GOLDIAM USA, INC.

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2023

GOLDIAM USA, INC.

FOR THE YEAR ENDED MARCH 31, 2023

Contents

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors and Stockholder of
Goldiam USA, Inc.:

We have reviewed the accompanying financial statements of Goldiam USA, Inc., which comprise the balance sheet as of March 31, 2023, and the related statements of income and retained earnings and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We are required to be independent of Goldiam USA, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Supplementary Information
The supplementary information included on page 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Prajapati & Company CPAs LLP

April 27, 2023

GOLDIAM USA, INC.

BALANCE SHEET
MARCH 31, 2023

ASSETS

Current assets	
Cash	$ 409,266
Accounts receivable, net of allowance for doubtful accounts of $5,000	9,579,639
Inventories	27,818,275
Prepaid expenses and taxes	72,020
Total current assets	37,879,200
Property and equipment, net of accumulated depreciation of $144,778	86,982
Other assets	
Deposits	22,000
Operating lease right-of-use asset, net	140,339
Deferred income taxes	9,000
	171,339
	$ 38,137,521

See accountants' review report and notes to financial statements.

GOLDIAM USA, INC.

BALANCE SHEET
MARCH 31, 2023

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities	
Accounts payable	$ 28,605,682
Accrued expenses	462,116
Customer refund liabilities	674,023
Operating lease right-of-use liabilities	136,259
Total current liabilities	29,878,080
Other liabilities	
Operating lease right-of-use liabilities	11,500
Commitments and contingencies	
Stockholder's equity	
Common stock, $0.01 par value; 1,000 shares authorized, 200 shares issued and outstanding	2
Additional paid-in capital	179,998
Retained earnings	8,067,941
	8,247,941
	$ 38,137,521

See accountants' review report and notes to financial statements.

GOLDIAM USA, INC.

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2023

Net sales	$ 52,426,962
Cost of sales	47,737,206
Gross profit	4,689,756
Operating expenses	2,841,426
Income from operations	1,848,330
Provision for income taxes	391,651
Net income	1,456,679
Retained earnings – beginning	6,611,262
Retained earnings – end	$ 8,067,941

See accountants' review report and notes to financial statements.

GOLDIAM USA, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

Cash flows from operating activities	
Net income	$ 1,456,679
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	36,258
Operating lease right-of-use asset, net	126,776
Deferred income taxes	(15,000)
Changes in assets and liabilities	
Accounts receivable	1,027,062
Inventories	(8,731,929)
Prepaid expenses and taxes	(314,359)
Accounts payable	6,748,400
Accrued expenses	6,894
Customer refund liabilities	(161,178)
Operating lease right-of-use liabilities	(119,356)
Net cash provided by operating activities	60,247
Cash flows from investing activities	
Acquisition of property and equipment	(8,000)
Net cash used in investing activities	(8,000)
Cash flows from financing activities	-
Net change in cash	52,247
Cash at beginning	357,019
Cash at end	$ 409,266

Supplemental disclosure of cash flows information	
Cash paid for interest	$ -
Cash paid for income taxes	$ 688,381
Supplemental disclosure of non-cash investing and financial activities	
Operating lease right-of-use asset and operating lease right-of-use liabilities from the adoption of the new lease accounting standard	$ 267,115

See accountants' review report and notes to financial statements.

Note 1 – Description of company's business

Goldiam USA, Inc. (the "Company") is a wholly owned subsidiary of Goldiam International Limited, a company based in India. The Company was incorporated in New York on July 31, 2008. The Company is an importer and wholesaler of diamonds and jewelry whose customers are located primarily throughout the United States of America.

Note 2 – Summary of significant accounting policies

Basis of accounting
The Company's accounting policies are in accordance with accounting principles generally accepted in the United States of America. Outlined below are those policies considered particularly significant.

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Concentration of credit risk
Financial instruments, which potentially subject the Company to significant concentrations of credit risk, include cash and accounts receivable. The Company holds no collateral for these financial instruments. The Company maintains cash in financial institutions that are insured by the Federal Deposit Insurance Corporation up to a specified amount. Such cash balances at times may exceed these limits. To minimize its credit risk with respect to accounts receivable, management monitors the creditworthiness of the customers and reviews the outstanding receivables at period end, as well as establishes an allowance for doubtful accounts as deemed necessary.

