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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of LT Overseas North America Inc.

Report on the Audit of the Special purpose consolidated financial statements

Opinion

We have audited the Special purpose consolidated financial statements of LT Overseas North America Inc. (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and a joint venture , which comprise the Special purpose consolidated balance sheet as at March 31, 2025, and the Special purpose consolidated statement of income, Special purpose consolidated changes in stockholder's equity and the Special purpose consolidated cash flow statement for the year then ended, and the notes to the Special purpose consolidated financial statements including a summary of significant accounting policies (hereinafter referred to as "the Special purpose consolidated financial statements").

In our opinion, the accompanying Special purpose consolidated financial statements, are prepared, in all material respects in accordance with paragraph 21.12 of the loan agreement dated March 13, 2025 between the Holding Company and Cooperative RaboBank U.A. and Cooperative RaboBank U.A., New York Branch (hereinafter referred to as "the lenders").

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special purpose consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Special purpose consolidated financial statements in India, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 of the Special purpose consolidated financial statements, which describes the basis of preparation and consolidation. This special purpose consolidated financial statements are prepared to assist the Holding company in complying with the financial reporting provisions of the contract referred to above. As a result, the special purpose consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the Group and the lenders and should not be distributed to or used by parties other than the Group or the lenders.

Our opinion on the Special purpose consolidated financial statements is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Special purpose consolidated financial statements

The Holding Company's management is responsible for the preparation and fair presentation of these Special purpose consolidated financial statements in accordance with the recognition and measurement as per the accounting principles generally accepted in the United States of America and for and for such internal control as Holding Company's management determines is necessary to enable the preparation



of the special purpose consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special purpose consolidated financial statements, the Holding Company's management is responsible for assessing the Holding Company's ability to continue as 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 Holding Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Special purpose consolidated financial statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Special purpose consolidated financial statements.

For BDO India LLP

BDO India LLP

Place: Gurugram

Date: July 25, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Responsibilities for the Audit of the Special purpose consolidated financial statements

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

- Identify and assess the risks of material misstatement of the Special purpose consolidated 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. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Special purpose consolidated financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Special purpose consolidated 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 Group to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during our audit.

For BDO India LLP

BDO India LLP

Place: Gurugram

Date: July 25, 2025

LT Overseas North America, Inc.
Special Purpose Consolidated Balance Sheet as at year ended March 31, 2025
(All amounts are in USD unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		6,893,710	1,937,845
Accounts receivable, net (allowance for doubtful accounts of \$ 306,053 and \$ 405,720 as of March 31, 2025 and March 31, 2024 respectively)		59,959,092	44,488,197
Inventories	7	122,622,677	82,073,877
Advances to vendors		1,001,779	1,978,491
Advances to related parties	10	32,279,322	46,141,644
Receivable from related party	10	3,790,160	288,074
Prepaid expenses and other current assets		3,877,524	4,886,350
TOTAL CURRENT ASSETS		230,424,264	181,794,478
NON-CURRENT ASSETS			
Property And Equipment, Net of accumulated depreciation	8	38,657,357	25,771,853
Operating lease right-of-use assets, Net of accumulated amortisation		37,603,050	25,447,502
Capital Work-In-Progress		378,972	2,374,562
Intangibles Assets, Net of accumulated amortisation	9	10,141,153	10,305,463
Other assets			
Equity method investments	15	22,025,795	18,440,044
Other investments		1,789,700	792,111
Security deposits and other assets		3,252,250	5,660,525
Advances to related parties	10	1,364,673	-
Deferred tax assets	11	684,376	298,887
Total other assets		29,116,794	25,191,567
TOTAL NON-CURRENT ASSETS		115,897,326	89,090,947
TOTAL ASSETS		346,321,590	270,885,425
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES			
Bank line of credit		47,957,004	21,498,551
Current portion of bank equipment loan	12	970,811	1,128,389
Accounts payable		24,013,354	10,364,849
Operating lease liabilities	13	6,450,910	5,252,323
Contract liabilities		429,840	417,786
Income tax payable		6,650,242	9,105,233
Accrued expenses & other payables		12,182,098	9,250,423
Payable to related party	10	3,887,030	468,930
Payable to related party for inventories in transit	10	32,063,466	40,155,580
Advances from related parties	10	43,152	-
TOTAL CURRENT LIABILITIES		134,647,907	97,642,064
NON-CURRENT LIABILITIES			
Loan payable to bank, net of debt issuance cost		39,589	-
Non current portion of Bank equipment loan	12	-	966,947
Long-term operating lease liabilities	13	32,225,857	21,873,110
Deferred tax liabilities	11	1,134,260	271,910
Advances from related parties	10	16,686,009	16,472,962
TOTAL NON-CURRENT LIABILITIES		50,085,715	39,584,929
TOTAL LIABILITIES		184,733,622	137,226,993
STOCKHOLDER'S EQUITY			
Common stock, no par value, 1,000,000 shares authorized; 338,500 shares issued and outstanding (338,500 shares March 31, 2024)		4,770,000	4,770,000
Additional paid-up capital		2,000,000	2,000,000
Retained earnings		154,817,968	126,888,432
TOTAL STOCKHOLDER'S EQUITY		161,587,968	133,658,432
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		346,321,590	270,885,425
Lease Commitments (Note 13)			

Note: The accompanying notes form an integral part of the Special Purpose Consolidated Financial Statements

LT Overseas North America, Inc.

