

ROUTE MOBILE PTE. LTD.
Registration Number: 201628553C
(Incorporated in Singapore)

FINANCIAL STATEMENTS
For the financial year ended 31 March 2024

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For the financial year ended 31 March 2024

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ROUTE MOBILE PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2024

The directors are pleased to present their statement to the member together with the audited financial statements of Route Mobile Pte. Ltd. (the "Company") for the financial year ended 31 March 2024.

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 2024 and of the financial performance, changes in equity and cash flows of the Company for the financial 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 as follows:

Rajdipkumar Gupta
Sandipkumar Chandrakant Gupta
Lim Thong Soon, Benedict

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whole 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' interests in shares and 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:

Name of director	No. of ordinary shares			
	Holdings registered in the name of the director		Holdings in which director is deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
Holding company – Route Mobile Limited				
Rajdipkumar Gupta	9,257,143	9,257,143	3,695,000	3,695,000
Sandipkumar Chandrakant Gupta	9,257,143	9,257,143	3,645,000	3,645,000

Mr. Rajdipkumar Gupta and Mr. Sandipkumar Chandrakant Gupta, by virtue of the provisions of section 7 of the Companies Act 1967, are deemed to have an interest in the whole of the issued share capital of all the wholly-owned subsidiaries of Route Mobile Limited.

ROUTE MOBILE PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2024

5. Share options

There were no share options granted during the financial year to subscribe for the 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. Auditor

Bestar Assurance PAC have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Sandipkumar Chandrakant Gupta
Director



Rajdipkumar Gupta
Director

29 APR 2024

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ROUTE MOBILE PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Route Mobile Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, 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 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 (b) in the financial statements, which indicates that as at 31 March 2024, the Company's total liabilities exceeded its total assets by S\$571,169. As stated in Note 2 (b), this condition indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
ROUTE MOBILE PTE. LTD.**
(continued)

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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 unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
ROUTE MOBILE PTE. LTD.**
(continued)

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

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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
ROUTE MOBILE PTE. LTD.**
(continued)

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.

Bestar Assurance PAC

Bestar Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

29 APR 2024

ROUTE MOBILE PTE. LTD.**STATEMENT OF FINANCIAL POSITION***As at 31 March 2024*

	Note	<u>2024</u> S\$	<u>2023</u> S\$
ASSETS			
Non-current assets			
Plant and equipment	4	<u>1,329</u>	<u>-</u>
Total non-current assets		<u>1,329</u>	<u>-</u>
Current assets			
Trade and other receivables	5	50,407	41,708
Cash and cash equivalents	6	<u>208,012</u>	<u>172,589</u>
Total current assets		<u>258,419</u>	<u>214,297</u>
Total assets		<u>259,748</u>	<u>214,297</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	7	25,000	25,000
Accumulated losses		<u>(596,169)</u>	<u>(328,663)</u>
Total equity		<u>(571,169)</u>	<u>(303,663)</u>
Current liabilities			
Trade and other payables	8	<u>830,917</u>	<u>517,960</u>
Total current liabilities		<u>830,917</u>	<u>517,960</u>
Total liabilities		<u>830,917</u>	<u>517,960</u>
Total equity and liabilities		<u>259,748</u>	<u>214,297</u>

ROUTE MOBILE PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME***For the financial year ended 31 March 2024*

	Note	<u>2024</u> S\$	<u>2023</u> S\$
Revenue	9	310,331	243,422
Cost of services provided		(294,792)	(226,639)
Gross profit		<u>15,539</u>	<u>16,783</u>
Other income	10	-	9,113
Administrative and other operating expenses		(283,045)	(11,600)
(Loss) / profit before income tax	11	<u>(267,506)</u>	<u>14,296</u>
Income tax expense	12	-	-
Net (loss) / profit for the financial year		<u>(267,506)</u>	<u>14,296</u>
Other comprehensive income, net of tax		-	-
Total comprehensive (loss) / income for the financial year		<u><u>(267,506)</u></u>	<u><u>14,296</u></u>

