

INTRASOFT VENTURES PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

JACHIN PUBLIC ACCOUNTING CORPORATION
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the member together with the audited financial statements of the Company for the financial year ended 31st March 2024.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2024 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

KAJARIA ARVIND
BHALOTIA VISHNU
BHALOTIA RITA

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of the financial year nor at any time during the financial 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. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:-

<u>Name of Directors and Companies in which interests are held</u>	<u>Number of Ordinary Shares</u>	
	<u>As at 01/04/2023</u>	<u>As at 31/03/2024</u>
Immediate and Ultimate Holding Company <u>INTRASOFT TECHNOLOGIES LIMITED</u>		
KAJARIA ARVIND	2,811,797	2,811,797

By virtue of Section 7 of the Singapore Companies Act, Mr Kajaria Arvind is deemed to have an interest in the shares of the Company and its subsidiary.

5. SHARE OPTIONS

During the financial year, no option to take up unissued shares of the Company has been granted, and there were no shares issued by virtue of the exercise of options. As at 31st March 2024, there were no unissued shares under option outstanding.

6. INDEPENDENT AUDITORS

The independent auditors, JACHIN PUBLIC ACCOUNTING CORPORATION, have expressed their willingness to accept re-appointment.

On behalf of the Board

A handwritten signature in black ink, appearing to read "Vishnu Bhalotia", is written over a horizontal line.

BHALOTIA VISHNU
Director

A handwritten signature in black ink, appearing to read "Rita Bhalotia", is written over a horizontal line.

BHALOTIA RITA
Director

SINGAPORE
8TH MAY 2024

JACHIN PUBLIC ACCOUNTING CORPORATION

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

3 Shenton Way #12-06 Shenton House Singapore 068805 Tel: (65) 62227275 Fax: (65) 62226926**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
INTRASOFT VENTURES PTE. LTD.**(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of INTRASOFT VENTURES PTE. LTD., which comprise the statement of financial position as at 31st March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 31st March 2024 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 Auditors' 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 Statement by Directors but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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.

JACHIN PUBLIC ACCOUNTING CORPORATION

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

3 Shenton Way #12-06 Shenton House Singapore 068805 Tel: (65) 62227275 Fax: (65) 62226926**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
INTRASOFT VENTURES PTE. LTD.**(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)**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 FRSSs, 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.

Auditors' 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 auditors' 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.

JACHIN PUBLIC ACCOUNTING CORPORATION

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

3 Shenton Way #12-06 Shenton House Singapore 068805 Tel: (65) 62227275 Fax: (65) 62226926

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No: 200706172G)

- 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 auditors' 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 auditors' 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.



JACHIN PUBLIC ACCOUNTING CORPORATION
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS

SINGAPORE
8TH MAY 2024

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2024**

	NOTE	2024 S\$	2023 S\$
NON-CURRENT ASSET			
Investment in subsidiary	4	1,352,570	1,352,570
CURRENT ASSETS			
Loans to subsidiary	5	4,586,974	-
Trade and other receivables	6	37,477	-
Cash and cash equivalents	7	5,580	22,376
		4,630,031	22,376
LESS: CURRENT LIABILITIES			
Loans from holding company	8	4,586,974	-
Trade and other payables	9	26,277	5,000
		4,613,251	5,000
NET CURRENT ASSETS		16,780	17,376
NET ASSETS		1,369,350	1,369,946
REPRESENTING:			
EQUITY			
Share capital	10	1,450,000	1,450,000
Accumulated loss		(80,650)	(80,054)
TOTAL EQUITY		1,369,350	1,369,946

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

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2024**

	NOTE	2024 S\$	2023 S\$
REVENUE		-	-
Other income	11	37,389	15,814
Administrative expenses		(16,740)	(14,181)
Finance costs	12	<u>(21,245)</u>	-
(LOSS)/PROFIT BEFORE INCOME TAX	13	(596)	1,633
Income tax expense	14	<u>-</u>	-
(LOSS)/PROFIT FOR THE YEAR		(596)	1,633
Other comprehensive (loss)/income for the year, net of tax		-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u><u>(596)</u></u>	<u><u>1,633</u></u>

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

INTRASOFT VENTURES PTE. LTD.(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2024**