Special Purpose Consolidated Statement of Income (including other comprehensive income) for the year ended March 31, 2025

(All amounts are in USD unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
REVENUES			
Gross sales		564,925,510	494,394,005
Less: Sales returns and discounts		(15,522,063)	(14,025,234)
NET SALES		549,403,447	480,368,771
LESS: COST OF GOODS SOLD			
Beginning inventory		82,073,877	84,925,897
Purchases, net of discount		425,879,158	331,765,935
Other direct costs		69,994,865	52,692,816
Ending inventory		(122,622,677)	(82,073,877)
TOTAL COST OF GOODS SOLD		455,325,223	387,310,771
GROSS PROFIT		94,078,224	93,058,000
LESS: OPERATING EXPENSES	6	(59,635,506)	(48,595,783)
INCOME FROM OPERATIONS		34,442,718	44,462,217
OTHER INCOME/(EXPENSE)			
Interest expense		(2,534,975)	(3,022,236)
Miscellaneous income		7,881,591	4,976,796
OTHER INCOME, NET		5,346,616	1,954,560
INCOME BEFORE CURRENT YEAR INCOME TAX		39,789,334	46,416,777
Less: Income tax expense, net		(11,091,949)	(13,081,054)
Add: Equity method investment net earnings		3,585,751	6,347,698
NET INCOME AFTER TAX		32,283,136	39,683,421
OTHER COMPREHENSIVE INCOME			
Foreign currency translation adjustments		176,408	249,748
TOTAL COMPREHENSIVE INCOME		32,459,544	39,933,169

Note: The accompanying notes form an integral part of the Special Purpose Consolidated Financial Statements

LT Overseas North America, Inc. and Subsidiaries
Special Purpose Consolidated Statements of Cash Flows
(All amounts are in USD unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities:		
Net income	32,283,136	39,683,421
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation & amortization	9,652,967	8,495,839
Deferred income taxes	476,861	49,778
Interest income	-	-
Equity method investment net earnings	(3,585,751)	(6,347,698)
Interest expense	938,991	1,001,812
Allowance for doubtful accounts	150,228	507,507
(Increase) / decrease in assets:		
Accounts receivable	(15,621,123)	10,144,481
Advances to vendors	976,712	1,070,457
Inventories	(40,548,800)	2,852,021
Prepaid expenses and other current assets	1,008,826	(1,636,241)
Advances to related parties	12,497,649	(28,383,868)
Receivable from related party	(3,502,086)	-
Security deposits and other assets	2,408,275	(4,108,541)
Increase / (decrease) in liabilities:		
Accounts payable	13,648,505	(7,119,942)
Income taxes payable	(2,454,991)	7,831,525
Accrued expenses & other payables	2,931,675	5,904,534
Contract liabilities	12,054	12,450,168
Advances from related parties	256,199	-
Payable to related party	(4,674,014)	15,656,549
Net cash provided by operating activities	6,855,313	58,051,802
Cash flow from investing activities:		
Payment for purchase of property and equipment including capital work-in-progress	(15,479,539)	(5,598,175)
Investment in enterprise in which company has significant interest	-	(792,111)
Investment others	(997,589)	-
Proceeds from sale of property	-	-
Net cash used in investing activities	(16,477,128)	(6,390,286)
Cash flow from financing activities:		
(Repayments) / Proceeds of bank loan	39,589	(28,155,000)
(Repayments) / Proceeds of bank line of credit	26,458,453	(15,295,665)
Repayments of bank equipment loan	(1,124,525)	(1,117,536)
Payment of rent expense	(6,442,237)	(5,999,981)
Share application money received	1,182,672	-
Payment of dividend	(5,712,680)	(1,467,176)
Net cash (used in)/provided by financing activities	14,401,272	(52,035,358)
Net (decrease) / increase in cash and cash equivalents	4,779,457	(373,842)
Cash and cash equivalents, beginning	1,937,845	2,061,939
Effects of changes in foreign exchange rate	176,408	249,748
Cash and cash equivalents, end	6,893,710	1,937,845

Note: The accompanying notes form an integral part of the Special Purpose Consolidated Financial Statements

LT Overseas North America, Inc. and Subsidiaries
Special Purpose Consolidated Statements of Changes in Stockholder's Equity for the year ended March 31, 2025
(All amounts are in USD unless otherwise stated)

