

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in Republic of Singapore)
Registration no: 200305433Z

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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EXCELISOFT TECHNOLOGIES PTE. LTD.
(Incorporated in Republic of Singapore)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

The directors are pleased to present their statement to the member together with the audited financial statements of Excelsoft Technologies Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date ; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Sudhanva Dhananjaya
Jeyaprakash Bhavani
Jambardi Ramanna Maheshkumar

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the year end of nor at any time during the year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

4. DIRECTOR'S INTERESTS IN SHARES AND DEBENTURES

The following directors who held office at the end of the year, had according to the register of director's shareholdings required to be kept under section 164 of the Singapore Companies Act 1967 (the "Act"), an interest in shares of the Company's holding company as stated below:

Name of director	Ordinary shares held in the name of director	
	At the beginning of the year	At end of the year
Holding Company Excelsoft Technologies Limited		
Sudhanva Dhananjaya	1,159,709*	38,843,702*
Jambardi Ramanna Maheshkumar	7,500	610,000

*Mr. Sudhanva Dhananjaya, who by virtue of his interest is not less than 20% of the issued share capital of the holding company, is deemed to have an interest in the whole share capital of the Company.

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in Republic of Singapore)

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

4. DIRECTOR'S INTERESTS IN SHARES AND DEBENTURES (CONTINUED)

Except as disclosed in this statement, no director who held office at the end of the year had interests in shares, share options, warrants or debentures of the Company, or of its related corporations, either at the beginning or end of the year.

5. SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

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

6. INDEPENDENT AUDITOR

MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

DHANANJAYA
SUDHANVA
.....
Sudhanva Dhananjaya
Director

Digitally signed by
DHANANJAYA
SUDHANVA
Date: 2025.05.15
15:19:21 +0530'


Jambardi Ramanna Maheshkumar
Director

15 MAY 2025

**EXCELSOFT TECHNOLOGIES PTE. LTD.
INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

INDEPEDENT AUDITOR'S REPORT TO THE MEMBER OF EXCELSOFT TECHNOLOGIES PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Excelsoft Technologies Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial 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 March 2025 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 but does not include the financial statements and our auditor's report thereon.

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

**EXCELSOFT TECHNOLOGIES PTE. LTD.
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

Report on the Audit of the Financial Statements (continued)

Other Information (continued)

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.

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.

**EXCELSTOCK TECHNOLOGIES PTE. LTD.
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.
- 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.



**MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS
SINGAPORE**

DATE: May 15, 2025

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 S\$	2024 S\$
ASSETS			
Non-current assets			
Plant and equipment	4	-	550
		-	550
Current assets			
Trade receivables	5	621,338	1,134,601
Other receivables	6	32,027	-
Amount due from holding Company	7	275,000	71,195
Cash and cash equivalents	8	133,999	489,073
		1,062,364	1,694,869
LIABILITIES			
Current liabilities			
Other payables	9	367,489	58,898
Contract liabilities	10	7,683	354,907
Amount due to holding Company	7	359,972	977,619
Total liabilities		735,144	1,391,424
NET ASSETS		327,220	303,995
EQUITY			
Share capital	11	270,000	270,000
Retained profits		57,220	33,995
Total equity		327,220	303,995

(The annexed notes form an integral part of and should be read in conjunction with these accompanying financial statements.)

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	2025 S\$	2024 S\$
Revenue			
Marketing and order securing charges	12	273,826	1,149,153
Other income			
Job Growth incentive		2,000	-
Exchange gain		3,786	8,004
Others		4,892	720
Expenses			
Employee benefits	15	(142,582)	(127,136)
Professional fees		(41,643)	(43,948)
Software license fee		-	(503)
Webhosting charges		-	(9,028)
Other expenses		(77,054)	(913,819)
		<u>(261,279)</u>	<u>(1,094,434)</u>
Profit for the year before tax	13	23,225	63,443
Tax expense	14	-	-
Profit for the year, representing total comprehensive income for the year		<u>23,225</u>	<u>63,443</u>

(The annexed notes form an integral part of and should be read in conjunction with these accompanying financial statements.)

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Share capital S\$	Retained profits S\$	Total S\$
At 31 March 2023	270,000	(29,448)	240,552
Profit for the year, representing total comprehensive income for the year	-	63,443	63,443
At 31 March 2024	270,000	33,995	303,995
Profit for the year, representing total comprehensive income for the year	-	23,225	23,225
At 31 March 2025	270,000	57,220	327,220

(The annexed notes form an integral part of and should be read in conjunction with these accompanying financial statements.)

