in profit or loss in the period in which they become receivable.

##### 2.9 Employee benefits

###### a) Defined Contribution Plan

Payments to defined contribution plans (including state - managed retirement benefit schemes such as Singapore Central Provident Fund) are charged as an expense as they fall due.

###### b) Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. No provision is made for the estimated liability for annual leave as it is the company's policy to forfeit all unutilised annual leave as at the end of reporting period.

##### 2.10 Income Taxes

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

###### (a) Current tax

The tax currently payable is based on taxable profits for the year. Taxable profits differ from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

###### (b) Deferred tax

Deferred tax is provided, using the balance sheet liability method on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.10 Income Taxes – cont'd

##### (b) Deferred tax – cont'd

Deferred tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit or loss nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

##### 2.11 Related Party

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the company if that person:
  - (i) has control or joint control over the company;
  - (ii) has significant influence over the company; or
  - (iii) is a member of the key management personnel of the company or of a parent of the company.
  
- b) An entity is related to a company if any of the following conditions applies:
  - (i) the entity and the company are members of the same group which means that each parent, subsidiary and fellow subsidiary is related to the others;
  - (ii) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a); or
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity; or
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.11 Related Party- cont'd

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per FRS 24 – Related Party Disclosures.

##### 2.12 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

##### 2.13 Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 2. MATERIAL ACCOUNTING POLICY INFORMATION – cont'd

##### 2.14 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Company as a lessor

The company leases out its investment properties to third parties.

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases.

Rental income arising from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

##### 2.15 Borrowing Costs

Borrowing costs are generally expensed as incurred. Borrowing costs are capitalised if they are directly attributable to the acquisition, of a qualifying asset. Capitalisation of borrowing cost commences, when the activities to prepare the asset for its intended use and expenditure and borrowing costs are being incurred. Borrowings costs are capitalised until the assets are ready for their intended use.

##### 2.16 Event after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the end of reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

#### 3. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

##### Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or where appropriate, a shorter year.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.1 Financial Assets

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the financial instruments.

##### a) Classification of financial assets

Financial assets are classified, at initial recognition, as either measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commit to purchase or sell the asset.

For purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

##### b) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that solely payments of principal and interest on the principal outstanding.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.1 Financial Assets – cont'd

##### b) Financial assets at amortised cost– cont'd

Financial assets at amortised cost include trade and other receivables, and other financial assets that held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in other income.

The Company has balances of trade and other receivables and cash and bank balances that are held within a business model, whose objective is collecting contractual cash flows.

##### i) Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequent measured at amortised cost using the effective interest rate method, less all allowances for impairment. An allowance for impairment of other receivables is made on the expected credit loss, which are the present value of the cash short falls over the expected life of the other receivables.

##### ii) Cash and bank balances

Cash and bank balances comprise cash on hand, bank balances, and fixed deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### c) Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the profit and loss account.

##### Derivatives financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit and loss statement.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.1 Financial Assets – cont'd

##### c) Financial assets at fair value through profit or loss – cont'd

##### Derivatives financial instruments – cont'd

Other than financial assets at amortised cost and financial assets at fair value through profit or loss, the company does not designate any financial assets under any other category under FRS 109.

##### d) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages: -

- i) For credit exposures for which there has not been a significant increase in credit risk since initial recognition. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 months ECL).
- ii) For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables and contract assets, the Company measures the loss allowance at an amount equal to the lifetime expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days due. However, in certain cases, the Company 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 enhancement held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### e) Derecognition of financial assets

A financial asset is primary derecognised when:

- i) the rights to receive cash flows from the asset have expired or,
- ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.1 Financial Assets – cont'd

###### e) Derecognition of financial assets – cont'd

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes form of guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

##### 3.2 Equity and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified accordingly to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability.

###### a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost.

Ordinary share capital is classified as equity.

###### b) Financial liabilities

Financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provision for the financial instrument. The measurement of financial liabilities depends on their classification as either financial liabilities "at fair value through profit or loss" or "other financial liabilities at amortised costs".

###### i) Financial liabilities carried at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Financial liabilities at amortised cost are classified within "trade and other payables" and "borrowings" on the statement of financial position.

###### Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.2 Equity and Financial Liabilities – cont'd

##### b) Financial liabilities – cont'd

##### i) Financial liabilities carried at amortised cost – cont'd

##### Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the loans using the effective interest method.

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position. Other loans due to be settled more than twelve months after the end of the reporting period are included in non-current liabilities in the statement of financial position.

##### ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the profit and loss account.

##### Derivative Financial Instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit and loss statement.

The Company uses derivative financial instruments to mitigate against risks associated with commodity price fluctuations. It is the Company's policy not to use derivative financial instruments for speculative purposes.