	Common Stock		Additional Paid in Capital		Retained Earnings	Accumulated Other Comprehensive Income	Total
	No. of Shares	Amount					
Balance at April 01, 2023	338,500	4,770,000	2,000,000		89,524,007	(1,101,568)	95,192,439
Distribution of dividend	-	-	-		(1,467,176)	-	(1,467,176)
Foreign currency translation adjustments	-	-	-		-	249,748	249,748
Other comprehensive income for the year (net)	-	-	-		39,683,421	-	39,683,421
Balance at March 31, 2024	338,500	4,770,000	2,000,000		127,740,252	(851,820)	133,658,432
Distribution of dividend	-	-	-		(5,712,680)	-	(5,712,680)
Foreign currency translation adjustments	-	-	-		-	176,408	176,408
Share application money allotment pending					1,182,672		1,182,672
Other comprehensive income for the year (net)	-	-	-		32,283,136	-	32,283,136
Balance at March 31, 2025	338,500	4,770,000	2,000,000		155,493,380	(675,412)	161,587,968

Note: The accompanying notes form an integral part of the Special Purpose Consolidated Financial Statements

LT Overseas North America, Inc. and Subsidiaries

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

1. Nature of Operations

LT Overseas North America, Inc. (LTONA or the "Company") was incorporated in California on November 2, 2007. LTONA is a wholly owned subsidiary of LT Foods Limited, India, the parent company. The Company and its subsidiaries described below are collectively referred to as the "Group".

In 2007, LTONA purchased 100% outstanding stocks of LT Foods Americas, Inc. (formerly known as Kusha, Inc.) ("LTFA"), a California Corporation incorporated in November 1992. In November 2016, Kusha, Inc. permanently changed its name to LT Foods Americas, Inc. This company is an importer and distributor of rice, grape seed oil, tea and other packaged grocery items. Its area of distribution is dispersed geographically throughout the United States and includes area of Canada.

In September 2010, LTONA formed LT Foods USA LLC, a company in Texas and is engaged in real estate renting.

In July 2012, Universal Traders, Inc. was incorporated in the state of California. Concurrently, Universal Traders, Inc. issued 10,000 shares of its 1,000,000 authorized one class of shares of stock at no par value to LTONA for \$10,000. This company is engaged in importing and supplying products to LT Foods Americas, Inc. exclusively. However, the Company has dissolved Universal Traders Inc. with effect from August 28, 2020.

In February 24, 2014, LTONA formed Ecolife, LLC, single member LLC in California to engage in importing and distributing of organic products. However, this company has been terminated with effect from August 28, 2020.

On 28 June 2022, LTFA acquired 51% stake in Golden Star Trading, Inc, along with its brand with a call option to further acquire 49% stake at the end of three years. Golden Star Trading Inc, is under joint control of LTFA and its promoters.

On September 20, 2019, LTONA entered into share purchase agreement with its parent company to acquire all shares of LT Foods International Limited, UK company, wholly owned subsidiary of the parent company. LT Foods International Limited has LT Foods Europe BV (Netherlands) ("LTFE"), as its wholly owned subsidiary. On July 17, 2023, LT Foods International Limited form LT Foods UK Limited as its fully owned subsidiary. Name of LT Foods International Limited has been changed to LT Foods Europe Holdings Limited with effect from August 03, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation and Consolidation

These special purpose consolidated financial statements have been prepared by the management pursuant to meeting its responsibilities in relation to your compliance with the paragraph 21.12 of the loan agreement dated March 13, 2025 between the Holding Company and Cooperative RaboBank U.A. as term loan lender, Cooperative RaboBank U.A., New York Branch as revolving credit lender.

The special purpose consolidated financial statements include the accounts of LT Overseas North America, Inc., its direct and indirectly owned subsidiaries, and a joint venture:

- LT Foods Americas, Inc. (formerly known as Kusha, Inc.)
- LT Foods USA, LLC
- LT Foods Europe Holdings Limited (formerly known as LT Foods International Limited)
- LT Foods Europe BV
- LT Foods UK Limited
- Golden Star Trading, Inc. with joint venture of 51%

All inter-company balances and transactions have been eliminated.

These special purpose consolidated financial statements have been prepared in accordance with recognition and measurement principles as per the accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amount reported in the consolidated financial statement and accompanying notes. Estimates are made for, but not limited to the accounting for provision for doubtful accounts, depreciation and amortization, taxes and contingencies. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Group considers all highly liquid investments and deposits with an original maturity of three months or less.

LT Overseas North America, Inc. and Subsidiaries
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

Accounts receivable and allowance for doubtful accounts

Allowance for doubtful accounts is maintained with respect to accounts determined to be uncollectible in the current period. Management determines the allowance for doubtful accounts based upon historical experience and assessment of the collectability of existing specific accounts. Accounts are written off against the allowance when they are deemed uncollectible.

We maintain an allowance for credit losses for account receivable, which is recorded as an offset to accounts receivable and changes in such are classified as other expenses in Special Purpose Consolidated Statement of Income (including other comprehensive income). We assess collectability by reviewing accounts receivable on a collective basis where similar characteristics exist and on an individual basis when we identify specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, we consider historical collectability based on past due status and make judgements about the creditworthiness of customers based on ongoing credit evaluations. We also consider customer-specific information, current market conditions and reasonable and supportable forecast of future economic conditions to inform adjustments to historical loss data.