EXCELSOFT TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 S\$	2024 S\$
Cash flows from operating activities			
Profit for the year before tax		23,225	63,443
Adjustment for			
Depreciation		550	590
Operating profit before working capital changes		<u>23,775</u>	<u>64,033</u>
Changes in working capital			
Decrease in trade and other receivables		481,236	1,545,396
Decrease in trade and other payables and contract liability		(38,633)	215,113
Increase in amount due to holding company		<u>(821,452)</u>	<u>(1,582,648)</u>
Cash generated from operations		(355,074)	241,894
Tax (paid)/refund		-	-
Net cash generated from operating activities		<u>(355,074)</u>	<u>241,894</u>
Net changes in cash and cash equivalents			
		(355,074)	241,894
Cash and cash equivalents at beginning of the year		489,073	247,179
Cash and cash equivalents at end of the year		<u>133,999</u>	<u>489,073</u>

(The annexed notes form an integral part of and should be read in conjunction with these accompanying financial statements.)

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

1. CORPORATE INFORMATION

The Company is a private company limited by shares, incorporated and domiciled in Singapore. Its holding company is Excelsoft Technologies Limited, a Company incorporated in India.

The registered office and principal place of business of the Company is located at 101 Cecil Street # 09-06 Tong Eng Building Singapore 069533.

The principal activities of the Company are those of carrying on business of provision of marketing, securing orders to its holding Company and also invoicing customers on behalf of the holding Company.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 BASIS OF PREPARATION

The financial statements of the Company have been drawn up 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 Singapore Dollars (S\$), which is the Company's functional currency.

2.2 ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for the Company's annual financial years beginning on 1 April 24. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 21 The effect of changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 109 Financial instruments and FRS 107 Financial instruments: Disclosures: Amendments to the Classification and Measurements of Financial Instruments	1 January 2026
Annual Improvements to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: 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 other standards above will have no material impact on the financial statements in the year of initial application.

2.4 FOREIGN CURRENCY TRANSACTIONS

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 reporting date. 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. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting year are recognised in profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.5 PLANT AND EQUIPMENTS

All items of plant and equipment are initially recorded at cost. All plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of plant and equipment over their useful lives. The estimated useful lives are as follows:

Computers - 3 years

Repairs and maintenance are taken to the profit and loss account during the year in which they are incurred. Interest on borrowings to finance the property, plant and equipment is capitalized during the year of time that is required to complete and prepare each asset for its intended use. All other borrowing costs are expensed. Full depreciation is provided in the year of the purchase and no depreciation is provided in the year of disposal.

2.6 FINANCIAL INSTRUMENTS

a) Financial assets

Initial recognition and measurement

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

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

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

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, FVOCI and 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 recognized in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 FINANCIAL INSTRUMENTS (continued)

a) Financial assets (continued)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

De-recognition

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.

b) 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.

All 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 transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently 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, cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognized in profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 CONTRACT BALANCES

(i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

2.8 IMPAIRMENT OF FINANCIAL ASSETS

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. 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).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in the profit and loss account. Recoverable amount is defined as the higher of value in use and net selling price.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

2.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are stated in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand, and with banks.

2.11 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits 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 year 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.

2.12 SHARE CAPITAL

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.13 REVENUE

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

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

Rendering of services

The Company engages in the provision of marketing and order securing services and billing agent to its holding Company. The holding Company reimburses all expenses with 5% mark-up for this service which is the revenue for the Company.

Principal and Agent Relationship

The Company has a back-to-back revenue arrangement with its holding company to provide specified services to customers of the holding company. Under the terms of the arrangement, the holding company acts as the principal and is wholly responsible for providing the specified services to the end customer. To satisfy its performance obligation to the end customer, the holding company engages the Company as a sub-contractor provide services on its behalf. In addition, billings are made to the end customer by the Company on behalf of the holding company. The holding company subsequently recharges the Company for these billings. The Company is acting as an agent and recognises such billings made to third parties on a net basis in the statement of profit or loss.

The Company recognises revenue when its performance obligations to its holding company, to provide the specified service to the end customer is fulfilled (Note 12).

Contract liabilities

Contract liabilities relate to the Company's obligation to provide support services to its customers for which the Company has received advances from its customers. Contract liabilities are recognized as revenue over the year of time as it renders the support services to its customers. Revenue recognized during the year which was included in the Contract liabilities balance at the beginning of the year was S\$ 354,907(2024: S\$ 6,942).

2.14 TAXES

(i) Current tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. 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 yearically 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.

(ii) Deferred tax

The liability method of tax effect accounting is adopted by the company. Deferred taxation is provided at the current taxation rate on all temporary differences existing at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences (unless the deferred tax liability arises from goodwill or 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).

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.14 TAXES (CONTINUED)

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised (unless the deferred tax asset relating to the deductible temporary differences arises from goodwill or the initial recognition of an asset or liabilities 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.) The statutory tax rates enacted on the statement of financial position date is used to determine deferred income tax.