	SHARE CAPITAL	ACCUMULATED LOSS	TOTAL EQUITY
	S\$	S\$	S\$
<u>2024</u>			
BALANCE AS AT 1ST APRIL 2023	1,450,000	(80,054)	1,369,946
<u>Total comprehensive loss</u>			
Net loss for the year	-	(596)	(596)
Other comprehensive loss for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(596)	(596)
BALANCE AS AT 31ST MARCH 2024	<u>1,450,000</u>	<u>(80,650)</u>	<u>1,369,350</u>
<u>2023</u>			
BALANCE AS AT 1ST APRIL 2022	1,450,000	(81,687)	1,368,313
<u>Total comprehensive income</u>			
Net profit for the year	-	1,633	1,633
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,633	1,633
BALANCE AS AT 31ST MARCH 2023	<u>1,450,000</u>	<u>(80,054)</u>	<u>1,369,946</u>

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

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2024**

	NOTE	2024 S\$	2023 S\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(LOSS)/PROFIT BEFORE TAX		(596)	1,633
Adjustments for:			
Interest income	11	(21,256)	-
Interest expense	12	21,245	-
Unrealised exchange loss		3,194	-
Changes in working capital		2,587	1,633
Trade and other receivables		(22,574)	-
Trade and other payables		3,191	1,000
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		<u>(16,796)</u>	<u>2,633</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Loans to subsidiary		<u>(4,586,974)</u>	-
NET CASH USED IN INVESTING ACTIVITIES		<u>(4,586,974)</u>	-
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Loans from holding company		<u>4,586,974</u>	-
NET CASH GENERATED FROM FINANCING ACTIVITIES		<u>4,586,974</u>	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(16,796)	2,633
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>22,376</u>	<u>19,743</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	7	<u><u>5,580</u></u>	<u><u>22,376</u></u>

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

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

NOTES ON THE FINANCIAL STATEMENTS – 31ST MARCH 2024

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

1. GENERAL

The Company is incorporated in Singapore with its registered office address and principal place of business located at 24 Sin Ming Lane, #05-104 Midview City, Singapore 573970.

The principal activities of the Company are those of provision of advisory services and investment holding.

The principal activities of the subsidiary are disclosed in Note 4 to the financial statements.

The immediate and ultimate holding company is Intrasoft Technologies Limited, incorporated in India.

The financial statements of the Company for the year ended 31st March 2024 were authorised for issue by the directors on 8th May 2024.

2. MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies adopted in the preparation of these financial statements:-

(a) BASIS OF PREPARATION

These financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act.

The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

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

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

In the current financial year, the Company had adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective in the current financial year. The adoption of these new/revised FRSs has no material effect on the amounts reported for the current financial year.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) BASIS OF PREPARATION (CONT'D)

New or Revised Accounting Standards and Interpretations

The directors do not anticipate that the adoption in future periods of FRSs, INT FRSs and amendment to FRSs that were issued at the date of authorisation of these financial statements but not yet effective, to have a significant impact on these financial statements in the period of their initial adoption.

(b) BASIS OF CONSOLIDATION

The financial statements are the separate statements of Intrasoft Ventures Pte. Ltd. The Company is exempted from the requirement to prepare consolidated financial statements as the Company is a wholly-owned subsidiary of Intrasoft Technologies Limited, incorporated in India, which prepares consolidated financial statements which are available for public use and are kept at its registered office at 502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.

(c) SUBSIDIARY

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 subsidiary in the financial statements of the Company are carried at cost, less impairment.

On disposal of investment in subsidiary, the difference between disposal proceeds and the carrying amounts of the investment is recognised in profit or loss.

(d) FINANCIAL ASSETS

(i) CLASSIFICATION AND MEASUREMENT

The Company classifies its financial assets namely, trade and other receivables, loans to subsidiary and cash and cash equivalents at amortised cost.

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

(ii) AT INITIAL RECOGNITION

At initial recognition, the Company measures a financial asset at its fair value and transaction costs that are directly attributable to the acquisition of the financial asset.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(d) FINANCIAL ASSETS (CONT'D)

(iii) AT SUBSEQUENT MEASUREMENT

The subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(iv) IMPAIRMENT

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment provisions for receivables from related companies and related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

(v) RECOGNITION AND DERECOGNITION

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

(e) CASH AND CASH EQUIVALENTS

Cash consists of cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(f) FINANCIAL LIABILITIES

(i) 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.