For account receivable for more than 365 days, management creates an allowance for doubtful debts based on the past experience. For balances outstanding for less than a year, the management reviews the receivable balances to identify if any allowance for doubtful receivables is required. After all attempts to collect a receivable has failed, the receivable is written off against the allowance for doubtful debts.

Revenue Recognition

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product to a customer. Net sales include revenue from the sale of finished goods, net of allowances for trade promotions, consumer coupon programs and other sales incentives, and allowances and discounts associated with aged or potentially unsaleable products. Trade promotions and sales incentives primarily include reduced price features, merchandising displays and sales growth incentives.

Inventories

Inventories are stated at lower of cost (weighted average method) or net realisable value. Cost includes both direct and other costs that are incurred to bring the inventory to its present condition and location. Other costs include freight, customs, examination fees and other direct costs.

Income Taxes

The Group accounts for income taxes in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740- Income Taxes, which requires an asset and liability approach to financial accounting and reporting of income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

Based on its current evaluation, the Group has concluded there are no significant uncertain tax positions requiring recognition in the Group's consolidated financial statements.

Property and Equipment

Property and equipment are stated at cost. Depreciation is recorded using the straight- line method over the estimated useful lives of the respective assets as follows:

Building	39 & 1/2 years
Furniture and fixtures	5 - 10 years
Office and computer equipment	3 - 10 years
Leasehold improvements	lower of the estimated life or remaining lease term
Warehouse equipment	5 - 20 years
Vehicle	5 years

Expenditures for repairs and maintenance are charged to expense when incurred. Additions, major renewals and replacements that increase the property's useful life are capitalized.

Impairment of Long-Lived Assets

The Group is required, under current accounting standards to review the carrying value of its long-lived assets, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. As of March 31, 2025, management has determined that no impairment exists. Accordingly, no adjustments have been made to the carrying values of long-lived assets.

LT Overseas North America, Inc. and Subsidiaries

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

Goodwill and Other Intangible Assets

Under FASB ASC 350 – Intangibles Goodwill and Other, the excess over the fair value of identifiable net assets obtained in business acquisitions is carried at cost. Such goodwill is tested for impairment at least annually, or more frequently upon the occurrence of an event or when circumstances indicate that a “reporting unit” carrying amount is greater than its fair value. The Company uses a single quantitative step when determining the subsequent measurement of goodwill by comparing the fair value of a reporting unit with its carrying amount and recording an impairment charge for the amount that the carrying amount exceeds the fair value, up to the total amount of goodwill allocated to that reporting unit. As of March 31, 2025, no impairment of goodwill has occurred.

Other intangible assets consist of trademarks, non-compete rights, copyrights and distributor network, which were acquired in business acquisitions. Non-compete rights, copyrights and distributor network were being amortized on a straight-line basis over their estimated useful lives of 5-10 years, 7 years and 15 years respectively. Non-compete rights and distribution network of the Company are fully amortized as of March 31, 2021. Software's were amortised on straight -line basis over a period of 3 years. Amortization expense for the years ended March 31, 2025 and March 31, 2024 were \$164,310 and \$216,851 respectively.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets represents amounts paid for services that will benefit future periods. These balances will fluctuate from year to year depending on the timing underlying expenses and payments as of year-end.

Loan Cost

The FASB issued ASU No. 2015-03, Simplifying the Presentation of Debt Issuance Costs. The guidance requires debt issuance costs related to a recognized debt liability be reported on the balance sheet as a direct deduction from the carrying amount of that debt liability.

Foreign Currency

Foreign Currency Translation

The Group translates the financial statements of our international subsidiaries into presentation currency (U.S. dollars) using year-end exchange rates of assets liabilities and Non-controlling interest and average rates for the annual period for items of comprehensive income.

The shareholder's equity is carried at historical exchange rates, the difference so computed is recorded as foreign currency translation adjustments as part of Other Comprehensive Income.

United States of America (USA) is the primary economic environment in which the company operates, and its functional currency is determined to be United States Dollar (USD). The entity's presentation currency is USD.

Compensated Absences

Employees of the Group are entitled to paid vacation and paid sick days depending on length of service and other factors. Vacation and paid sick days are expensed and are not carried forward the following year, therefore, no accrual is recognized in the special purpose consolidated financial statements.

Shipping and Handling

Amounts billed to customers related to shipping and handling are included in sales. During the years ended March 31, 2025 and 2024, shipping and handling costs were \$3,736,812 and \$4,126,233, respectively.

Advertising Cost

The Group follows the policy of charging the cost of advertising to expense as incurred.

Leases

We determine whether a contract is or contains a lease at contract inception. For short-term operating leases with terms of 12 months or less, we do not recognize right-of-use (“ROU”) assets and lease liabilities. ROU assets are recognized at commencement date at the value of the lease liability, adjusted for any prepayments, lease incentives received and initial direct costs incurred. Lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. As the implicit interest rate in the lease is not readily determinable, we use our country-specific incremental borrowing rate to discount the lease liabilities.

