

Company Registration No. 200910524K

Adani Wilmar Pte. Ltd.

Annual Financial Statements
31 December 2023



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Adani Wilmar Pte. Ltd.

Directors' Statement

The directors are pleased to present their statement to the member together with the audited financial statements of Adani Wilmar Pte. Ltd. (the "Company") for the financial year ended 31 December 2023.

1. Opinion of the directors

In the opinion of the directors,

- (i) 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 December 2023 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (ii) 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 as the immediate holding company will continue to provide financial support to the Company to enable it to meet its obligations as and when they fall due.

2. Directors

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

Teo La-Mei
Jatinkumar Rameshchandra Jalundhwala (appointed on 1 August 2023)

3. Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares and debentures

The following director who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and its related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
	Date of Appointment	As at 31.12.2023	Date of Appointment	As at 31.12.2023
Name of director				
Holding company				
<i>Adani Wilmar Limited</i> <i>(Ordinary shares)</i>				
Jatinkumar Rameshchandra Jalundhwala		3,480	2,709	2,709

4. Directors' interests in shares and debentures (cont'd)

Except as disclosed in this statement, no director who held office at the end of the financial year had interest in shares, share options, warrants or debentures of the Company, or of related corporations, at the beginning of the financial year or at the date of appointment (whichever is later) and at the end of the financial year.

5. Share options


There is presently no option scheme on unissued shares in respect of the Company.

6. Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.



Teo La-Mei
Director



Jatinkumar Rameshchandra Jalundhwala
Director

28 February 2024

Adani Wilmar Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 December 2023**

Independent Auditor's Report to the Member of Adani Wilmar Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Adani Wilmar Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and cash flow statement of the Company for the year then ended, and notes to the 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 December 2023 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 to 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
For the financial year ended 31 December 2023**

Independent Auditor's Report to the Member of Adani Wilmar Pte. Ltd.

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 of 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:

- 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.
- 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.
- 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 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.

Adani Wilmar Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 December 2023**

Independent Auditor's Report to the Member of Adani Wilmar Pte. Ltd.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- 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 requirements

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.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

28 February 2024

Adani Wilmar Pte. Ltd.

Statement of Comprehensive Income
For the financial year ended 31 December 2023

	Note	2023 US\$	2022 US\$
Administrative expenses		(4,004)	(7,792)
Other operating income	4	191	85
Loss before tax		(3,813)	(7,707)
Income tax expense	5	—	—
Loss for the year, representing total comprehensive income for the year		(3,813)	(7,707)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Adani Wilmar Pte. Ltd.**Balance Sheet
As at 31 December 2023**

	Note	2023 US\$	2022 US\$
ASSETS			
Non-current asset			
Investment in subsidiaries	6	7,504,976	7,504,976
Current assets			
Other receivables	7	28,447	28,272
Cash and cash equivalents	8	4,340	4,661
		32,787	32,933
TOTAL ASSETS		7,537,763	7,537,909
EQUITY AND LIABILITIES			
Current liability			
Other payables	9	81,495	77,828
TOTAL LIABILITY		81,495	77,828
NET CURRENT LIABILITIES		(48,708)	(44,895)
NET ASSETS		7,456,268	7,460,081
Equity attributable to owner of the Company			
Share capital	10	7,600,000	7,600,000
Accumulated losses		(143,732)	(139,919)
TOTAL EQUITY		7,456,268	7,460,081
TOTAL EQUITY AND LIABILITY		7,537,763	7,537,909

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Adani Wilmar Pte. Ltd.

