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

AUDITED FINANCIAL STATEMENTS - 31 MARCH 2026

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

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The directors are pleased to present their statement to the members together with the audited financial statements of Dreamfolks Services Pte. Ltd. (the Company) for the financial year ended 31 March 2026.

1. Opinion of the Directors

In the opinion of the directors,

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 2026 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: -

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 year 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.

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

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

4. Directors' interest in shares or debentures:

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

	Direct interest		Deemed interest	
Name of Directors	At the beginning of financial year or date of appointment	At the end of financial year	At the beginning of financial year or date of appointment	At the end of financial year
	No. of Ordinary shares			
Immediate and ultimate holding Company, Dreamfolks Services Limited				
Ms. Liberatha Peter Kallat	13,062,432	13,062,432	100	100

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.

On behalf of the Board of Directors

DocuSigned by:
[redacted]
DA0D9455CC44408...
Chan Michael K H
Director

[redacted]
Dreamfolks Services Pte. Ltd. Singapore
Liberatha Peter Kallat
Director

Date: 19 MAY 2026

DREAMFOLKS SERVICES PTE. LTD.

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DREAMFOLKS SERVICES PTE. LTD.

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 2026, and the statement of profit or loss and other 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 31 March 2026 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 to the financial statements with respect to the Company's ability to continue as a going concern. For the financial year ended 31 March 2026, the Company incurred a net loss of S$556,681 (2025: S$579,206) and recorded negative operating cash flows of S$483,318 (2025: S$576,404). As at 31 March 2026, the Company's total liabilities exceeded its total assets by S$1,106,309 (2025: S$549,628).

These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the continued financial support from its holding company to enable it to meet its obligations as and when they fall due and to continue its operations. Our opinion is not modified in respect of this matter.

10, JALAN BESAR #10-12, SIM LIM TOWER, SINGAPORE 208787.
TEL: (065) 6293 8089/6293 8370 / 6293 8047 / 6293 0732 FAX: (065) 6293 5756 Email: soma@nra.com.sg Web: www.nra.com.sg

G. Natarajan, P.S. Somasekharan, D. Govindaraj, Anuja Sushil Saraf

Other Information

Management is responsible for the other information. The other information comprises the Directors' 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.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- 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.

The engagement partner on the audit resulting in this independent auditor's report is Anuja Sushil Saraf.

[redacted]

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

Singapore
Date: 19 MAY 2026

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	2026	2025
		S$	S$
ASSETS			
Non-Current Assets			
Property, Plant and equipment	7	2,553	1,235
		2,553	1,235
Current assets			
Cash and cash equivalents	8	195,492	212,480
Other receivables	9	13,137	12,239
		208,629	224,719
Total assets		211,182	225,954
EQUITY AND LIABILITIES			
Equity			
Share capital	12	50,737	50,737
Accumulated Losses		(1,157,046)	(600,365)
Equity attributable to owners of the Company		(1,106,309)	(549,628)
Current liabilities			
Borrowings	11	1,295,101	765,391
Other payables	10	22,390	10,191
		1,317,491	775,582
Total liabilities		1,317,491	775,582
Total equity and liabilities		211,182	225,954

The accompanying 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 YEAR ENDED 31 MARCH 2026

	Note	2026 S$	2025 S$
Revenue		1,071	-
Cost of Sales		(1,558)	-
Gross Profit		(487)	-
Other Income		155	-
Administrative and other expenses		(495,004)	(553,815)
Finance Costs	4	(61,345)	(25,391)
(Loss) before tax	**5**	**(556,681)**	**(579,206)**
Income tax expense	**6**	-	-
(Loss) for the year, representing total comprehensive (loss) for the year		(556,681)	(579,206)

The accompanying 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 YEAR ENDED 31 MARCH 2026