2.15 RELATED PARTY

A related party is defined as follows:

- (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 (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. Both entities are joint ventures of the same third party.
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - vi. The entity is controlled or jointly controlled by a person identified in (a);
 - 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).

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and the disclosure of contingent liabilities at the end of each reporting year. However, 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 years.

▪ **Estimates and assumptions**

There were no material key assumptions concerning the future and other key sources of estimation uncertainty as at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

▪ **Judgement made in applying accounting policies**

There were no material judgements made by the management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

4. PLANT AND EQUIPMENT

	2025 S\$	2024 S\$
Cost		
At 1 April	40,430	40,430
Additions	-	-
At 31 March	<u>40,430</u>	<u>40,430</u>
Accumulated depreciation		
At 1 April	39,880	39,290
Charge for the year	550	590
At 31 March	<u>40,430</u>	<u>39,880</u>
Net book value	<u>-</u>	<u>550</u>

5. TRADE RECEIVABLES

	2025 S\$	2024 S\$
Trade receivables		
Trade debtors	339,344	779,694
Contract assets	281,994	354,907
	<u>621,338</u>	<u>1,134,601</u>

Trade receivables are non-interest bearing and are generally on 30 to 90 days' term. They are recognized at their original invoice amounts which represent their fair values on initial recognition.

Expected credit losses

No movement in allowance for expected credit losses (ECL) of trade receivables has been presented, as there is no expected loss computed based on-lifetime ECL.

6. OTHER RECEIVABLES

	2025 S\$	2024 S\$
Staff advances	32,000	-
Prepayments	27	-
	<u>32,027</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

7. AMOUNT DUE FROM/TO HOLDING COMPANY

	2025 S\$	2024 S\$
Due from	275,000	71,195
Due to	359,972	977,619

The amount due is trade related, unsecured, interest-free, repayable upon demand and is to be settled in cash.

8. CASH AND CASH EQUIVALENTS

	2025 S\$	2024 S\$
Cash at bank	133,999	489,073
	<u>133,999</u>	<u>489,073</u>

9. OTHER PAYABLES

	2025 S\$	2024 S\$
Accrued liabilities	336,635	32,191
GST Payable	30,854	26,707
	<u>367,489</u>	<u>58,898</u>

10. CONTRACT LIABILITIES

	2025 S\$	2024 S\$
Advance billing	7,683	354,907
	<u>7,683</u>	<u>354,907</u>

Advance billing to customers refers for the services to be provided at a later date.

11. SHARE CAPITAL

	2025 No. of shares	2025 S\$	2024 No. of shares	2024 S\$
Issued and fully paid:				
At the beginning of the year	270,000	270,000	270,000	270,000
At the end of the year	<u>270,000</u>	<u>270,000</u>	<u>270,000</u>	<u>270,000</u>

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

12. REVENUE

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Service income – ultimate holding company

Nature of goods or services: Service agreement with the immediate and ultimate holding company for reimbursement of costs incurred plus a mark-up ("cost-plus method")

When revenue is recognised:

Revenue from services are recognised as and when cost is incurred under the service agreement.

Significant payment Terms

Invoices are issued to the customers after the services are performed and are normally payable within 30 days.

	2025 S\$	2024 S\$
Billing done to customers on behalf of the Holding Company and contract assets	1,243,580	2,432,261
Less: Billing by holding company and contract liabilities	(1,243,580)	(2,432,261)
	-	-
Marketing and order securing charges – Over a year of time	273,826	284,087
Reimbursement of expenses - At a point of time	-	865,065
	<u>273,826</u>	<u>1,149,153</u>

The Company recognised revenue from services over time.

Contract balances

	2025 S\$	2024 S\$	April 1, 2023 S\$
Trade receivables	339,344	779,694	2,644,689
Contract assets	281,994	354,907	-
Contract liabilities	7,683	354,907	6,942

Contract liabilities relate to the Company's obligation to provide services to customers for which the Company has received advances from customers.

13. PROFIT BEFORE TAX

The profit before taxation is arrived at after charging:

	2025 S\$	2024 S\$
Guest house rental	54,700	67,706
Depreciation	550	590

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

14. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the financial year ended 31 March 2025 and for the year ended 31 March 2024 were:

	2025 S\$	2024 S\$
Current income tax		
Under provision for previous year	-	-
Income tax expense recognised in profit or loss	<u>-</u>	<u>-</u>

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 March 2025 and for the year ended 31 March 2024 were as follows:

	2025 S\$	2024 S\$
Profit before taxation	23,225	63,443
Tax at statutory rate of 17% (2024:17%)	3,948	10,785
Adjustments:		
Utilisation of deferred tax asset not recognised earlier	(3,948)	(10,785)
Under provision for previous years	-	-
Income tax expense recognised in profit or loss	<u>-</u>	<u>-</u>

The Company has unabsorbed tax losses of approximately S\$ 218,167 (2023: S\$ 241,392) that are available for offset against future taxable profits of the Company in which the losses arose for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement with the Income Tax Authorities.