**Statement of Changes in Equity
For the financial year ended 31 December 2023**

	Share capital US\$	Accumulated losses US\$	Total equity US\$
At 1 January 2022	7,600,000	(132,212)	7,467,788
Loss for the year, representing total comprehensive income for the year	—	(7,707)	(7,707)
At 31 December 2022	<u>7,600,000</u>	<u>(139,919)</u>	<u>7,460,081</u>
At 1 January 2023	7,600,000	(139,919)	7,460,081
Loss for the year, representing total comprehensive income for the year	—	(3,813)	(3,813)
At 31 December 2023	<u>7,600,000</u>	<u>(143,732)</u>	<u>7,456,268</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Adani Wilmar Pte. Ltd.**Cash Flow Statement
For the financial year ended 31 December 2023**

	2023 US\$	2022 US\$
Cash flows from operating activities		
Loss before tax	(3,813)	(7,707)
Adjustments for:		
Unrealised foreign exchange gain, net	(191)	(72)
Operating cash flows before working capital changes	(4,004)	(7,779)
Changes in working capital:		
Increase in other payables	3,667	7,429
Net cash flows used in operating activities	(337)	(350)
Net decrease in cash and cash equivalents	(337)	(350)
Effect of exchange rate changes on cash and cash equivalents	16	(1)
Cash and cash equivalents at the beginning financial year	4,661	5,012
Cash and cash equivalents at end of the financial year (Note 8)	4,340	4,661

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Adani Wilmar Pte. Ltd. (the "Company") is a private limited liability company, which is incorporated in Singapore. The immediate and ultimate holding company of the Company is Adani Wilmar Limited, which is a public limited company incorporated in India and listed on the BSE Limited and the National Stock Exchange of India Limited.

The registered office and principal place of business of the Company is located at 28 Biopolis Road, Wilmar International, Singapore 138568.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars ("USD" or "US\$"), except when otherwise indicated.

No consolidated financial statements of the Company and its subsidiaries have been prepared as the Company is itself a wholly-owned subsidiary of Adani Wilmar Limited, which presents consolidated financial statements available for public use. The registered office of Adani Wilmar Limited is located at Fortune House, Near Navrangpura Railway Crossing, Ahmedabad 380009, Gujarat, India.

The financial statements have been prepared on a going concern basis as the immediate holding company will continue to provide financial support to the Company to enable it to meet its obligations as and when they fall due.

2.2 Changes in accounting policies

(i) Adoption of new and revised FRS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

Notes to the Financial Statements
For the financial year ended 31 December 2023

2. Material accounting policy information (cont'd)

2.2 Changes in accounting policies (cont'd)

(ii) Standards issued but not yet effective

The Company has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to FRS 1 Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 107 Supplier finance arrangements	1 January 2024
Amendments to FRS 116 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the new and amendments to the standards above will have no material impact on the financial statements in the year of initial application.

2.3 Foreign currency

The financial statements are presented in United States Dollars, which is also the Company's functional currency.

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency 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 period. 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 measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the financial period are recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.4 Subsidiaries

A subsidiary is an investee that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investment in a subsidiary is accounted for at cost less impairment losses.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

2.5 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL"). The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.6 *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs 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. 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-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Company considers 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 enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7 *Impairment of non-financial assets*

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2. Material accounting policy information (cont'd)

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transactions costs.

Subsequent measurement

Subsequent to initial recognition, all financial liabilities that are not carried at fair value through profit or loss are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.10 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Material accounting policy information (cont'd)

2.11 Income taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on 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 goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investment in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investment in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. Material accounting policy information (cont'd)

2.11 Income taxes (cont'd)

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets 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 in 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 each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.12 Contingencies

A contingent liability is:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (b) A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

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

Contingent liabilities and assets are not recognised on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2. Material accounting policy information (cont'd)

2.13 Related parties

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 the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same Company (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 Company 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).
 - (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).

2.14 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Notes to the Financial Statements
For the financial year ended 31 December 2023

3. Significant accounting judgment and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Company's accounting policies, management has not made any significant judgement, apart from those involving estimations.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of investment in subsidiaries

The Company assesses whether there are any indicators of impairment for its investment in subsidiaries at the end of each reporting period. Investment in subsidiaries are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investment in subsidiaries at 31 December 2023 was US\$7,504,976 (2022: US\$7,504,976).