Accounts receivable
Accounts receivable are stated at original amount less an allowance for doubtful accounts. An allowance for doubtful accounts is determined through an analysis of the aging of accounts receivable at the date of the financial statements, assessments of collectability based on an evaluation of historic and anticipated trends, the financial condition of the Company's customers, and an evaluation of the impact of economic conditions.

Note 2 – Summary of significant accounting policies (continued)

Accounts receivable (continued)
Estimated costs associated with trade discounts, advertising allowances, markdowns, and allowances for returns which constitute variable consideration are reflected as a reduction of sales and classified as current liabilities. The Company makes allowances against known chargebacks, as well as for an estimate of potential future deductions by customers. These allowances result from negotiations with the Company's customers, historical deduction trends and the evaluation of current market conditions.

Inventories
Inventories, which consist primarily of finished goods, are stated at the lower of cost or net realizable value, with cost being determined under the FIFO (First-in, First-out) method.

Property and equipment
Property and equipment are stated at cost. Depreciation is computed using the straight-line or an accelerated method over the estimated useful lives of the assets, ranging from 3 to 7 years. Leasehold improvements are amortized over the lesser of the lease term or the estimated useful asset lives. Major additions are capitalized, and repairs and maintenance costs are expensed when incurred.

Long-lived assets
The Company periodically evaluates the carrying value of long-lived assets to be held and used whenever events and circumstances indicate that the carrying value of the asset may no longer be recoverable. An impairment loss, measured based on the fair value of the assets, is recognized if expected future undiscounted cash flows are less than the carrying value of the assets. At March 31, 2023, the Company was not aware of any events or changes in circumstances that indicate the carrying amount of an asset may not be recoverable.

Note 2 – Summary of significant accounting policies (continued)

Revenue recognition
Revenue is recognized when the contract is in place, obligations under the terms of the contract are satisfied and control is transferred to the customer. The Company considers control to have been transferred when the Company has transferred the physical possession of the product, the Company has a right to payment for the product, the customer has legal title to the product and the customer has significant risks and rewards of the product. Revenue is recognized for an amount that reflects the consideration to which the Company is entitled in exchange for the product. The Company records variable considerations as a reduction of revenue arising from implicit or explicit obligation in the period the related product revenue is recognized. Variable consideration includes trade discounts, markdowns, sales returns, and other customer allowances. Variable consideration is estimated based on historical experience, customer agreements and expectations, statutory requirements, current economic conditions, and other factors that arise in the normal course of business. The allowances for variable consideration are recorded as a liability.

Cost of goods sold
Cost of goods sold consist of expenses incurred to acquire and prepare inventory for sale, including freight, import costs, packaging materials and other costs. The revenue recognition standard requires that the costs expected to be incurred when products are returned should be accrued for upon the sale of the product as a component of cost of goods sold.

Advertising and promotional expenses
Advertising and promotional expenses are expensed during the year in which they are incurred. The Company participates in the co-op advertising program with certain customers and accrues an allowance based on net sales, as defined. For the year ended March 31, 2023, advertising and promotional expenses amounted to $1,088,822.

Shipping and handling costs
The Company includes shipping and handling costs associated with outbound freight in operating expenses. For the year ended March 31, 2023, shipping and handling costs amounted to $213,614.

Note 2 – Summary of significant accounting policies (continued)

Income taxes

The Company uses the asset and liability method of accounting for income taxes, where deferred tax assets and liabilities are recognized for differences between the financial statement and tax bases of existing assets and liabilities. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The Company evaluates all significant tax positions. At March 31, 2023, the Company does not believe it has any uncertain tax positions that would qualify for either recognition or disclosure in the financial statements.

Leases

Effective April 1, 2022, the Company adopted the new standard, and subsequent amendments thereto, which requires lessees to recognize right-of-use assets and right-of-use liabilities calculated based on the present value of lease payments for all lease agreements with terms that are greater then twelve months.

The Company elected the available practical expedients to account for existing operating leases under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

The Company elected to use the risk-free rate of 2.01% to discount the future lease payments for all leases.

The Company made an accounting policy election to exclude leases with an initial term of 12 months or less from the balance sheet. The Company will recognize the lease payments on a straight-line basis over the lease term.

On April 1, 2022, as a result of the adoption of the standard, the Company recognized a right-of-use liability of $267,115 and a right-of-use asset at the carrying amount.

The adoption of the standard did not have a material impact on the Company's financial statements.

Subsequent events

The Company has evaluated subsequent events through April 27, 2023 which is the date the financial statements were available to be issued.