ROUTE MOBILE PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

	Share capital S\$	Accumulated losses S\$	Total S\$
At 1 April 2022	25,000	(342,959)	(317,959)
Profit for the financial year representing total comprehensive income for the financial year	-	14,296	14,296
At 31 March 2023	<u>25,000</u>	<u>(328,663)</u>	<u>(303,663)</u>
Loss for the financial year representing total comprehensive loss for the financial year	-	(267,506)	(267,506)
At 31 March 2024	<u>25,000</u>	<u>(596,169)</u>	<u>(571,169)</u>

ROUTE MOBILE PTE. LTD.**STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2024*

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Cash flows from operating activities		
(Loss) / profit before income tax	(267,506)	14,296
Adjustments for:		
Depreciation of plant and equipment	179	-
Operating (loss) / profit before working capital changes	(267,327)	14,296
Changes in working capital:		
Trade and other receivables	(8,699)	13,512
Trade and other payables	324,832	219,732
Net cash generated from operating activities	<u>48,806</u>	<u>247,540</u>
Cash flows from investing activities		
Acquisition of plant and equipment	(1,508)	-
Repayment of advances from related companies	(11,875)	(231,508)
Net cash used in investing activities	<u>(13,383)</u>	<u>(231,508)</u>
Net increase in cash and cash equivalents	35,423	16,032
Cash and cash equivalents at beginning of the financial year	<u>172,589</u>	<u>156,557</u>
Cash and cash equivalents at end of the financial year	<u><u>208,012</u></u>	<u><u>172,589</u></u>

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

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

1. General

Route Mobile Pte. Ltd. (the “Company”) is incorporated and domiciled in Singapore. The registered office and principal place of business of the Company is located at 23 New Industrial Road, #04-09 Solstice Business Centre, Singapore 536209.

The principal activities of the Company are those relating to the provision of value-added mobile content and services. There have been no significant changes to the Company’s principal activities during the financial year.

The immediate and ultimate holding company is Route Mobile Limited, a company incorporated in India.

The financial statements of the Company for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors as stated in Directors’ Statement.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (“FRS”).

The financial statements of the Company are presented in Singapore Dollar (“S\$”), which is the Company’s functional currency and are prepared in accordance with the historical cost convention except for the accounting policies as stated below.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous financial year.

Interpretations and amendments to published standards effective from 1 April 2023

On 1 April 2023, the Company adopted the new or amended FRS and interpretations to FRS (“INT FRS”) that are mandatory for application from that date. Changes to the Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the new or amended FRS and INT FRS did not result in substantial changes to the Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies (continued)

(b) Going concern

As at 31 March 2024, the Company's total liabilities exceeded its total assets by S\$571,169 (2023: S\$303,663). This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements have been prepared on the going concern basis as the holding company of the Company have agreed to provide continuing financial support to the Company to enable the Company to meet its obligations as and when they fall due. If the financial support from the holding company is not forthcoming, and as result the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reflect the situation that the assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts stated in the statement of financial position. In addition, the Company may have to provide for further liabilities which may arise and to reclassify non-current assets as current assets. No adjustments have been made to these financial statements.

(c) 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 the fair value was measured.

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

(d) Plant and equipment

All items of plant and equipment are initial recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of 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 plant and equipment of the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Computers	3 years
Office equipment	3 years

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies (continued)

(d) Plant and equipment (continued)

The useful lives, residual values and depreciation method are reviewed at the end of each financial year, and adjusted prospectively, if appropriate.

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

(e) 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 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 asset's 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.

As previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine that asset's recoverable amount since the last impairment loss was recognised 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 recognised in profit or loss.

(f) Financial instruments

Financial assets

(i) Initial recognition and measurement

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

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies (continued)

(f) Financial instruments (continued)

Financial assets (continued)

(ii) Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

(iii) De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

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 FVPL, directly attributable transaction costs.

(ii) 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.

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies *(continued)*

(f) Financial instruments *(continued)*

Financial liabilities (continued)

(iii) De-recognition

A financial liability is derecognised 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 derecognition 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) Cash and cash equivalents

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

(h) Impairment of financial assets

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

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

The Company considers, a financial asset in default when contractual payments over 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies *(continued)*

(i) Share capital

Proceeds from the 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.

(j) 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.

Rendering of services from enterprise messaging services

Revenue from rendering of services from enterprise messaging services is recognised when the services have been rendered. This is usually when the Company has performed the services as specified by the customer and the services have been accepted by the customer.