Equity Method Investments

Equity method investments consist of our investments in entities in which we maintain an equity ownership interest and apply the equity method of accounting due to our ability to exert significant influence over decisions relating to their operating and financial affairs. Revenue and expenses of our equity method investees are not consolidated into our financial statements; rather, our proportionate share of the earnings of each investee is reflected as equity method investment net earnings. The carrying values of our equity method investments are also impacted by our proportionate share of items impacting the investee's accumulated other comprehensive income or losses and other items, such as our share of investee dividends.

LT Overseas North America, Inc. and Subsidiaries

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

Subsequent Events

Management evaluated all activity of the Group through May 06, 2025 (the issuance date of the special purpose consolidated financial statements). The management concluded that there were no subsequent events have occurred that would require recognition in the consolidated financial statements or disclosure in the related notes to the consolidated financial statements.

3. Reclassification

Certain reclassifications have been made in the special purpose consolidated financial statements of prior period to conform to the classification used in the current period. These changes have no impact on previously reported consolidated net income or consolidated stockholder's equity of the Group.

4. Major Customers and Suppliers

Four customers combined, make up a total of approximately 49% and 45%, respectively, of the Group's total sales for the years ended March 31, 2025 and 2024. As at March 31, 2025 and 2024, approximately 23% and 25%, respectively, of the Group's accounts receivables were owed from these customers, thereby increasing the level of credit risk due to the concentration of accounts receivable. See Note 5 Risk.

Four major suppliers, including related parties, make up a total of approximately 78% and 61% of the Group's total purchases for the years ended March 31, 2025 and 2024. As at March 31, 2025 and 2024, these related parties has majorly advance outstanding to the group.

5. Risks

In the normal course of business, the Group maintains its cash balances in a financial institution, which at times may exceed federally insured limits. The Group has not experienced any losses in such account and believes it is not subject to any significant credit risk as all its deposits are maintained in a high credit quality financial institution.

The Group is also subject to credit risks through accounts receivable as these are unsecured. Additionally, substantial portion of the accounts receivable is with major customers. However, credit risk on accounts receivable is minimized because of the client base being large national companies and businesses with good receivable collection histories.

The Company may be exposed to currency risk which is the potential risk of loss from fluctuating foreign exchange rates related to its foreign transactions and foreign operations.

6 Operating Expense

	For the year ended 'March 31, 2025	For the year ended 'March 31, 2024
Advertising	8,254,713	6,380,257
Automobile expense	221,765	385,588
Allowance for doubtful accounts	150,228	507,507
Bank charges	249,439	101,333
Bonus	1,277,741	2,631,815
Business gifts	814,317	-
Commission	3,227,730	2,926,088
Depreciation and amortization	3,595,181	2,729,687
Dues and subscriptions	987,055	759,263
Employee welfare	490,112	354,649
Foreign exchange loss (gain)	14,975	-
Freight delivery charges	5,329,109	905,180
General expenses	1,474,676	1,456,083
Insurance	2,100,536	1,750,121
401(k) expenses	281,584	255,514
Legal and professional	3,597,533	4,726,213
Office expense	1,701,559	1,010,661
Payroll taxes	683,499	608,696
Penalties	129,983	161,169
Postage	150,231	137,867
Promotions	183,443	492,477
Rent	699,519	127,735
Repair & maintenance	723,027	699,715
Salaries, wages and bonuses	18,630,373	15,975,862
Taxes and licenses	1,135,488	872,250
Telephone and internet	311,495	345,574
Trade fairs and exhibitions	372,315	372,409
Travel	1,779,086	1,520,951
Utilities	1,068,794	401,119
TOTAL	59,635,506	48,595,783

I.T Overseas North America, Inc. and Subsidiaries**Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025****7 Inventories**

Inventories consisted of the following:

	As at March 31, 2025	As at March 31, 2024
Rice	68,788,387	32,654,240
Grape seed oil	164,453	367,138
Beans, lentils and others	663,219	138,966
Ready to heat products	2,012,003	1,086,676
Other packaged items	1,253,489	1,908,720
Semi finished goods	1,327,031	938,042
Packaging materials	5,945,563	4,739,312
Subtotal	80,154,145	41,833,094
Inventories in transit*	42,468,532	40,240,783
Total	122,622,677	82,073,877

*The inventories in transit costs includes purchase price only.

8 Property and Equipment, net of accumulated depreciation

Property and equipment consisted of the following:

Class of Assets	As at March 31, 2025	As at March 31, 2024
- Land	1,534,756	1,534,756
- Building	5,030,245	5,030,245
- Furniture and fixtures	588,757	588,757
- Office and computer equipment	1,580,818	1,398,132
- Leasehold improvements	5,576,615	4,353,397
- Vehicle	1,548,986	1,401,956
- Warehouse equipment	45,827,563	30,201,535
Gross block	61,687,740	44,508,778
Less: accumulated depreciation	(23,030,383)	(18,736,925)
Property and Equipment, Net of accumulated depreciation	38,657,357	25,771,853

Depreciation expense for the years ended March 31, 2025 and 2024 were \$4,592,316 and \$3,104,730, of which \$1,159,365 and \$592,049, respectively, were part of cost of goods sold.