Note 2 – Summary of significant accounting policies (continued)

New authoritative accounting pronouncements

The Company does not anticipate the adoption of other recently issued accounting pronouncements to have a significant impact on the Company's financial statements.

Note 3 – Inventories

At March 31, 2023, inventories of $27,818,275 consisted of loose gems, work-in-process, and finished jewelry.

Note 4 – Property and equipment

At March 31, 2023, property and equipment consisted of the following:

Furniture and equipment	$182,531
Leasehold improvements	49,229
	231,760
Less: accumulated depreciation	144,778
	$ 86,982

For the year ended March 31, 2023, depreciation expense was $36,258.

Note 5 – Income taxes

The Company files federal, state, and local income tax returns on a fiscal year basis ending on March 31, as prescribed by the tax laws of the jurisdiction in which it operates. In the ordinary course of business, the Company is subject to examination by federal, state and local jurisdictions, where applicable. For federal, state and local income tax purposes, the Company remains open for examination by the tax authorities for the tax years from March 31, 2020 onwards under the general statute of limitations.

For the year ended March 31, 2023, the net provision for income taxes of $391,651 consisted of the following:

	Federal	State and local	Total
Current	$406,483	$168	$406,651
Deferred	(15,000)	-	(15,000)
	$391,483	$168	$391,651

Note 5 – Income taxes (continued)

At March 31, 2023, the significant components of the net deferred tax assets were the allowances for doubtful accounts and credits, inventories capitalization, differences between the book and tax bases of property and equipment, operating lease right-of-use assets and operating lease right-of-use liabilities.

Note 6 – Related party transactions and balances

In the ordinary course of business, the Company had the following related party transactions and balances:

Accounts receivable
At March 31, 2023, the Company had outstanding accounts receivable of $525,333 from various affiliates.

Accounts payable
At March 31, 2023, the Company had outstanding accounts payable of $28,605,682 to various affiliates.

Net sales
For the year ended March 31, 2023, the Company made net sales of $4,122,485 to various affiliates.

Net purchases
For the year ended March 31, 2023, the Company made net purchases of $52,905,758 from various affiliates.

Note 7 – Commitments and contingencies

Lease
The Company is obligated under a long-term operating lease for rental of office premises, which expires on April 30, 2024.

At March 31, 2023, balance sheet items related to the lease were as follows:

Operating lease right-of-use assets	$140,339
Operating lease right-of-use liabilities	$147,759

Note 7 – Commitments and contingencies (continued)

Lease (continued)
For the year ended March 31, 2023, lease cost amounted to $131,506, which comprised of the following:

Amortization of operating right-of-use asset	$126,776
Variable cost	586
Interest	4,144
	$131,506

At March 31, 2023, future minimum lease payments were as follows:

March 31, 2024	$137,750
April 30, 2024	11,500
	$149,250

Other contingencies
The Company may be involved in claims and legal proceedings arising in the ordinary course of business. In the opinion of management, the ultimate outcome of these matters will not have a material adverse effect on the Company's financial position, liquidity or results of operations.

COVID–19
As a result of ongoing COVID-19 outbreak, the Company's operations may be affected. Since the extent and duration of the outbreak is uncertain, this may result in a material adverse impact on the Company's financial position, operations and cash flows. Possible areas that may be affected include, but are not limited to, disruption on the Company's customers and revenue, labor workforce, unavailability of products and supplies used in the operations, and the decline in value of assets held by the Company.

Note 8 – Concentrations

Major customers
For the year ended March 31, 2023, sales to three customers represented approximately 87% of net sales. At March 31, 2023, accounts receivable from these customers were approximately $8,772,476.

Major vendors
For the year ended March 31, 2023, purchases from two vendors represented approximately 98% of net purchases. At March 31, 2023, accounts payable to these vendors were approximately $28,076,287.

SUPPLEMENTARY INFORMATION

GOLDIAM USA, INC.

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED MARCH 31, 2023

Operating expenses

Salaries	$ 810,857
Payroll taxes	22,399
Lease cost	131,506
Telephone	8,940
Shipping expenses	213,614
Insurance	14,764
Travel and entertainment	63,131
Advertising and promotional expenses	1,088,822
Office and miscellaneous expenses	24,192
Computer supplies and maintenance	34,983
Dues and subscriptions	2,419
Designing and sampling expenses	26,463
Charitable contributions	3,000
Security system expenses	3,403
Professional fees	291,234
Other taxes	65,441
Depreciation	36,258
	$ 2,841,426