	Share capital S$	Accumulated Losses S$	Share Application S$	Total S$
As at 1 April 2024	**1**	**(21,159)**	**50,736**	**29,578**
Issue of shares during the year	50,736	-	(50,736)	-
(Loss) for the year, representing total comprehensive (loss) for the year	-	(579,206)	-	(579,206)
Balance as at 31 March 2025	**50,737**	**(600,365)**	**-**	**(549,628)**
(Loss) for the year, representing total comprehensive (loss) for the year	-	(556,681)	-	(556,681)
Balance as at 31 March 2026	**50,737**	**(1,157,046)**	**-**	**(1,106,309)**

The accompanying 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 YEAR ENDED 31 MARCH 2026

	Note	2026 S$	2025 S$
Cash flows from operating activities			
(Loss) before tax		(556,681)	(579,206)
Adjustments for:			
Depreciation	7	717	618
Interest expense	4	61,345	25,391
		(494,619)	**(553,197)**
Changes in working capital:			
Other receivables	9	(898)	(2,199)
Other payables	10	12,199	(21,008)
Cash used in operations		**(483,318)**	**(576,404)**
Income tax paid	6	-	-
Net cash (used in) operating activities		**(483,318)**	**(576,404)**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(2,035)	(1,853)
Net cash (used in) investing activities		**(2,035)**	**(1,853)**
Cash flows from financing activities			
Loan from holding Company		481,376	740,000
Interest paid		(13,011)	-
Net cash flows from financing activities		**468,365**	**740,000**
Net increase in cash and cash equivalents		**(16,988)**	**161,743**
Cash and cash equivalents at beginning of the year	8	212,480	50,737
Cash and cash equivalents at end of the year	8	**195,492**	**212,480**

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

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

1 CORPORATE 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.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore (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 the Company's functional currency.
The financial statements of the Company have been prepared on the basis that it will continue to operate as a going concern.

Going concern
As at 31 March 2026, the Company's total liabilities exceeded its total assets by S$1,106,309 (2025: S$549,628). For the financial year ended 31 March 2026, the Company incurred a net loss of S$556,681 (2025: S$579,206) and recorded negative operating cash flows of S$483,318 (2025: S$576,404). The financial statements have been prepared on a going concern basis on the assumption that the Company will continue to receive financial support from its holding company to enable it to meet its obligations as and when they fall due and to continue its operations. In the event that such financial support is not available, the going concern basis may not be appropriate, and adjustments may be required to the carrying amounts of assets and liabilities. The directors are satisfied that the holding company will continue to provide the necessary financial support.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial year beginning on 1 April 2025. The adoption of these standards did not have any material effect on the financial statements of the Company.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.
The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

Description	**Effective for annual periods beginning on or after**
Amendments to FRS 109: *Financial instruments* and FRS 107 *Financial Instruments: Disclosures:* Amendments to the Classification and Measurement 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:* Sales and Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

2.4 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial 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 (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 amortized cost, fair value through other comprehensive income (FVOCI) and FVPL.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Financial instruments (Continued)

a) Financial Assets (Continued)

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.

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, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

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.

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 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 FVPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL 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.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) Financial liabilities (Continued)

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

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.

2.6 Property, plant and equipment

All items of Property, plant and equipment are initially recorded at cost. Subsequent to recognition, Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

	Useful Lives
Computers	3 years
Office Equipment	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 Impairment of non-financial assets

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

2.7 Impairment of non-financial assets (Continued)

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.

2.8 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.

2.9 Taxes

a) Current income tax

Current income tax assets and liabilities for current and prior periods are measured at the amounts expected to be recovered 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 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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 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.

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

2.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks which are subject to an insignificant risk of changes in value.

2.12 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 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 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.

2.13 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.

2.13 Provisions (Continued)

Provisions are reviewed at the end of each reporting period and adjusted to reflect 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 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.

2.14 Employee Benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND KEY SOURCE 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 year.