9 Intangible Assets

The carrying value of intangible assets is as follows:

	As at March 31, 2025	As at March 31, 2024
Goodwill	3,523,547	3,523,547
Trademarks	7,124,936	7,124,936
Copyrights	447,095	447,095
Non compete rights	3,372,579	3,372,579
Distributor network	2,000,000	2,000,000
Other intangible assets	491,433	491,433
Less: Accumulated amortization	(6,818,437)	(6,654,127)
Total intangibles assets, net	10,141,153	10,305,463

LT Overseas North America, Inc. and Subsidiaries
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

10 Related Party Transactions

Purchases from affiliates during the years ended March 31, 2025 and 2024 are summarized as follows:

Name of affiliate	Year ended March 31, 2025		Year ended March 31, 2024	
	Purchases	%ge	Purchases	%ge
LT Foods Limited, India (Parent Company)	113,861,517	26.73	117,109,385	35.30
Dawaat Foods Limited - (fellow subsidiary)	140,684,601	33.03	61,012,320	18.39
Ragunathan Agro Industries Ltd. (fellow subsidiary)	10,101,780	2.37	18,098,920	5.46
Nature Bio-Foods Ltd. - (fellow subsidiary)	29,672,539	6.97	16,619,630	5.01
Nature Bio Foods BV - (fellow subsidiary)	7,899,962	1.85	8,652,488	2.61
Ecopure Specialties Limited - (fellow subsidiary)	156,090	0.04	29,536	0.01
KAMEDA LT FOODS INDIA PRIVATE LIMIT (Joint Venture of Parent Company)	41,837	0.01	-	-
Golden Star Trading, Inc (Joint Venture of LTFA)	-	-	110,940	0.03
LT Foods Middle East DMCC, UAE (Step down subsidiary of LT Foods Limited)	503,788	0.12	-	-
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	-	-	27,117	0.01
	<u>302,922,114</u>		<u>221,660,336</u>	

Sales to affiliates during the years ended March 31, 2025 and 2024 are summarized as follows:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Sales	%ge	Sales	%ge
Nature Bio Foods BV - fellow subsidiary	535,873	0.09	330,009	0.07
Golden Star Trading, Inc (Joint Venture)	843,461	0.15	95,233	0.02
Global Foods Trading GMBH (Relatives of KMP having significant influence)	120,073	0.02	670,760	0.14
Global Foods Trading Spain S.L.(Relatives of KMP having significant influence)	-	-	490,176	0.10
Global Foods Trading France SARL(Relatives of KMP having significant influence)	45,831	0.01	229,913	0.05
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	208,093	0.04	452,894	0.09
Nature Bio Foods INC - fellow subsidiary	82,677	0.01	-	-
	<u>1,836,008</u>		<u>2,268,985</u>	

Miscellaneous Income received from related party during the year ended Mar 31, 2025 and 2024 are summarized as follows :

	Year ended March 31, 2025	Year ended March 31, 2024
Management fees from Nature Bio Foods BV, fellow subsidiary	280,302	-
Inventory management fees received from Golden Star Trading, Inc	7,442,329	4,747,673
	<u>7,722,631</u>	<u>4,747,673</u>

Summaries of advances to related parties as of March 31, 2025 and 2024 are as follows:

Name of affiliate	As at March 31, 2025	As at March 31, 2024
Dawaat Foods Limited (fellow subsidiary)	19,245,317	28,574,624
LT Foods Limited, India (Parent company)	11,693,621	13,810,144
Nature Bio-Foods Ltd. (fellow subsidiary)	1,126,123	2,280,007
Nature Bio Foods Inc (fellow subsidiary)	29,640	-
Nature Bio Foods BV (fellow subsidiary)	33,916	1,650
Ecopure Specialties Limited (fellow subsidiary)	-	36,941
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	1,364,673	-
Ragunathan Agro Industries Ltd (fellow subsidiary)	150,705	1,438,278
	<u>33,643,995</u>	<u>46,141,644</u>

Summaries of receivables from related parties as of March 31, 2025 and 2024 are as follows:

	As at March 31, 2025	As at March 31, 2024
Golden Star Trading, Inc (Joint venture of LTFA)	3,655,516	288,074
Global Foods Trading France SARL(Relatives of KMP having significant influence)	47,229	-
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	87,415	-
	<u>3,790,160</u>	<u>288,074</u>

LT Overseas North America, Inc. and Subsidiaries
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

Summaries of advances from related parties as of March 31, 2025 and 2024 are as follows:

	As at March 31, 2025	As at March 31, 2024
Golden Star Trading, Inc (Joint venture of LTFA)	16,472,962	16,472,962
Global Foods Trading Spain S.L.(Relatives of KMP having significant influence)	43,152	-
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	213,047	-
	<u>16,729,161</u>	<u>16,472,962</u>