Interest income

Interest income is recognised using the effective interest method.

Other income

Revenue is recognised when the right to the income is established.

(k) Taxes

Current income tax

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

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Significant accounting policies (continued)

(k) Taxes (continued)

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.

3. Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Company's accounting policies

The management is of the opinion that the key judgement which has the most significant effect on the amounts recognised in the financial statements is discussed below:

Determination of functional currency

The Company measures foreign currency transactions in the functional currency of the Company. In determining the functional currency of the Company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

The functional currency of the Company is determined based on management's assessment of the economic environment in which the Company operates its process of determining sales prices.

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

3. Critical accounting judgement and key sources of estimation uncertainty (continued)

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful lives of plant and equipment

The useful life of an item of plant and equipment are estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's plant and equipment is set out in Note 4.

Income taxes

The Company is subject to income taxes in Singapore. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income taxes and deferred tax provisions in the period in which such determination is made.

4. Plant and equipment

	Computers S\$	Office equipment S\$	Total S\$
Cost			
At 1 April 2022 and 31 March 2023	4,984	466	5,450
Additions	1,508	-	1,508
At 31 March 2024	6,492	466	6,958
Accumulated depreciation			
At 1 April 2022	4,912	465	5,377
Depreciation charges	72	1	73
At 31 March 2023	4,984	466	5,450
Depreciation charges	179	-	179
At 31 March 2024	5,163	466	5,629
Carrying amount			
At 31 March 2024	1,329	-	1,329
At 31 March 2023	-	-	-

ROUTE MOBILE PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2024*

5. Trade and other receivables

	<u>2024</u> S\$	<u>2023</u> S\$
Trade receivables		
- Third parties	47,682	38,950
Other receivables		
- Deposits	1,800	1,800
- Prepayments	925	958
	<u>50,407</u>	<u>41,708</u>

Trade receivables are non-interest bearing and are generally on 30 days' terms.

6. Cash and cash equivalents

	<u>2024</u> S\$	<u>2023</u> S\$
Cash at bank	<u>208,012</u>	<u>172,589</u>

7. Share capital

	<u>2024</u> S\$	<u>2023</u> S\$
Issued and fully paid share capital		
At beginning and end of the financial year: 25,000 (2023: 25,000) ordinary shares	<u>25,000</u>	<u>25,000</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 value.

8. Trade and other payables

	<u>2024</u> S\$	<u>2023</u> S\$
Trade payables		
- Third parties	3,789	-
- Related companies	780,032	483,015
	<u>783,821</u>	<u>483,015</u>
Other payables		
- Amounts due to related companies	-	11,875
- Accrued operating expenses	29,354	4,500
- GST payable	5,838	5,611
Contract liabilities	<u>11,904</u>	<u>12,959</u>
	<u>830,917</u>	<u>517,960</u>

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

8. Trade and other payables (continued)

Trade payables are non-interest bearing and are generally on 30 days' terms.

Amounts due to related companies are non-trade in nature, unsecured, interest-free and repayable on demand.

Contract liabilities relates to the Company's obligations to provide services to customers for which the Company has received advances from customers. Contract liabilities are recognised as revenue at point in time when the services are provided and accepted by the customers. Set out below is the amount of revenue recognised from:

	<u>2024</u> S\$	<u>2023</u> S\$
Amounts included in contract liabilities at the beginning of the financial year	<u>12,959</u>	<u>12,399</u>

9. Revenue

<u>Type of services</u>	<u>2024</u> S\$	<u>2023</u> S\$
Enterprise messaging services	<u>310,331</u>	<u>243,422</u>

Timing of transfer of services is at a point in time.

10. Other income

	<u>2024</u> S\$	<u>2023</u> S\$
Foreign exchange gain	-	9,108
Other income	-	5
	<u>-</u>	<u>9,113</u>

11. (Loss) / profit before income tax

This is arrived at after charging the following items:

	<u>2024</u> S\$	<u>2023</u> S\$
Bank charges	606	823
Employee benefits:		
- Salaries and bonus - staff	230,869	-
- Central Provident Fund contributions - staff	15,503	-
Membership and subscription	1,071	1,169
Professional fee	<u>13,513</u>	<u>4,810</u>

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

12. Income tax expense

The Company is not subject to any taxation in respect of the current financial year as it has no chargeable income.