4. FINANCE COSTS

	2026 S$	2025 S$
Interest Expense on		
- Intercorporate loan from Ultimate holding company	61,345	25,391
Interest expense on financial liabilities not measured at fair value through profit or loss (Note 11)	61,345	25,391

5. (LOSS) BEFORE INCOME TAX

(Loss) before tax has been arrived at after charging/ (crediting):

	2026 S$	2025 S$
Audit fees	5,000	3,500
Nominee director fees	7,795	6,049
Accounting and payroll services	1,100	2,150
Subscription fees	1,864	2,242
Employee Benefits expense		
- Salaries, Bonuses and other costs	425,000	425,000
- Skill Development Levy	135	135
Depreciation Expense	717	618
Recruitment Charges	-	76,500
Insurance Expense	10,572	8,521
Business Promotion & advertising	5,300	6,095
Travelling and Conveyance expenses	32,447	13,122
Other Expenses	-	2,514
Professional fees	1,861	7,369

6. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the years ended 31 March 2026 and 2025:

	2026 S$	2025 S$
Current year's income tax	-	-
Deferred income tax	-	-
Income tax expense recognized in profit or loss	-	-

8. CASH AND CASH EQUIVALENTS

	2026 S$	2025 S$
Cash at banks	195,492	212,480
	195,492	**212,480**
Cash and cash equivalents are denominated in the following currencies.		
Singapore dollars	195,491	212,479
United States dollars (converted into S$)	1	1
	195,492	**212,480**

9. TRADE & OTHER RECEIVABLES

	2026 S$	2025 S$
Trade receivables*	1,348	-
Amount paid on behalf of holding company	-	325
Prepaid expense	1,615	1,914
Other deposits	10,000	10,000
Accrued Income	86	-
GST receivable	88	-
	13,137	**12,239**

* Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms. All trade receivables are denominated in SGD

10. OTHER PAYABLES

	2026 S$	2025 S$
Current:		
Unearned Income	1,938	-
Expenses payable	20,452	10,191
	22,390	**10,191**

11. BORROWINGS

	2026 S$	2025 S$
Current		
- Loan from the holding company	1,295,101	765,391
	1,295,101	**765,391**

During the year, the Company received additional funding of S$ 481,376 (2025: S$ 740,000) from its holding company, Dreamfolks Services Limited which is unsecured and bears interest as per the yield of one year's government securities plus 50 basis points per annum. The interest charged during the year amounts to S$ 61,345 (2025: S$ 25,391) and S$13,011 was paid towards withholding taxes. The loan is repayable within three years from the date of first disbursement. The borrower is permitted flexible repayment, including prepayment without penalty. Accordingly, the borrowing has been classified as a current liability.

12. SHARE CAPITAL

	31 March 2026		31 March 2025	
	No. of shares issued	S$	No. of shares issued	S$
As at the beginning of the year	37,678	50,737	1	1
Issue of shares during the period	-	-	37,677	50,736
As at the end of the year	37,678	50,737	37,678	50,737

During the previous year the Company has issued additional shares by utilizing the share application amounting to US$ 37,677/- (S$50,736)
The share capital is denominated in United States Dollars and were converted to Singapore Dollars at the historical rates.
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.

13. 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 company manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2026 and financial year ended 31 March 2025.

14. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

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 in the current and the previous financial year.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change in the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

a) 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 and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally does not require a collateral.

The Company considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days, default of interest due for more than 90 days or there is significant financial difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportable forward-looking information which includes the following indicators:

- Internal credit rating.
- External credit rating.
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.
- Actual or expected significant changes in the operating results of the debtor.

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

a) Credit risk (Continued)

- Significant increases in credit risk on other financial instruments of the same debtor.
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company considers that its financial assets are credit-impaired when:

- There is significant financial difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganization
- There is a disappearance of an active market for that financial asset because financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

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

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

a) Credit risk (Continued)

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$
31 March 2026						
Trade receivables	9		Lifetime ECL	1,348	-	1,348
Other receivables	9	I	12-month ECL	10,174	-	10,174
31 March 2025						
Other receivables	9	I	12-month ECL	10,325	-	10,325

Cash and cash equivalents

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

Other 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.

b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through combination of funds generated from operations and borrowings from holding Company. The directors are satisfied that funds are available to finance the operations of the Company.

