

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)  
ACRA No: 202316256N

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM  
27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
DIRECTORS' STATEMENT	2 - 3
INDEPENDENT AUDITOR'S REPORT	4 - 6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	8
STATEMENT OF CHANGES IN EQUITY	9
STATEMENT OF CASH FLOWS	10
NOTES TO FINANCIAL STATEMENTS	11-21

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**DIRECTOR'S STATEMENT**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

The director is pleased to present his statement to the member together with the audited financial statements of Dreamfolks Services Pte. Ltd. (the "Company") for the financial period from 27 April 2023 to 31 March 2024.

**1. Opinion of the Directors**

In my opinion,

- a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Company for the financial period from 27 April 2023 to 31 March 2024; 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 director of the Company in office at the date of this statement is: -

Ms Liberatha Peter Kallat  
Mr. Chan Michael K H

**3. Arrangements to enable directors to acquire shares or debentures:**

Neither at the end nor at any time during the financial period was the company a party to any arrangement whose objects are or one of the objects is, to enable the directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

**4. Directors' interest in shares or debentures:**

According to the register of director's shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the Act), the director of the Company who held office at the end of the financial period had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	<u>Direct interest</u>		<u>Deemed interest</u>	
	At date of incorporation	End of the year	At date of incorporation	End of the year
<b>No of Ordinary shares</b>				
<b>Dreamfolks Services Limited</b>				
Ms Liberatha Peter Kallat	13,062,432	13,062,432	100	100
<b>Dreamfolks Hospitality Private Limited</b>				
Ms Liberatha Peter Kallat	333	333	-	-

**DREAMFOLKS SERVICES PTE. LTD..**  
**(Incorporated in the Republic of Singapore)**

**DIRECTOR'S STATEMENT**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH**  
**2024**

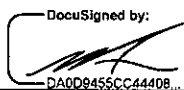
---

**5. Share options**

No options were granted during the financial period to take up unissued shares of the Company.  
No shares were issued by virtue of the exercise of options.  
There were no unissued shares under option at the end of the financial period.

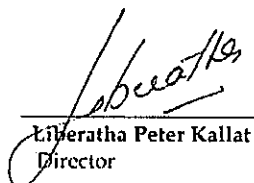
**6. Independent Auditor:**

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

DocuSigned by:  
  
DA0D8455CC44408...

---

**Chan Michael K H**  
Director

  
Liberatha Peter Kallat  
Director

Date: **27 MAY 2024**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DREAMFOLKS SERVICES PTE.  
LTD.  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH  
2024**

---

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Dreamfolks Services Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period from 27 April 2023 to 31 March 2024, and notes to the financial statements, including a summary of significant accounting policies.

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 2024 and of the financial performance, changes in equity and cash flows of the Company for the financial period from 27 April 2023 to 31 March 2024.

*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 Director's Statement set out on pages 2 to 3.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**INDEPENDENT AUDITOR'S REPORT (Continued)**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

*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 unauthorized use or disposition; and transactions are properly authorized 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 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 skepticism 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.

DREAMFOLKS SERVICES PTE. LTD.  
(Incorporated in the Republic of Singapore)

INDEPENDENT AUDITOR'S REPORT (Continued)  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH  
2024

---

*Auditor's Responsibilities for the Audit of the Financial Statements, cont'd*

- 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

MGI N RAJAN ASSOCIATES  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS

Singapore

Date: 27 MAY 2024

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

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

	Note	2024 S\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	6	50,737
Other receivables	7	10,040
<b>Total assets</b>		<b>60,777</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Other payables	8	31,199
		<b>31,199</b>
<b>Equity</b>		
Share capital	9	1
Share application money pending allotment	9	50,736
Retained earnings/(loss)		(21,159)
		<b>29,578</b>
<b>Total liabilities &amp; equity</b>		<b>60,777</b>

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

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO  
MARCH 2024**

---

	Note	2024 S\$
Revenue		-
Purchases		-
Gross Profit		-
Expenses		
Administrative and other operating expenses		(21,159)
(Loss) before tax	4	(21,159)
Tax expense	5	-
Loss for the period, representing total comprehensive loss for the period		(21,159)

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

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

	Note	Share capital	Loss for the period	Total
	9	S\$	S\$	S\$
At the date of Incorporation		-	-	-
Issued and paid-up during the period		1	-	1
Share application money received, pending allotment		50,736	-	50,736
Loss for the period, representing total comprehensive loss for the period		-	(21,159)	(21,159)
Balance as at 31 March 2024		50,737	(21,159)	29,578