##### c) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.2 Equity and Financial Liabilities – cont'd

##### c) Derecognition of financial liabilities – cont'd

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the carrying amounts is recognised in the profit and loss.

##### 3.3 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an obligation to settle on a net basis, or realise the asset and settle the liability simultaneously.

#### 4. CRITICAL JUDGEMENTS, ASSUMPTIONS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

##### 4.1 Critical judgement in applying the company's accounting policies

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

##### (a) Income taxes

Significant judgement is required in determining the deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

##### (b) Determination of functional currency

The company measures foreign currency transactions in the functional currency of the company. In determining the functional currencies of the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency is determined based on management's assessment of the economic environment in which the entity operates and the entity's process of determining sales prices.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 4. CRITICAL JUDGEMENTS, ASSUMPTIONS AND KEY SOURCE OF ESTIMATION UNCERTAINTY – cont'd

##### 4.1 Critical judgement in applying the company's accounting policies – cont'd

###### (c) Revenue – gross presentation

For the sale of commodities, the company assesses its sales arrangements to determine if it acts as a principal or an agent. In determining whether the company acts as a principal, the company considers factors such as if the company has primary responsibility for providing the goods or services to the customer, bears inventory risks before or after the customer order during shipping or on return, has latitude in establishing prices either directly or indirectly, and bears the customer's credit risks for the amount receivable from the customers.

The company has determined, based on an evaluation of the terms and conditions of the sales arrangements, that the company acts as a principal and so accounts the revenue as gross presentation in the statement of profit or loss and other comprehensive income. The company's revenue from the sale of commodity products is disclosed in Note 18 to the financial statements.

##### 4.2 Key Sources of Estimation Uncertainties

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

###### (a) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

###### (b) Impairment of property, plant and equipment and investment property

The company reviews the carrying amounts of the assets as at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount or value in use is estimated. Determining the value in use of property, plant and equipment, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposal of such assets, require the company to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the company's financial condition and results of operations.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 4. CRITICAL JUDGEMENTS, ASSUMPTIONS AND KEY SOURCE OF ESTIMATION UNCERTAINTY – cont'd

##### 4.2 Key Sources of Estimation Uncertainties – cont'd

###### (c) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives after taking into account the estimated residual value. The company reviews the estimated useful lives of the assets regularly based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the assets tempered by related industry benchmark information in order to determine the amount of depreciation expense to be recorded during any reporting period. Changes in the expected level of use of the assets and the company's historical experience with similar assets after taking into account anticipated technological changes could impact the economic useful lives and the residual values of the assets, therefore future depreciation charges could be revised. Any changes in the economic useful lives could impact the depreciation charges and consequently affect the company's result.

###### (d) Estimation of incremental borrowing rate

The company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the company "would have paid", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The company estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain lease period specific estimates.

###### (e) Fair value of investment property

At the end of the reporting period, the fair value of investment property was determined based on the professional valuation carried out by independent professional valuer on the Direct Sale Comparison Approach. Appropriate adjustments are made for differences in location, area, age, condition, tenure, design and layout dates of transaction and the prevailing economic conditions affecting the property market, among others. The carrying amount of the Company's investment property at the end of the reporting period is disclosed in Note 8 to the financial statements.

###### (f) Provision

Provisions are recognised in accordance with the accounting policy in Note 2.12. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the company takes into consideration factors such as the existence of legal/contractual agreements, past historical experience, external advisors' assessments and other available information

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 4. CRITICAL JUDGEMENTS, ASSUMPTIONS AND KEY SOURCE OF ESTIMATION UNCERTAINTY – cont'd

##### 4.2 Key Sources of Estimation Uncertainties – cont'd

##### (g) Contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on management's view of the expected outcome of the applicable contingency. To determine whether there is objective evidence of contingent liability, the management considers factors such as probability of occurrence or non-occurrence of uncertain future events and also consults a legal counsel of matters related to litigations.

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT

##### 5.1 Categories of Financial Assets and Liabilities

The carrying amount of financial assets and financial liabilities included in the statement of financial position, the categories and the headings in which they are included are as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
<b>Financial assets</b>		
<u>At Fair value through profit or loss</u>		
- Derivative financial instruments	-	10,210
<u>At amortised costs:</u>		
- Trade and other receivables	33,094,965	30,818,557
- Other current assets	908,231	862,632
- Cash and bank balances	<u>4,781,136</u>	<u>14,887,185</u>
	<u>38,784,332</u>	<u>46,578,584</u>
<b>Financial liabilities</b>		
<u>At Fair value through profit or loss:</u>		
- Derivative financial instrument	19,355	66,024
<u>At amortised costs:</u>		
- Borrowings	14,139,411	1,078,725
- Trade and other payables	<u>5,589,534</u>	<u>30,314,277</u>
	<u>19,748,300</u>	<u>31,459,026</u>

Further quantitative disclosures are included throughout these financial statements.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.2 Financial Risk Management Policies and Objectives

The Company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal. The Company adopt systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

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

##### a) Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to the company resulting in a loss to the company. The carrying amount of cash and bank balances, trade and other receivables represents the company's maximum exposure to credit risk in relation to financial assets.