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities

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

	2026			
	Carrying Amount	Contractual cash flows	One year or less	Two to five years
	S$	S$	S$	S$
Financial Assets				
Cash & Cash equivalents (Note 8)	195,492	195,492	195,492	-
Trade & Other receivables (Note 9)	11,522	11,522	11,522	-
Total undiscounted financial assets	**207,014**	**207,014**	**207,014**	-
Financial liabilities				
Borrowings (Note 11)	1,295,101	1,295,101	1,295,101	-
Other payables (Note 10)	20,452	20,452	20,452	-
Total undiscounted financial liabilities	1,315,553	1,315,553	1,315,553	-
Total net undiscounted financial asset/ (liabilities)	(1,108,539)	(1,108,539)	(1,108,539)	-

	2025			
	Carrying Amount	Contractual cash flows	One year or less	Two to five years
	S$	S$	S$	S$
Financial Assets				
Cash & Cash equivalents (Note 8)	212,480	212,480	212,480	-
Trade & Other receivables (Note 9)	10,325	10,325	10,325	-
Total undiscounted financial assets	**222,805**	**222,805**	**222,805**	-
Financial liabilities				
Borrowings (Note 11)	765,391	765,391	765,391	-
Other payables (Note 10)	10,191	10,191	10,191	-
Total undiscounted financial liabilities	775,582	775,582	775,582	-
Total net undiscounted financial asset/ (liabilities)	(552,777)	(552,777)	(552,777)	-

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their borrowings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 50 (2025: 50) basis points higher/ lower with all other variables held constant, the Company's profit before tax would have been S$ 4,426 (2025: S$ 1,823) higher/ lower, arising mainly as a result of higher/ lower interest income/ expenses on floating rate borrowings from holding Company. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(ii) 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.

15. 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:

	2026	2025
	S$	S$
Financial assets measured at amortized cost		
Cash and cash equivalents (Note 8)	195,492	212,480
Trade & Other receivables (Note 9)	11,522	10,325
Total financial assets measured at amortized cost	207,014	222,805
Financial liabilities measured at amortized cost		
Borrowings (Note 11)	1,295,101	765,391
Other payables (Note 10)	20,452	10,191
Total Financial liabilities measured at amortized cost	1,315,553	775,582

16. RELATED PARTY TRANSACTIONS

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

Name	Relationship	Nature of transaction	2026 S$	2025 S$
				Payable
Dreamfolks Services Limited	Holding company	Borrowings from Holding company (Note 11)	1,295,101	765,391
Dreamfolks Services Limited	Holding company	Interest on borrowings (Note 4)	61,345	25,391
				Receivable
Dreamfolks Services Limited	Holding company	Amount paid on behalf of holding company (Note 9)	-	325

17. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the directors' statement.

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 YEAR ENDED 31 MARCH 2026

	2026	2025
	S$	S$
Revenue		
Sales	1,071	-
Costs		
Purchases	1,558	-
Gross profit	(487)	-
Other income	155	-
Expenses		
Audit fees	5,000	3,500
Nominee director fees	7,795	6,049
Accounting and payroll services	1,100	2,150
Subscription fees	1,864	2,242
Exchange loss	27	
Employee Benefits expense	425,135	425,135
Depreciation Expense	717	618
Recruitment Charges	-	76,500
Insurance Expense	10,572	8,521
Business Promotion & advertising	5,300	6,095
Travelling and Conveyance expenses	32,447	13,122
Other Expenses	-	330
Professional fees	1,861	7,369
Finance Costs	61,345	25,391
Bank charges	698	541
Telephone charges	2,488	1,175
Printing & Stationery	-	286
Medical fee	-	143
Registered office facilities	-	40
Total Expenses	556,349	579,206
(Loss) for the year before tax	(556,681)	(579,206)