4. Other operating income

	2023 US\$	2022 US\$
Unrealised foreign exchange gain, net	191	72
Realised foreign exchange gain, net	—	13
	<u>191</u>	<u>85</u>

Notes to the Financial Statements
For the financial year ended 31 December 2023

5. Income tax expense

The Company has no income tax expense as it does not have taxable income in the current financial year.

Relationship between tax expense and accounting loss

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2023 and 2022 are as follows:

	2023 US\$	2022 US\$
Loss before tax	(3,813)	(7,707)
Tax expense at statutory tax rate of 17% (2022: 17%)	(648)	(1,310)
Adjustment:		
Non-deductible expenses	648	1,310
Income tax expense	—	—

6. Investment in subsidiaries

	2023 US\$	2022 US\$
Unquoted equity shares, at cost	7,504,976	7,504,976

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership Interest	
			2023 %	2022 %
Leverian Holdings Pte Ltd	Singapore	Investment holding and trading (importing and exporting) in edible oil	100	100
Shun Shing Edible Oil Ltd	Bangladesh	Refining, packaging and sale of edible oil products.	—**	—**
Bangladesh Edible Oil Limited	Bangladesh	Refining, packaging and sale of edible oil products as well as procuring of rice, rice bran oil and mustard oil for further processing, packaging and sale.	—*	—*

Notes to the Financial Statements
For the financial year ended 31 December 2023

6. Investment in subsidiaries (cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership Interest	
			2023 %	2022 %
<i>Held through Leverian Holdings Pte Ltd</i>				
Bangladesh Edible Oil Limited	Bangladesh	Refining, packaging and sale of edible oil products as well as procuring of rice, rice bran oil and mustard oil for further processing, packaging and sale.	100*	100*
<i>Held through Bangladesh Edible Oil Limited</i>				
Shun Shing Edible Oil Ltd	Bangladesh	Refining, packaging and sale of edible oil products.	100**	100**

* The Company has 2 ordinary shares in Bangladesh Edible Oil Limited representing direct equity ownership of <0.01% in Bangladesh Edible Oil Limited.

** The Company has a direct 0.03% ownership interest in Shun Shing Edible Oil Ltd.

7. Other receivables

	2023 US\$	2022 US\$
Other non-trade receivables	5,767	5,767
Amount due from a subsidiary	22,680	22,505
	<u>28,447</u>	<u>28,272</u>

Amount due from a subsidiary are non-trade related, unsecured, non-interest bearing, repayable upon demand and are to be settled in cash. Management has assessed the expected credit loss for the amount due from a subsidiary as insignificant.

Notes to the Financial Statements
For the financial year ended 31 December 2023

8. Cash and cash equivalents

	2023 US\$	2022 US\$
Cash at bank	4,340	4,661

The cash and bank balances are denominated in the following major foreign currency:

	2023 US\$	2022 US\$
Singapore dollar	963	1,284

9. Other payables

	2023 US\$	2022 US\$
Accrued operating expenses	7,100	7,100
Amount due to a related party - non-trade	74,395	70,728
	<u>81,495</u>	<u>77,828</u>

The amount due to a related party is non-trade in nature, unsecured, non-interest bearing, repayable on demand and expected to be settled in cash.

10. Share capital

	Number of ordinary shares	US\$
Issued and fully paid ordinary shares:		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	<u>7,600,000</u>	<u>7,600,000</u>

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

11. Fair value of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

12. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risk includes liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the holding company's management.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

In the management of liquidity risk, the immediate holding company finances the Company's operations. The immediate holding company of the Company will continue to provide financial support to the Company to enable it to meet its obligations as and when they fall due.

As at 31 December 2023 and 2022, the financial assets and liabilities have maturity dates of no more than twelve months.

13. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise funds from its immediate holding company, when required.

The Company has no external borrowings at the end of the financial year. Instead, the immediate focus is to continue to optimise its operations with prudent cash management so as to maximise shareholders' value. The Company will continue to be guided by prudent financial policies.

There was no change to the Company's approach to capital management during the financial years ended 31 December 2023 and 2022.

14. Authorisation of financial statements

The financial statements for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 28 February 2024.