##### i) Trade and other receivables

##### Trade receivables

The company manages its exposure to credit risk arising from sales of commodities to its ultimate holding company and external parties through credit evaluation, credit limits and debt monitoring procedures on an ongoing basis. Where appropriate, the company obtains advance payment or letters of credits for all customers including related parties. The management regularly reviews collectability and ageing of the outstanding receivables and allowances for doubtful debts will be made if there are doubts over collectability.

The significant concentration of credit risk arose from a third party which represents 54% (2025: Nil) of the total gross trade receivables of the company at the end of the reporting period. The company adopts a pro-active approach in its credit evaluation process, credit policies and credit control as well as collection procedures to manage risk arising from the concentration of its credit exposure.

The company applies the FRS 109 simplified approach in measuring expected credit loss using a life time expected credit loss provision for all trade receivables. The expected credit loss rates are based on the company's historical credit losses experienced over the twelve months' period prior to the current period end. Management has assessed that there is no requirement for disclosure of provision matrix to calculate expected credit loss on the trade receivables as at end of the reporting date, as there is no probability of insolvency or significant financial difficulties of the debtor or significant delay in payments.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

###### a) Credit risk – cont'd

###### i) Trade and other receivables – cont'd

###### Other receivables

The concentrations of credit risk from other receivables arose from third parties. Ongoing credit evaluation is performed on the financial condition of the related parties, credit exposure is controlled by counterparty limits that are reviewed and approved by the management. Based on the past experience the management believes that no impairment of allowances is necessary in respect of amounts due from related parties due to good payment track record of its related parties.

###### ii) Cash and cash equivalents

The company's cash and cash equivalents as detailed in Note 12 to the financial statements, are held in major financial institutions which are regulated and located in Singapore, which the management believes are of high credit quality. The management does not expect any losses arising from non-performance by these counterparties. The main purpose of these financial instruments is to finance the company's operations. All financial transactions with the banks are governed by banking facilities duly accepted with Board of Directors' resolutions, with banking mandates, which define the permitted financial instruments and facilities limits, all of which are approved by the Board of Directors. All financial transactions require dual signatories.

###### b) Interest rate risk

Interest rate risk arises from the potential change in interest rate that may have an adverse effect on the company's results in the current reporting year and in future years. Interest rate risk is the risk that the fair value or future cash flows of the company's financial instruments will fluctuate because of changes in market interest rate.

The company has cash and cash equivalents that are non-interest bearing therefore has insignificant exposure to cash flow interest rate risk. The company has trust receipt that are at variable rate and therefore is exposed to cash flow interest rate risk.

The company's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity management section of this note.

###### Interest rate sensitivity

A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

###### b) Interest rate risk – cont'd

###### Interest rate sensitivity – cont'd

If interest rate had been 100 basis points lower/higher and all other variables were held constant, the company's profit for the year ended 31 March 2026 would increase/decrease by **US\$86,534** (2025: US\$146,775). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

###### c) Foreign exchange risk

Foreign currency exchange rate risk arose from the change in foreign currency exchange rates that may have an adverse effect on the company in the current reporting period and in the future years.

The company transacts mainly in United States dollars. Foreign currency exchange rate exposures are naturally hedged as both trade payments and receipts are denominated in the above currencies. This natural hedge reduces significantly the financial impact of movements in the foreign exchange rates. Management believes that the foreign exchange rate risk is manageable. Hence, the company does not use derivative financial instruments to mitigate this risk.

No sensitivity analysis has been prepared as the effect of changes foreign currency would be immaterial to the company.

###### d) Commodity price risk

Commodity price risk arose from the change in commodity prices that may have an adverse effect on the company in the current reporting period and in the future years.

The Company uses commodity derivative instruments from time to time to manage exposure to price volatility on a portion of its commodities and it also uses firm commitments for the purchase or sale of commodities. These contracts meet the definition of a derivative instrument, and all derivative financial instruments are recognized at their current fair value as either assets or liabilities in the statement of financial position. All derivatives are measured at fair value through profit or loss.

No commodity price sensitivity analysis is prepared as effect of changes in commodity prices would be immaterial to the Company.

###### e) Liquidity risk

Liquidity risk refer to risk that the company will not have sufficient funds to pay its debts as and when they fall due.

In the management of the liquidity risk, the company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and mitigate the effects of fluctuations in cash flows.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

###### e) Liquidity risk – cont'd

The following table summarises the company's remaining contractual maturity for its non-derivative financial instruments and derivative financial instruments at the end of the reporting period based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the company is expected to receive or pay.