The Company has taken advance from Golden Star Trading , Inc as the company is in process of introducing new Ready To Heat ("RTH") products under Golden Star brand considering the opportunities available in the market. These advances will be primarily used for research & development and to set up of manufacturing facility for production of such RTH products. These advances are expected to adjusted over a period of 5 years

Summaries of payable to related party as of March 31, 2025 and 2024 are as follows:

Name of affiliate	As at March 31, 2025	As at March 31, 2024
Nature Bio-Foods Ltd. (fellow subsidiary)	51,572	-
Nature Bio Foods BV (fellow subsidiary)	219,323	441,310
LT Foods Limited, India (Parent company)	1,180,570	27,620
LT Foods Middle East DMCC, UAE (Step down subsidiary of LT Foods Limited)	509,854	-
Dawaat Foods Limited (fellow subsidiary)	<u>1,925,711</u>	<u>-</u>
	<u>3,887,030</u>	<u>468,930</u>

Summaries of payable to related party for inventories in transit as of March 31, 2025 and 2024 are as follows:

Name of affiliate	As at March 31, 2025	As at March 31, 2024
LT Foods Limited, India (Parent company)	15,515,204	16,785,787
Dawaat Foods Limited (fellow subsidiary)	12,881,729	18,997,002
Ragunathan Agro Industries Ltd. (fellow subsidiary)	150,705	338,278
Nature Bio-Foods Ltd.(fellow subsidiary)	3,242,032	3,609,226
Nature Bio Foods BV (fellow subsidiary)	273,796	388,346
Ecopure Specialties Limited (fellow subsidiary)	<u>-</u>	<u>36,941</u>
	<u>32,063,466</u>	<u>40,155,580</u>

Investments in Related Party

	As at March 31, 2025	As at March 31, 2024
Golden Star Trading, Inc (Joint venture of LTFA) at cost	8,160,000	8,160,000
Buddha Gourmet Foods GmbH (Relatives of KMP having significant influence)	<u>789,700</u>	<u>789,700</u>
	<u>8,949,700</u>	<u>8,949,700</u>

*On 28 June 2022, LTFA acquired 51% stake for \$8,160,000 in Golden Star Trading, Inc, along with its brand with a call option to further acquire 49% stake at the end of three years. Golden Star Trading Inc, is under joint control of LTFA and its promoters.

LT Overseas North America, Inc. and Subsidiaries
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

11 Income Taxes

Components of income tax expense / (benefit) relating to earnings from operations for the years ended March 31, 2025 and March 31, 2024 are as follows:

	Year ended March 31, 2025		
	Current	Deferred	Total
Federal	7,239,301	266,717	7,506,018
State	2,993,485	557,400	3,550,885
Foreign	377,293	(342,247)	35,046
Total	10,610,079	481,870	11,091,949

	Year ended March 31, 2024		
	Current	Deferred	Total
Federal	7,973,572	273,654	8,247,226
State	3,300,485	(141,998)	3,158,487
Foreign	1,757,702	(82,361)	1,675,341
Total	13,031,759	49,295	13,081,054

Significant components of deferred tax assets are as follows:

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
State tax	-	1,779
NOL Federal	85,172	-
Deferred tax assets - foreign subsidiary	487,263	140,008
Depreciation & amortisation	156,663	157,100
Total	729,098	298,887
Less: Deferred tax liabilities		
State Taxes	6,170	-
NOL State	38,552	-
Deferred tax assets (Net)	684,376	298,887

Significant components of deferred tax liabilities are as follows:

	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities		
State taxes	682,455	742,901
Deferred rent	-	98,009
Depreciation & amortisation	1,619,524	13,876
Total	2,301,979	854,786
Less : Deferred tax assets		
Allowance for bad debt	109,780	117,601
State tax	-	54,778
Section 263A	214,004	214,004
Depreciation & amortisation	-	196,493
Deferred rent	843,935	-
Total	1,167,719	582,876
Deferred tax liabilities (Net)	1,134,260	271,910

LT Overseas North America, Inc. and Subsidiaries**Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025****12 Revolving and Term Loans**

Rabobank on 13 March 2025 has renewed its credit facilities to LT Foods Americas Inc and LT Foods Europe B.V. and extended the same to LT Foods Europe Holding & LT Foods U.K. Limited for term loan and revolving credit with extended maturity of 1 year. Revised term loan and revolving credit is limit at EUR 92 million + 18 million USD.

LTFA does not have any term loan as of March 31, 2025. The term loan was fully paid during the year ended March 31, 2024 amounting to USD 28.16 million. Also, the company has not utilised the revolver credit facility during the year ended March 31, 2025. The rate of interest of revolving credit and term loan as per renewed terms is SOFR +130 bps.

On 1st February 2017, LTFE has entered into a pre-finance arrangement (financial lease) for Euros 7.3 Millions with De Lage Landen Financial services B.V. (DLL). The term of financial lease is 96 months which commence from 01 Feb 2018.. The lease amount can only be used for a rice-mill including silos and packaging equipment. The lease is secured by a lien on the asset. Later, this Loan was taken over by Rabo Bank and guarantee given by LT Foods Ltd was also revoked. Currently, the guarantee is given by LTONA. The rate of interest of term loan is 3.37% p.a.