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

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

		2024 S\$
	Note	
<b>Cash flows from operating activities</b>		
Loss before tax		(21,159)
<b>Adjustments:</b>		
Interest expense		-
Interest income		-
		<u>(21,159)</u>
<b>Changes in working capital</b>		
(Increase) in trade and other receivables		(10,040)
Increase in other payables		31,199
<b>Cash from operations</b>		-
Tax paid		-
<b>Net cash flows from operating activities</b>		<u>-</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares	9	1
Proceeds from share application money, pending allotment	9	50,736
<b>Net cash flows from financing activities</b>		<u>50,737</u>
<b>Net increase in cash and cash equivalents</b>		50,737
Cash and cash equivalents at beginning of the period		-
<b>Cash and cash equivalents at end of the period</b>	6	<u>50,737</u>

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

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

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

**1 GENERAL INFORMATION**

DREAMFOLKS SERVICES PTE. LTD. (the “company”) was incorporated on 27 April 2023 and domiciled in the Republic of Singapore with its registered office and principal place of business at 9 Raffles Place, #27-00, Republic Plaza, Singapore 048619.

The principal activities of the company are that of airport operation services, lounge operations and access and other services.

The immediate and ultimate holding company is Dreamfolks Services Limited, which is incorporated in India.

The financial statements of the company for the period from 27 April 2023 to 31 March 2024 were authorised for issue in accordance with a resolution of the directors on the date of the Directors’ statement.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are prepared in Singapore Dollars (S\$) which is Company’s functional currency.

**2.2 Adoption of new and revised standards**

During the financial period, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for the annual financial periods beginning on 27 April 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

**2.3 Standards issued but not yet effective**

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

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with covenants	1 January 2024
Amendments to FRS 7 Statement of Cash flows and FRS 107 Financial Instruments: Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 21 The Effects of changes in foreign exchange rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 110 Consolidation 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

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**2.3 Standards issued but not yet effective, cont'd**

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

**2.4 Financial instruments**

**a) Financial assets**

**Initial recognition and measurement**

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

At initial recognition, the Company measures a financial asset at its fair value, plus, in the case of financial assets not at fair value through profit or loss, transaction costs 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, 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 amortized cost, FVOCI and FVPL.

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 (including cash and cash equivalents) are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

*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 recognized 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 are recognized in profit or loss.

**Derecognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (and, where applicable, any cumulative gain or loss that has been recognized in other comprehensive income) is recognized in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**2.4 Financial instruments, cont'd**

**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.

**Derecognition**

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

**2.5 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH  
2024

---

**2.6 Impairment of non-financial assets**

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

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

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

**2.7 Share capital**

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

**2.8 Taxes**

**a) Current income tax**

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be recovered or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

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

**b) Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH 2024**

---

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**2.9 Foreign currency transactions and balances**

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.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

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

**2.10 Cash and cash equivalents**

Cash and cash equivalents are stated in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash at bank.

**2.11 Related party**

A related party is defined as follows

- a) A person or a close member of that person's family is related to the Company if that person:
  - (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Company or of 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 group (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).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH 2024**

---

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**2.12 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 a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in the income statement as interest expense.

**3. Significant accounting judgements and Key sources of estimation uncertainty**

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

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

\

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH 2024**

**4. LOSS BEFORE INCOME TAX**

Loss before tax has been arrived at after charging:

	2024
	S\$
Audit fee	3,500
Professional services	4,055

**5. INCOME TAX EXPENSE**

The major components of income tax expense recognised in profit or loss for the period from 27 April 2023 to 31 March 2024 was:

	2024
	S\$
Current year's income tax	-
Income tax expense recognised in profit or loss	-

Relationship between tax expense and accounting profit

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on Company's profit as a result of the following:

	2024
	S\$
Profit before tax	(21,159)
Tax at statutory rate of 17%	(3,597)
Unutilized losses	3,597
Income tax expense recognised in profit or loss	-

**6. CASH AND CASH EQUIVALENTS**

	2024
	S\$
Cash at bank	50,737
	50,737

Cash and cash equivalents are denominated in the following currencies.

Singapore dollars	50,736
United states dollars (converted into S\$)*	1
	50,737

\* US\$ 1 has been converted to S\$ 1.49 at year end rate and rounded upto the nearest Singapore dollar for presentation.

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH 2024**

**7. OTHER RECEIVABLES**

	2024
	S\$
Prepaid expense	40
Other deposits	10,000
	<u>10,040</u>

**8. OTHER PAYABLES**

	2024
	S\$
Expenses payable *	31,199
	<u>31,199</u>

\*Expenses payable includes amount due to holding company for S\$ 16,673 (Note 14).