	Effective Interest rate (%)	Carrying amount	Within 1 year or repayable on demand	Within 2 to 5 years	More than 5 years	Total
<b>2026</b>						
<b>Financial liabilities</b>						
Non-derivative financial liabilities at amortised cost:						
- Borrowing	Note 14 & 16	14,139,411	11,634,254	671,818	3,274,367	15,580,439
- Trade and other payables	-	5,589,534	5,589,534	-	-	5,589,534
		<u>19,728,945</u>	<u>31,456,321</u>	<u>671,818</u>	<u>3,274,367</u>	<u>21,169,973</u>
Derivative financial liabilities:						
- Derivative financial instruments	-	19,355	19,355	-	-	19,355
<b>2025</b>						
<b>Financial liabilities</b>						
Non-derivative financial liabilities at amortised cost:						
- Borrowings	6.02	1,078,725	1,143,449	-	-	1,143,449
- Trade and other payables	-	30,312,872	30,312,872	-	-	30,312,872
		<u>31,391,597</u>	<u>31,456,321</u>	<u>-</u>	<u>-</u>	<u>31,456,321</u>
Derivative financial liabilities:						
- Derivative financial instruments	-	66,024	66,024	-	-	66,024

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.2 Financial Risk Management Policies and Objectives – cont'd

##### f) Fair Value of Financial Instruments

##### i) Estimation of fair values

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models and option pricing models as appropriate.

Management considers that the carrying amounts of trade receivables, cash and cash equivalents, trade and other payables and long-term borrowings that are repriced to market rate, recorded at amortised cost in these financial statements approximate their fair values.

##### ii) Fair value measurement

The company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (b) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Cash-settled commodity contracts ("cash-settled contracts"), which include commodity futures, over-the-counter derivatives, and commodity forward agreements. In rare circumstances the company may deliver physical commodities to settle these contracts.

Financial assets / Financial liabilities	Fair Value (US\$)				Fair Value Hierarchy	Valuation technique(s) and key input(s)
	2026		2025			
	Assets	Liabilities	Assets	Liabilities		
<b>Derivative financial instruments</b>						
Commodities forward & futures	-	19,355	10,210	66,024	Level 3	Quoted market price or dealer quotes at end of reporting period including transaction costs

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

##### 5.3. Capital Risk Management Policies and Objectives

The company manages its capital to ensure that the company is able to continue as a going concern and maintains an optimal capital structure so as to maximise shareholder value.

In order to maintain or adjust the capital structure, the company may adjust the dividend payment to equity holders, issue new shares, return capital to the equity holders, obtain new borrowings or redemption of borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as lease liability, borrowings, trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt. The company's overall strategy remains unchanged during the year.

	<u>2026</u> US\$	<u>2025</u> US\$
Trade and other payables	5,589,534	30,314,277
Borrowings	14,139,411	1,078,725
Less: Cash and bank balances	<u>(4,781,136)</u>	<u>(14,887,185)</u>
Net debt	14,947,809	16,505,817
Total equity	<u>23,321,661</u>	<u>19,398,543</u>
Total capital	<u>38,269,470</u>	<u>35,904,360</u>
Gearing ratio	<u>39%</u>	<u>46%</u>

The Company managed its capital by regularly monitoring its current and expected liquidity requirements. The Company is in compliance with all externally imposed capital requirements.

The company will continue to monitor economic conditions in which its operations and will make adjustments to its capital structure where necessary.

#### 6. HOLDING COMPANY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Maurigo Pte. Ltd., a company incorporated in Singapore. The company's ultimate holding company is Gokul Agro Resources Ltd., incorporated in India. The company has obtained supporting documents from the ultimate holding company pertaining to certain transactions. The company has obtained joint & several guarantee from a related party as security for its credit facilities.

Many of the company's transactions and arrangements are between members of the company and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest free and repayable on demand.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 6. HOLDING COMPANY AND RELATED PARTY TRANSACTIONS – cont'd

##### a) Significant related party transactions during the year as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
<u>Ultimate holding company</u>		
Reimbursement of freight charges	548,999	432,020
Quality claim paid	38,500	-
Sales	557,362,136	526,238,396

##### b) Key management personal

Key management personnel are directors, those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. A director had provided joint and several guarantee as security for its credit facilities which has been discontinued in the current year.