Detail of various loan commitments are as follows:

Term Loan:

Current and long-term portion of bank loans consisted of the following:

	As at March 31, 2025	As at March 31, 2024
Bank equipment loan	970,811	2,095,336
	970,811	2,095,336
Less: current maturities	(970,811)	(1,128,389)
Total long-term liabilities	-	966,947

Principal repayments on bank loans over the next five years are as follows:

Year ending March 31,

2026	970,811
2027	-
Total	970,811

LT Overseas North America, Inc. and Subsidiaries
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

13 Lease Commitments

Operating Leases

In January 2013, LTFA signed a lease agreement under a sixty-six and one-half months term that commenced in April 15, 2013 for its California office space and warehouse. In February 2018, the Group signed first extension of lease term for five years and. Further LTFA signed second extension for sixty three months which was commenced on November 1, 2023 .

In April 2019, the LTFA signed a lease agreement under one hundred twenty four months lease term that commenced on June 01, 2019 for its warehouse in New Jersey. The Group also leases warehouse equipment, computers and furniture under a month to month operating lease agreement.

In October 2018, LTFA signed a lease agreement under a one hundred twenty months lease term that commenced on March 1, 2019 for additional warehouse facility in Cypress, CA.

In April 2022, LTFA signed a lease agreement with Speedway Property IV LLC under a lease term of eighty seven months commencing from the date of receipt of temporary occupancy certificate for the warehouse in South Carolina.

In September 2016, LTFE signed a lease agreement under a 120 months term that commenced from 1st January 2017, for its Rotterdam warehouse and office space. On September 2020, an addendum to the previous agreement was signed with increased lease rental. All other conditions remained the same w.r.t previous agreement

LTFE also leases warehouse equipment, computers and furniture under a month to month operating lease agreement. In September 2020, the company signed a lease agreement under eighty three months lease term that commenced on September 1, 2020 for additional warehouse facility in adjacent to existing warehouse and office space.

LTFE has taken some machines and commercial & non-commercial vehicles under three separate lease agreement varying from 48 to 66 months. These rentals start from Aug 2020; Oct 2020 & March 2021 resp with lease terms of 66, 64 and 48 months respectively. During present year, the company has taken some machines under lease agreement of 72 months (starting from April

The total future minimum lease payments, over the remaining lease term relating to the Company's operating leases for each of the next 5 fiscal years and thereafter is as follows -

Year ending March 31,	
2026	7,850,572
2027	8,107,701
2028	6,525,036
2029	6,193,065
2030 and thereafter	17,518,117
Less: Imputed interest	<u>(7,517,724)</u>
Total	<u>38,676,767</u>

Operating lease cost for the year ended March 31, 2025 were amounting to \$6,599,179 (March 31, 2024 were amounting to \$6,168,456) forming part of other direct cost. The weighted-average remaining lease term of operating lease ranges from 6 - 7 years along with the weighted average discount rate ranges from 2.50% - 4.80%.

14 Employee Benefit Plan

401 (k) Plan

In January 2011, LTFA established a 401 (k) Plan. All employees who meet the age and length of service requirements are eligible to participate in the plan. For the years ended March 31 2025, and March 31, 2024, LTFA contributed \$387,674 and \$330,991, respectively, of which \$106,090 and \$75,477, respectively, were part of cost of goods sold.

Pension Plan

The foreign subsidiary contributed \$474,003 and \$497,627 for the year ended March 31, 2025 and March 31, 2024 respectively to its employee pension contribution.

LT Overseas North America, Inc. and Subsidiaries

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2025

15 Interests in joint venture

Summarised Statement of Profit and Loss

	Year ended March 31, 2025	Year ended March 31, 2024
Net Revenues	114,065,107	80,331,396
Gross Profit	31,160,627	31,746,116
Income from continuing operations	7,030,884	12,446,467
Group ownership interests	51%	51%
Equity method investment net earnings	3,585,751	6,347,698

Summarised Balance Sheet

	As at March 31, 2025	As at March 31, 2024
Current assets	31,302,136	26,055,263
Non-current assets	19,878,173	6,967,643
Total assets	51,180,309	33,022,906
Current liabilities	17,673,964	7,364,062
Non-Current liabilities	6,291,511	5,474,896
Total liabilities	23,965,475	12,838,958
Total Net equity of investee	27,214,834	20,183,948
Group ownership interests	51%	51%
Equity method investment net equity	13,879,565	10,293,814

Investments in Joint Venture

	As at March 31, 2025	As at March 31, 2024
Investments in Joint Venture at Cost	8,160,000	8,160,000
Equity method investment net earnings	13,865,795	10,280,044
Total Fair value of investments	22,025,795	18,440,044

16 Previous year figures have been recasted / regrouped / reclassified, wherever considered necessary.