15. EMPLOYEE BENEFITS

	2025 S\$	2024 S\$
Salary	126,180	111,180
CPF	16,402	15,956
	<u>142,582</u>	<u>127,136</u>

16. RELATED PARTY DISCLOSURES

In addition to related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and its related parties that took place at terms agreed between the parties during the financial year:

	2025 S\$	2024 S\$
<i> Holding Company </i>		
Cost of services paid to	1,243,580	2,432,261
Services rendered to	273,826	1,149,153
<i> Key management personal </i>		
Salary to director	106,275	111,180

17. 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 risks include credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

Credit policies with guidelines on credit terms and limits set the basis for risk control. New customers are subject to credit evaluation while the Company continues to monitor existing customers, especially those with repayment issues. In addition, appropriate allowances are made for probable losses when necessary for identified debtors.

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

In order to minimise credit risk, the Company has developed and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating is by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL- not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL- credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Company's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
31 March 2025						
Trade receivables	5	Refer note 1	Lifetime ECL (simplified)	339,344	-	339,344
Contract assets	5	Refer note 1	Lifetime ECL (simplified)	281,994	-	281,994
Due from holding company	7	Refer note 1	Lifetime ECL (simplified)	275,000	-	275,000
					-	
	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
31 March 2024						
Trade receivables	5	Refer note 1	Lifetime ECL (simplified)	779,694	-	779,694
Contract assets	5	Refer note 1	Lifetime ECL (simplified)	354,907	-	354,907
Due from holding company	7	Refer note 1	Lifetime ECL (simplified)	71,195	-	71,195
					-	

Note 1

Trade receivables, due from holding company and contract assets - The company is acting only as agent to the holding company and hence the company is not exposed any credit risk with respect to billing to customers. The company's maximum exposure to the credit risk with respect to trade receivable is only to the extent of amount receivable from the holding company for its services.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

	Current and not due	Past due			Total S\$
		S\$	Less than 30 days overdue S\$	30 to 90 days overdue S\$	
31-Mar-25					
Estimated total gross carrying amount at default	209,102	65,121	65,121		339,344
ECL	-	-	-	-	-
					<u>339,344</u>
31-Mar-24					
Estimated total gross carrying amount at default	188,754	-	590,940		779,694
ECL	-	-	-	-	-
					<u>779,694</u>

▪ **Exposure to credit risk**

The Company has no significant concentration of credit risk of trade and other receivables except as disclosed below. The Company has credit policies and procedures in place to minimize and mitigate its credit risk exposure.

▪ **Credit risk concentration profile**

As at the end of the reporting year, the whole trade receivables from one party. However the Company is not exposed to any significant concentrations of credit risk due to the Company's transfer pricing agreement with its holding company. As per the agreement the credit risk is fully borne by the holding company.

It is the Company's policy to sell to a diversity of creditworthy customers so as to reduce concentration of credit risk.

▪ ~~Financial assets that are neither past due nor impaired~~

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

▪ ~~Financial assets that are either past due or impaired~~

Information regarding financial assets that are either past due or impaired is disclosed in the above table (Trade receivables).

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a level of cash to meet the obligations and commitments due and to ensure cash efficiency whereby maximisation of cash flow position can be achieved.

The maturity profile of the Company's financial assets and financial liabilities as at the end of the reporting year, based on contractual undiscounted repayment obligations is within one year at the carrying amount.

18. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount of the different categories of financial instruments is as follows:

	2025	2024
	S\$	S\$
Financial assets at amortised cost		
Trade receivables (Note 5)	339,344	779,694
Other receivables (Note 6)	32,000	-
Amount due from Holding Company (Note 7)	275,000	71,195
Cash and cash equivalents (Note 8)	133,999	489,073
Total loans and receivables	780,343	1,339,963
Financial assets at fair value through profit or loss		
Financial liabilities at amortised cost		
Other payables (Note 9)	336,635	32,191
Amount due to holding Company (Note 7)	359,972	977,619
Total financial liabilities measured at amortised cost	696,607	1,009,810

19. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

The Company does not anticipate that the carrying amounts recorded as at the end of the reporting year would be significantly different from the values that would eventually be received or settled.

As at the end of the reporting year, the Company does not have any other financial instruments carried at fair value.

20. 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 maximise 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 require funding from its holding company or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2025 and during the year ended 31 March 2024.

The Company is not subjected to externally-imposed capital requirements.