The remuneration of key management personnel of the company during the financial year is as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
<u>Directors' emoluments:</u>		
- directors' remuneration	268,842	231,520
- other benefits	12,082	22,923
	280,924	254,443

#### 7. PROPERTY, PLANT AND EQUIPMENT

<u>2026</u>	<u>Computer</u> US\$	<u>Leasehold</u> <u>property</u> US\$	<u>Furniture</u> <u>and fittings</u> US\$	<u>Total</u> US\$
<u>Cost</u>				
As at 1.4.2025	11,175	1,527,593	30,266	1,569,034
Additions	1,549	-	-	1,549
Disposals	-	-	(30,266)	(30,266)
<b>As at 31.3.2026</b>	<b>12,724</b>	<b>1,527,593</b>	<b>-</b>	<b>1,540,317</b>
<u>Accumulated depreciation</u>				
As at 1.4.2025	5,937	35,118	30,266	71,321
Charged for the year	2,055	17,559	-	19,614
Disposals	-	-	(30,266)	(30,266)
<b>As at 31.3.2026</b>	<b>7,992</b>	<b>52,677</b>	<b>-</b>	<b>60,669</b>
<u>Carrying amount</u>				
<b>As at 31.3.2026</b>	<b>4,732</b>	<b>1,474,916</b>	<b>-</b>	<b>1,479,648</b>

**RIYA INTERNATIONAL PTE. LTD.**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**7. PROPERTY, PLANT AND EQUIPMENT – cont'd**

<u>2025</u>	<u>Computer</u>	<u>Leasehold</u>	<u>Furniture</u>	<u>Total</u>
	<u>US\$</u>	<u>property</u>	<u>and fittings</u>	<u>US\$</u>
		<u>US\$</u>	<u>US\$</u>	
<u>Cost</u>				
As at 1.4.2024	6,560	1,527,593	30,266	1,564,419
Additions	4,615	-	-	4,615
<b>As at 31.3.2025</b>	<b>11,175</b>	<b>1,527,593</b>	<b>30,266</b>	<b>1,569,034</b>
<u>Accumulated depreciation</u>				
As at 1.4.2024	5,670	17,559	30,266	53,495
Charged for the year	267	17,559	-	17,826
<b>As at 31.3.2025</b>	<b>5,937</b>	<b>35,118</b>	<b>30,266</b>	<b>71,321</b>
<u>Carrying amount</u>				
<b>As at 31.3.2025</b>	<b>5,238</b>	<b>1,492,475</b>	<b>-</b>	<b>1,497,713</b>

During the year, the company carried out a review of the recoverable amount of all property, plant and equipment. As a result, there were no allowances for impairment or revisions to the useful lives required for plant and equipment.

**8. INVESTMENT PROPERTY**

	<u>2026</u>	<u>2025</u>
	<u>US\$</u>	<u>US\$</u>
Fair value at end of year	<u>3,565,281</u>	<u>3,565,281</u>

Details of investment property held by the company as at 31 March 2026 as set out below: -

<u>Location</u>	<u>Land area</u>	<u>Tenure</u>	<u>Use</u>
30 Cecil Street #24-02 Prudential Tower Singapore 049712	130 square meters	Leasehold	Leased to a third parties under operating leases.

The Investment property has been mortgaged to financial institution as security for banking facilities (Note 14).

**Fair value**

During the financial year, a firm of independent professional valuers, PREMAS Valuers & Property Consultants Pte Ltd, valued the leasehold properties to be S\$4,800,000, equivalent to US\$ 3,565,281 as at 25 August 2025 using the Direct Comparison Method. In this method, a comparison is made between recent sales of similar properties within the subject development and in the vicinity. Due adjustments have been made for any differences in location, size, Master Plan Zoning, design and layout, tenure, age and conditions of buildings, and dates of transactions, amongst other relevant factors which may affect value. The fair value measurement is categorised as Level 3 on the fair value hierarchy. In relying on valuation reports, management is satisfied that the valuation methods and estimates are reflective of current market conditions.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 8. INVESTMENT PROPERTY – cont'd

##### Impairment

No allowance for impairments are required as the carrying amount of the investment property is not expected to exceed its recoverable amount, which is the higher of the fair value less cost to sell and its value-in-use.

The following amounts are recognised in the income statement:

	<u>2026</u> US\$	<u>2025</u> US\$
Rental income	122,301	116,807
Direct operating expenses arising from Investment properties		
- Property tax and maintenance	<u>(37,258)</u>	<u>(23,771)</u>

#### 9. TRADE AND OTHER RECEIVABLES

	<u>2026</u> US\$	<u>2025</u> US\$
Trade receivables – ultimate holding company	8,200,715	-
Trade receivables – third parties	<u>24,894,250</u>	<u>30,809,847</u>
	<u>33,094,965</u>	<u>30,809,847</u>
Other receivables	-	8,710
	<u>33,094,965</u>	<u>30,818,557</u>

Trade receivables are unsecured, non-interest bearing and are generally up to 30 days to 60 days' (2025: 30 to 60 days') credit terms. They are recognised at their original invoices amounts, which represent their fair value on recognition. The company does not hold any collateral over these balances as these receivables are mainly arising from customers that have a good payment record with the company. Based on the historical default rates the company believes the debts are collectible.