(ii) 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.

(iii) DE-RECOGNITION

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss

(g) TRADE AND OTHER PAYABLES

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

(h) BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the profit and loss statement over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the balance sheet date are included in current borrowings in the balance sheet. Other borrowings due to be settled more than twelve months after the balance sheet date are included in non-current borrowings in the balance sheet.

Borrowing costs are recognised in the income statement using the effective interest method.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(i) REVENUE RECOGNITION

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

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good 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.

Advisory fee income is recognised upon the completion of services performed and acceptance by client.

(j) INTEREST INCOME

Interest income is recognised using the effective interest rate method.

(k) SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds.

(l) RELATED PARTIES

A related party is a person or entity that is related to the Company.

Parties are considered to be related if (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 (i) the entity and the Company are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (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; (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; (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company.

(m) INCOME TAXES

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit and loss statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) INCOME TAXES (CONT'D)

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all deductible temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted at the balance sheet date.

(n) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each balance sheet date, the Company reviews the carrying amounts of its non-financial assets so as to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increase carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in the profit or loss statement, unless the relevant asset is carried at a revalue amount, in which case the reversal of the impairment loss is treated as revaluation increase.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(o) FUNCTIONAL AND PRESENTATION CURRENCY

The company's accounting records are maintained in Singapore Dollar. The functional currency of the Company is the Singapore Dollar as it reflects the economic substance of the underlying events and circumstances of the Company's transaction. Transactions in foreign currencies that are not denominated in Singapore Dollar are recorded using the rates ruling at the dates of the transactions. At each balance sheet date, recorded monetary balances and balances carried at fair value that are not denominated in Singapore Dollar are reported at the rates ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit or loss statement.

(p) OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is legally enforceable right to offset and there is intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In the process of applying the Company's accounting policies, the management is of the opinion that there is no instance of application of judgements which is expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations described below.

Functional Currency

FRS 21 The Effects of Changes in Foreign Exchange Rates requires the Company determine its functional currency to prepare the financial statements. When determining its functional currency, the Company considers the primary economic environment in which it operates i.e. the one in which it primarily generates and expends cash. The Company may also consider how the funds from financing activities are generated. Management applied its judgement and determined that the functional currency of the Company is Singapore dollar on the basis that its funding is denominated in Singapore dollar and it expects its transactions to be in Singapore dollar.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(b) KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:-

Impairment of Investment in Subsidiary

The Company follows the guidance of FRS 36 in determining when an investment is impaired. This determination requires significant estimation of the recoverable amount of that investment based on the net tangible assets of the subsidiary. The Company evaluates, among other factors, the financial health of and the near-term business outlook of the investment, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If the performance of the subsidiary and/or market condition was to deteriorate which will affect the Company's share of net assets of the investee company, impairment may be required.

4. INVESTMENT IN SUBSIDIARY

	2024 S\$	2023 S\$
Unquoted equity shares, at cost	<u>1,352,570</u>	<u>1,352,570</u>

Details of the Company's subsidiary/sub-subsidiary are as follows:-

<u>Name of subsidiary/ sub-subsidiary</u>	<u>Country of Incorporation and operation</u>	<u>Proportion of ownership interest and voting power held</u>		<u>Principal activities</u>
		2024	2023	
<u>Held by Company</u>				
123Stores, Inc.*	State of Delaware, United States of America	100%	100%	E-commerce operations
<u>Held by Subsidiary</u>				
123Stores E-Commerce Private Limited+	India	100%	100%	IT enabled services

* Audited by Jay Maru CPA, United States of America

+ Audited by J.B.S. & Company, Chartered Accountants, India

5. LOANS TO SUBSIDIARY

The loans to subsidiary are unsecured and bear interest at 7.5% per annum. The loans are denominated in United States dollar and have a tenure of 12 months from loan disbursement date ranging from December 2023 to March 2024.