**9. SHARE CAPITAL**

	2024	
	No. of shares issued	S\$
At the date of incorporation	-	-
Issue of shares during the period	1	1
Share application money pending allotment	-	50,736
	<u>1</u>	<u>50,737</u>
Balance at end of period	1	50,737

During the financial period, the company has issued 1 fully paid ordinary share @ US\$ 1 (S\$ 1.49) per share to its holding company. The company has also received share application money (INR 3,198,905 equivalent to S\$ 50,736) from its holding company, however the same is pending for allotment.

**10. CAPITAL MANAGEMENT**

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development by issuing or redeeming equity and debts instruments when necessary.

The board of directors monitors its capital based on net debt and total capital. Net debt calculated as borrowings plus trade and other payables less cash and bank deposits. Total capital is calculated as equity plus net debt.

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

	2024
	S\$
Net debt	-
Total equity	29,578
Total capital	<u>29,578</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH  
2024

---

11. FINANCIAL RISK MANAGEMENT

The company does not have any written financial risk management policies and guidelines. The company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

The company's exposure to financial risks associated with financial instruments held in the ordinary course of business include:

a) Market risk

(i) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. Company does not have significant transactions in foreign currencies, hence, is not exposed to foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has no variable interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from other receivables. For other financial assets (including cash), the Company minimizes credit risk by dealing exclusively with high credit rating counterparties.

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

Category	Definition of category	Basis for recognizing expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

**DREAMFOLKS SERVICES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023(DATE OF INCORPORATION) TO 31 MARCH 2024**

**12. FINANCIAL RISK MANAGEMENT, cont'd**

**b) Credit risk (cont'd)**

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<b>31 March 2024</b>						
Other receivables	7	I	12-month ECL	10,000	-	10,000

**Cash and cash equivalents**

Cash and cash equivalents are held with reputable financial institution therefore, they are subject to immaterial credit loss.

**Related party receivables**

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss using 12-month ECL and determines that the ECL is insignificant.

**c) Liquidity risk**

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Analysis of financial instruments by remaining contractual maturities

The table below summarizes the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S\$	Contractual cash flows S\$	Less than 1 period S\$
<u><b>Financial assets</b></u>			
Cash & cash equivalents (Note 6)	50,737	50,737	50,737
Other receivables (Note 7)	10,000	10,000	10,000
Total undiscounted financial assets	60,737	60,737	60,737
<u><b>Financial liabilities</b></u>			
Other payables (Note 8)	31,199	31,199	31,199
Total undiscounted financial liabilities	31,199	31,199	31,199
<b>Total net undiscounted financial assets</b>	<b>29,538</b>	<b>29,538</b>	<b>29,538</b>

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024**

---

**13. FINANCIAL INSTRUMENTS BY CATEGORY**

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2024 S\$
<b>Financial assets measured at amortized cost</b>	
Cash and cash equivalents (Note 6)	50,737
Other receivables (Note 7)	10,000
<b>Total financial assets measured at amortized cost</b>	<u>60,737</u>
<b>Financial liabilities measured at amortized cost</b>	
Other payables (Note 8)	31,199
<b>Total Financial liabilities measured at amortized cost</b>	<u>31,199</u>

**14. RELATED PARTY TRANSACTIONS**

In addition to the related party information disclosed elsewhere in the financial statements, the following are related parties' transactions during the financial period and were at terms and rates agreed between the parties.

		2024
		S\$
Relationship	Nature of transaction	Payable
Holding company	Reimbursement of expenses	16,673

**15. COMPARATIVE INFORMATION**

The financial statements cover the period since incorporation on 27 April 2023 to 31 March 2024. These being the first set of accounts, there are no comparative figures.

\*\*\*\*\*

**DREAMFOLKS SERVICES PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

(This does not form part of the audited financial statements)

**DETAILED INCOME STATEMENT OF PROFIT OR LOSS ACCOUNT**  
**FOR THE FINANCIAL PERIOD FROM 27 APRIL 2023 (DATE OF INCORPORATION) TO**  
**MARCH 2024**

	<b>2024</b>
	<b>S\$</b>
<b>Revenue</b>	
Sales	-
Commission Income	-
	<hr/> -
<b>Costs</b>	
Purchases	-
	<hr/> -
<b>Gross profit</b>	<hr/> -
<b>Expenses</b>	
Audit fees	3,500
Company Secretary fees	2,691
Incorporation expenses	3,450
Registered office rent	543
Nominee director fees	6,920
Professional services	4,055
<b>Total Expenses</b>	<hr/> <b>21,159</b>
<b>Loss for the period</b>	<hr/> <b>(21,159)</b>