The credit risk profile of trade receivables is presented based on their past due status as follows:

<u>31 March 2026</u>	<u>Gross</u> <u>amount</u> US\$	<u>Expected</u> <u>credit loss</u> US\$	<u>Carrying</u> <u>amount</u> US\$
Current (Not past due)	33,094,965	-*	33,094,965
Past due:			
1 -30 days	-	-*	-
	<u>33,094,965</u>	<u>-</u>	<u>33,094,965</u>

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 9. TRADE AND OTHER RECEIVABLES – cont'd

<u>31 March 2025</u>	<u>Gross amount</u> US\$	<u>Expected credit loss</u> US\$	<u>Carrying amount</u> US\$
Current (Not past due)	30,798,527	-*	30,798,527
Past due:			
1 -30 days	11,320	-*	11,320
	<u>30,809,847</u>	<u>-</u>	<u>30,809,847</u>

-\* The company did not recognise ECL as at the reporting period as the amount was not significant.

#### 10. OTHER CURRENT ASSETS

	<u>2026</u> US\$	<u>2025</u> US\$
Interest receivables	844	588
Deposits	908,231	862,044
Staff advance	7,214	6,808
Prepayments	1,476	-
	<u>917,765</u>	<u>869,440</u>

Deposits include to futures margin deposits held with a licensed financial institutions to operate the futures commodity derivatives account. Impairment of margin deposits has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The company considers that its margin deposit has low credit risk based on the external credit ratings of the counterparty.

#### 11. DERIVATIVE FINANCIAL INSTRUMENT

	<u>Contractual Notional value</u> US\$	<u>Asset</u> US\$	<u>Fair value</u> <u>Liability</u> US\$
<b><u>2026</u></b>			
Commodities forward			
- Sales	-	-	-
- Purchases	-	-	-
Commodities futures			
- Sales	612,039	-	-
- Purchases	631,394	-	(19,355)
		<u>-</u>	<u>(19,355)</u>
<b><u>2025</u></b>			
Commodities forward			
- Sales	-	-	-
- Purchases	-	-	-
Commodities futures			
- Sales	3,866,368	10,210	-
- Purchases	3,922,182	-	(66,024)
		<u>10,210</u>	<u>(66,024)</u>

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 11. DERIVATIVE FINANCIAL INSTRUMENT – cont'd

The Company has entered into commodity derivatives to manage its exposure to fluctuation in fair value and the volatility of future cash flows caused by changes in commodity prices.

The Company has not elected to designate its derivative instruments as cash flow hedging instruments; therefore, the changes in fair value were recognized each period in profit and loss statement. The contracts are placed with major financial institutions deemed to be of high credit, each of which is a party to the credit facility.

The fair value of the commodity derivative is determined based on mark-to-market valuation provided by the financial institution / counter- party as at end of reporting period. The fair value gain of **US\$36,459** (2025: fair value gain of US\$1,573,412) has been recognised in the profit and loss statement.

#### 12. CASH AND BANK BALANCES

	<u>2026</u> US\$	<u>2025</u> US\$
Cash in hand	238	6,904
Cash at banks	1,537,298	14,100,281
Fixed deposits	3,243,600	780,000
	4,781,136	14,887,185

Fixed deposits are made for period 1 month (2025: 1 month) and earn interests at the rate ranging from 1.80% to 4.00% (2025: 4.00%) per annum. Fixed deposits are all denominated in the functional currency of the company and they are pledged with licensed banks for banking facilities granted to the company (Note 15).

Bank balances in statement of cash flows are as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
Cash and bank balances	4,781,136	14,887,185
Less: Fixed deposits, restricted	(2,293,600)	(780,000)
	2,487,536	14,107,185

Cash and bank balances held that are not available for use are classified as restricted deposits. Restricted fixed deposits are excluded from cash and cash equivalents. Cash and bank balances are denominated in the following currencies:

	<u>2026</u> US\$	<u>2025</u> US\$
United States dollar	4,711,182	14,822,561
Singapore dollar	69,954	64,624
	4,781,136	14,887,185

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 13. SHARE CAPITAL

	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
	<u>Number of ordinary shares</u>		<u>US\$</u>	<u>US\$</u>
Issued and fully paid: At beginning and end of year	5,200,000	5,200,000	5,200,000	5,200,000

The fully paid ordinary shares which have no par value, carry one vote per share and a right to dividend as and when declared by the company.

#### 14. LONG TERM BORROWINGS FROM FINANCIAL INSTITUTION

	<u>2026</u>	<u>2025</u>
	<u>US\$</u>	<u>US\$</u>
Term loan	2,671,411	1,078,725
Less: Amount due for settlement within 12 months	(97,939)	(1,078,725)
Amount due for settlement after 12 months	2,573,472	-

##### a) Term loan

The Company obtained a long-term loan amounting to S\$3,500,000 (equivalent to US\$2,727,550) from a financial institution to finance the investment property. The term loan bears interest at 2.60% per annum for the first 2 years and subsequently SORA in advance plus 3.00% margin per annum for the remaining years. The term loan will be repayable over a period of 25 years from the date of disbursement.