6. TRADE AND OTHER RECEIVABLES

	2024	2023
	S\$	S\$
Trade receivable - subsidiary	16,189	-
Other receivables		
- Interest receivable – loans to subsidiary	14,903	-
- Withholding tax on loan interest receivables	6,385	-
	<u>37,477</u>	<u>-</u>

The trade receivable is non-interest bearing and is on a 90 days' term.

The trade receivable is not past due.

Trade and other receivables are denominated in United States dollar.

7. CASH AND CASH EQUIVALENTS

	2024	2023
	S\$	S\$
Cash at bank	<u>5,580</u>	<u>22,376</u>

Cash and cash equivalents are denominated in Singapore dollar except for an amount of S\$415 (2023: Nil) which is denominated in United States dollar.

8. LOANS FROM HOLDING COMPANY

The loans from holding company are unsecured and bear interest at 7.10% per annum. The loans are denominated in United States dollar and have a tenure of 12 months from loan disbursement date ranging from December 2023 to March 2024.

9. TRADE AND OTHER PAYABLES

	2024	2023
	S\$	S\$
Other payables		
- Interest payable - loans from holding company	18,086	-
Accruals	8,191	5,000
	<u>26,277</u>	<u>5,000</u>

Other payables are denominated in the following currencies:-

	2024	2023
	S\$	S\$
United States dollar	21,277	-
Singapore dollar	5,000	5,000
	<u>26,277</u>	<u>5,000</u>

10. SHARE CAPITAL

	2024		2023	
	No. of Shares	S\$	No. of Shares	S\$
Issued and fully paid:-				
Balance at beginning and end of year	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>

The holders of ordinary shares are 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 values.

11. OTHER INCOME

	2024	2023
	S\$	S\$
Advisory fee	16,133	15,814
Interest income - loans to subsidiary	<u>21,256</u>	<u>-</u>
	<u>37,389</u>	<u>15,814</u>

12. FINANCE COSTS

	2024	2023
	S\$	S\$
Interest expense - loans from holding company	<u>21,245</u>	<u>-</u>

13. (LOSS)/PROFIT FROM OPERATIONS

This is arrived at after charging:-

	2024	2023
	S\$	S\$
Auditors' remuneration		
- current provision	4,500	4,500
- under provision in prior year	-	1,000
Exchange loss	2,574	-
Legal and professional fees	<u>7,990</u>	<u>7,590</u>

14. INCOME TAX EXPENSE

	2024 S\$	2023 S\$
Current taxation	<u>-</u>	<u>-</u>
Reconciliation of effective tax rate:-		
	2024 S\$	2023 S\$
(Loss)/profit before tax	<u>(596)</u>	<u>1,633</u>
Income tax using Singapore tax rate of 17% (2023: 17%)	(101)	278
Deferred tax assets not recognised	<u>101</u>	<u>(278)</u>
	<u>-</u>	<u>-</u>

As at the end of financial year, the Company has tax losses carry forward amounting to approximately S\$2,900 (2023: S\$2,000). No deferred tax asset has been recognised for the amount of S\$493 (2023: S\$340) in respect of the tax losses due to the uncertainty of future profits streams. The realisation of the future income tax benefits from the above is available subject to the conditions imposed by law and agreement with the tax authority.

15. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following are the significant transactions with related parties in the normal course of business on terms agreed between the parties as follows:-

	2024 S\$	2023 S\$
<u>With Holding Company</u>		
Interest expense on loans	<u>21,245</u>	<u>-</u>
<u>With Subsidiary Company</u>		
Advisory fee income	16,133	15,814
Interest income from loans	<u>21,256</u>	<u>-</u>
<u>With Related Party</u>		
Professional fees paid to a Company in which a director has substantial interest	<u>7,990</u>	<u>7,590</u>

16. FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of the risks.

(a) FOREIGN CURRENCY RISK

The Company manages its foreign currency risk arising from cash flows from anticipated transactions denominated in foreign currencies by maintaining adequate foreign currencies balances.

The Company has exposure to foreign currency risk at the financial year end date arising from foreign currency denominated financial assets or liabilities as at 31st March 2023.