The loan is secured as follows:

- i) First legal mortgage over the investment property (Note 8).
- ii) Corporate guarantee from immediate holding company.

Credit facilities are subjected to financial covenants which the company shall abide by.

The company complies with its financial covenants.

There was no material change in the covenants related to the company's long-term loan. The company regularly monitors its compliance with the financial covenants.

Term loan denominated in Singapore dollars.

##### b) Note to statement of cash flows

	<u>2026</u>	<u>2025</u>
	<u>US\$</u>	<u>US\$</u>
Balance at beginning of year	1,078,725	1,489,026
Addition during the year	2,727,550	-
Repayments	(1,115,407)	(417,972)
Foreign currency exchange adjustment (gain) / loss	(19,457)	7,671
	2,671,411	1,078,725

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 15. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTION

	<u>2026</u> US\$	<u>2025</u> US\$
Trust receipts	<u>11,468,000</u>	<u>-</u>

The above trust receipts were repayable in 14 days and bearing interest ranging from 5.74% to 5.75% to per annum. Short- term borrowings are secured as disclosed in respective notes to the accounts and as follows:

- i) Charge on fixed deposit with the respective banks (Note 12).
- ii) Corporate guarantee from the immediate holding company.

Reconciliation of movements of bank borrowings to cash flows arising from financing activities:

	<u>2026</u> US\$	<u>Trust receipt</u> <u>2025</u> US\$
At beginning of year	-	17,629,715
Proceeds	289,602,596	297,922,935
Less: Repayments	<u>(278,134,596)</u>	<u>(315,552,650)</u>
At end of year	<u>11,468,000</u>	<u>-</u>

#### 16. TRADE AND OTHER PAYABLES

	<u>2026</u> US\$	<u>2025</u> US\$
Trade payables - third parties	5,092,947	29,682,351
Other payables:		
- third parties	433,536	576,330
- accruals	30,624	26,011
- GST payable	1,868	1,405
Tenant security deposit	<u>30,559</u>	<u>28,180</u>
	<u>5,589,534</u>	<u>30,314,277</u>

Trade payables are non-interest bearing and normally settled about 14 to 30 days (2025: 30 days). Trade payables and accruals comprise amounts outstanding for trade purchases and ongoing costs.

#### Tenant security deposits

Tenant security deposits are recognised at the fair value of the amount received. The liability is derecognised upon returning the deposit to the tenant at the end of the tenancy or transferred to profit or loss to the extent of rent owed when it has been established that a tenant will default on its rental payment obligations.

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 16. TRADE AND OTHER PAYABLES

Trade and other payables are denominated in the following currencies:

	<u>2026</u> US\$	<u>2025</u> US\$
United States dollar	5,526,483	30,258,681
Singapore dollar	63,051	55,596
	<u>5,589,534</u>	<u>30,314,277</u>

#### 17. REVENUE

The company derives revenue from the transfer of goods at a point in time.

#### 18. OTHER INCOME

	<u>2026</u> US\$	<u>2025</u> US\$
Rental income	122,301	116,807
Government grants:		
- Cash rebate	1,558	1,536
- CPF transition offset	343	307
- MSF grant	-	477
Interest income	154,045	487,165
Other income	85,843	-
Foreign currency exchange gain	48,163	-
	<u>412,253</u>	<u>606,292</u>

#### 19. FINANCE COSTS

	<u>2026</u> US\$	<u>2025</u> US\$
Bank charges	497,006	917,540
Interest on term loan	51,648	77,916
Interest on bills discounting	455,197	868,411
Interest on trust receipts	383,108	892,016
Interest on derivatives	-	141,849
Interest others	21,228	-
	<u>1,408,187</u>	<u>2,897,732</u>

#### 20. INCOME TAX EXPENSE

	<u>2026</u> US\$	<u>2025</u> US\$
Current year's income tax	768,834	790,817
Under / (over) provision in prior years	9,160	(12,938)
	<u>777,994</u>	<u>777,879</u>

**RIYA INTERNATIONAL PTE. LTD.**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**20. INCOME TAX EXPENSE – cont'd**

Reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
Profit before income tax	<u>4,701,112</u>	<u>4,765,537</u>
Income tax expense at statutory rate at 17% (2025: 17%)	799,189	810,141
Effect of:		
- (deductible) / taxable expenses	12,709	(12,948)
- tax exemption	<u>(43,064)</u>	<u>(6,376)</u>
Current year's income tax	768,834	790,817
Under / (over) provision in prior years	<u>9,160</u>	<u>(12,938)</u>
	<u>777,994</u>	<u>777,879</u>

Movement of income tax payables

	<u>2026</u> US\$	<u>2025</u> US\$
At beginning of year	790,817	697,955
Current year provision	768,834	790,817
Income tax paid, net	(799,977)	(685,017)
Under / (over) provision in prior years	<u>9,160</u>	<u>(12,938)</u>
	<u>768,834</u>	<u>790,817</u>

**21. PROFIT FOR THE YEAR**

Profit for the year has been arrived after charging:

	<u>2026</u> US\$	<u>2025</u> US\$
Director's remuneration	268,842	231,520
Director's other benefits	12,082	22,923
Employee benefits (including director's emoluments)	509,132	464,871
Cost of defined contribution plans included in employee benefits	32,056	28,445
Brokerage expense	407,675	448,443
Foreign currency exchange adjustment loss	<u>-</u>	<u>186,849</u>

## RIYA INTERNATIONAL PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

#### 22. COMMITMENTS

##### a) Operating lease commitments

The company leases its investment property to a third party under an operating lease for a period of three years. Rental income during the financial year amounted to **US\$122,301** (2025: US\$116,807).

As at the end of the reporting period, the future minimum rental receivable under a non-cancellable operating lease contracted are as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
Within one year	122,240	117,709
In the second to third year	<u>91,680</u>	<u>205,991</u>
	<u>213,920</u>	<u>323,700</u>

#### 23. EVENTS AFTER REPORTING PERIOD

No items, transactions or events of material and unusual nature have arisen in the interval between the end of the financial period and the date of authorisation for the issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding financial year except, subsequent to financial year end, the long term loan borrowings from financial institution has been fully settled.

## RIYA INTERNATIONAL PTE. LTD.

### DETAILED STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	<u>2026</u> US\$	<u>2025</u> US\$
<b>Revenue</b>	767,627,444	810,016,208
<b>Less: Cost of sales</b>		
Purchases	746,861,467	782,887,473
Commission	29,494	22,831
Freight charges	14,598,328	12,728,800
Hedging CPO - net	(1,193,330)	7,085,201
Fair value (gain) / loss on commodity derivatives	(36,459)	(1,573,412)
Super vision charges	32,420	52,205
Quality and shortage claims	-	8,640
Demurrage charge	462,840	106,029
Marine insurance	51,239	84,481
Port charges	929	-
Late shipment cost	138	124,787
	(760,807,066)	(801,527,035)
<b>Gross profit</b>	6,820,378	8,489,173
<b>Add: Other income</b>		
Interest income	154,045	487,165
Rental income	122,301	116,807
Government grants:		
- Cash rebate	1,558	1,536
- CPF grant	343	307
- MSF grant	-	477
Other income	85,843	-
Foreign currency exchange gain	48,163	-
	412,253	606,292
	7,232,631	9,095,465
<b>Less: Operating expenses</b>		
- Schedule 'A'	(2,531,519)	(4,329,928)
<b>Profit before income tax</b>	4,701,112	4,765,537

The schedule does not form part of the audited statutory financial statements.

# RIYA INTERNATIONAL PTE. LTD.

Schedule 'A'

## OPERATING EXPENSES

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	<u>2026</u> US\$	<u>2025</u> US\$
<b>Administrative expenses</b>		
Auditors' remuneration	20,000	20,000
Brokerage expense	407,675	448,443
Central provident funds contribution	32,056	28,445
Conveyance expenses	2,536	3,658
Courier charges	7,697	8,303
Directors' emoluments:		
- remuneration	268,842	231,520
- other benefits	12,082	22,923
Entertainment	3,446	17,608
Insurance	8,783	9,959
Legal and professional fee	14,461	76,111
Miscellaneous expenses	698	15,827
Office expenses	3,406	4,341
Printing and stationary	2,286	3,800
Property maintenance expenses	18,806	17,553
Property tax	18,452	16,822
Repair and maintenance	371	1,193
Salary and allowances	228,208	210,428
Subscription	18,626	595
Taxation fee	2,000	2,000
Telephone charges	3,863	4,123
Trade expenses	-	36,023
Travelling expenses	28,240	46,470
Utilities	1,184	1,376
<b>Finance cost</b>		
Bank charges	497,006	917,540
Interest on trust receipts	383,108	892,016
Interest on term loan	51,648	77,916
Interest on derivatives	-	141,849
Interest on bill discounting	455,197	868,411
Interest others	21,228	-
<b>Other expense</b>		
Depreciation on property, plant and equipment	19,614	17,826
Foreign currency exchange adjustment loss	-	186,849
	<b>2,531,519</b>	<b>4,329,928</b>

The schedule does not form part of the audited statutory financial statements.