The Company's currency exposures to the United States dollar (USD) at the reporting date were as follows:-

	2024 S\$	2023 S\$
<u>Financial Assets</u>		
Loans to subsidiary	4,586,974	-
Trade and other receivables	37,477	-
Cash and cash equivalents	415	-
	<u>4,624,866</u>	<u>-</u>
<u>Financial Liabilities</u>		
Loans from holding company	4,586,974	-
Trade and other payables	21,277	-
Financial liabilities at amortised cost	<u>4,608,251</u>	<u>-</u>
Currency exposure	<u>16,615</u>	<u>-</u>

Sensitivity Analysis

A 3% strengthening of the United States dollar against the Singapore dollar as at the reporting date would increase profit or loss before tax by the amounts show below. This analysis assumes that all other variables remain constant.

	Profit or Loss	
	2024 S\$	2023 S\$
United States dollar	<u>498</u>	<u>-</u>

A 3% strengthening of the above currency against the Singapore dollar would have had equal but opposite effect on the above currencies to the amounts shown above on the basis that all other variables remain constant.

16. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) INTEREST RATE RISK

The Company has no significant exposure to interest rate risk through the impact of interest rates changes on interest-bearing assets and liabilities as the loans from holding company and loans to subsidiary are all at fixed rates.

(c) CREDIT RISK

Credit risk is the risk that one party to a contractual agreement will fail to discharge an obligation and cause the other party to incur a financial loss. The Company manages the credit risk by monitoring the creditworthiness and collection from its counterparts.

The Company places surplus funds with high credit rating financial institutions in Singapore and did not expect any credit losses from non-performance by the counterparties.

(d) LIQUIDITY RISK

The Company monitors its liquidity risk and maintains a level of cash & cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

The Company's current liabilities as at balance sheet date represent the contractual undiscounted cash outflows. These balances are due within 12 months and equal their carrying balances as the impact of discounting is not significant.

(e) FAIR VALUES

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values due to their relatively short-term nature.

17. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Comparisons by category of the carrying amounts of the Company's financial instruments that are carried in the financial statements are as follows:-

	2024 S\$	2023 S\$
<u>Financial Assets</u>		
Loans to subsidiary	4,586,974	-
Trade and other receivables	37,477	-
Cash and cash equivalents	5,580	22,376
Financial assets at amortised cost	<u>4,630,031</u>	<u>22,376</u>
<u>Financial Liabilities</u>		
Loans from holding company	4,586,974	-
Trade and other payables	26,277	5,000
Financial liabilities at amortised cost	<u>4,613,251</u>	<u>5,000</u>

18. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit standing and healthy capital ratios in order to support its business and maximize shareholders' 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 issue new shares, adjust the dividend payment to shareholders or return capital to shareholders.

The Company is not subject to any externally imposed capital requirements.

19. SUBSEQUENT EVENTS

On 23rd April 2024, the Company increased its paid up capital from S\$1,450,000 to S\$4,826,880 by way of the allotment of 382,000 new ordinary shares of S\$8.84 each for cash totalling S\$3,376,880.

THE FOLLOWING SCHEDULE DOES NOT FORM PART OF
THE AUDITED STATUTORY FINANCIAL STATEMENTS

INTRASOFT VENTURES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200706172G)

**DETAILED PROFIT OR LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2024**

	2024	2023
	S\$	S\$
REVENUE	-	-
ADD: OTHER INCOME		
Advisory fee	16,133	15,814
Interest income from loans to subsidiary	21,256	-
	<u>37,389</u>	<u>15,814</u>
LESS: ADMINISTRATIVE EXPENSES		
Auditors' remuneration		
- Current provision	4,500	4,500
- Underprovision in prior year	-	1,000
Bank charges	893	354
Exchange loss	2,574	-
Filing fees	60	60
Legal and professional fees	7,990	7,590
Postage and delivery	223	77
Printing and stationery	-	100
Tax service fee	500	500
	<u>16,740</u>	<u>14,181</u>
FINANCE COSTS		
Interest expense on loans from holding company	21,245	-
	<u>21,245</u>	<u>-</u>
TOTAL EXPENSES	<u>37,985</u>	<u>14,181</u>
NET (LOSS)/PROFIT BEFORE TAX	<u>(596)</u>	<u>1,633</u>