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2023: 17%) to (loss) / profit before income tax as a result of the following differences:

	<u>2024</u> S\$	<u>2023</u> S\$
(Loss) / profit before income tax	(267,506)	14,296
Income tax expense at statutory rate	(45,476)	2,430
Non-deductible expenses	8	-
Utilisation of unutilised tax losses of which deferred tax asset was not recognised in prior years	-	(2,430)
Deferred tax asset not recognised	45,468	-
	<u>-</u>	<u>-</u>

As at financial year end date, the Company has unutilised tax losses and capital allowances of approximately S\$604,000 and S\$1,500 (2023: S\$320,000 and S\$1,900) respectively which can, subject to agreement with the Comptroller of Income tax, be carried forward and utilised to set off against future taxable profits.

Deferred tax asset has not been recognised in respect of this item as it is uncertain whether future taxable profits will be available against which the Company can utilise this benefit.

13. Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related party if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

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

	<u>2024</u> S\$	<u>2023</u> S\$
Purchases from related companies	<u>294,792</u>	<u>226,639</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

14. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and foreign currency risk.

The directors review and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current financial year and previous financial year, the Company's policy that no trading derivatives for speculative purposes shall be undertaken.

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 to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

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 trade and other receivables. For other financial assets (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 general do not require a collateral.

The Company considers the probability of default upon initial recognition of 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 60 days, default of interest due for more than 30 days or there is significant 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 supportive 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
- Significant increases in credit risk on other financial instruments of the same debtor

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

14. Financial risk management (continued)

Credit risk (continued)

- 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 determined that its financial assets are credit-impaired when:

- There is significant 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 reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 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 recognising 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 >60 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

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

14. Financial risk management (continued)

Credit risk (continued)

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

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
31 March 2024						
Trade receivables	5	Note 1	Lifetime ECL (simplified)	47,682	-	47,682
Other receivables (excluding prepayments)	5	I	12-month ECL	1,800	<u>-</u>	1,800
					<u>-</u>	
31 March 2023						
Trade receivables	5	Note 1	Lifetime ECL (simplified)	38,950	-	38,950
Other receivables (excluding prepayments)	5	I	12-month ECL	1,800	<u>-</u>	1,800
					<u>-</u>	

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix. No provision matrix is presented as no loss allowance is required.

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 allowance using 12-month ECL and determined that the ECL is insignificant.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

ROUTE MOBILE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

14. Financial risk management (continued)

Credit risk (continued)

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

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's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

No analysis of financial instruments by remaining contractual maturities are presented as they are due within one year.

Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that denominated in currency other than the functional currency of the Company, primarily Euro ("EUR"), British Pound Sterling ("GBP"), and United States Dollar ("USD").

The Company's currency exposures to EUR, GBP, and USD at the reporting date were as follows:

	<u>2024</u>	
	<u>EUR</u>	<u>USD</u>
	S\$	S\$
<u>Financial assets</u>		
Cash and cash equivalents	34,887	26,097
<u>Financial liabilities</u>		
Trade and other payables	(11,735)	-
Currency exposure	<u>23,152</u>	<u>26,097</u>

ROUTE MOBILE PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2024***14. Financial risk management (continued)***Foreign currency risk (continued)*

	2023	
	EUR	USD
	S\$	S\$
<u>Financial assets</u>		
Cash and cash equivalents	35,031	33,644
<u>Financial liabilities</u>		
Trade and other payables	(12,959)	-
Currency exposure	<u>22,072</u>	<u>33,644</u>

A 10% strengthening of Singapore Dollar against the foreign currency denominated balances as at the reporting date would increase / (decrease) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit after tax	
	<u>2024</u>	<u>2023</u>
	S\$	S\$
Euro	(1,922)	(1,832)
United States Dollar	(2,166)	(2,792)

A 10% weakening of Singapore Dollar against the above currencies 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.

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:

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Financial assets measured at amortised cost		
Trade and other receivables (excluding prepayments)	49,482	40,750
Cash and cash equivalents	208,012	172,589
	<u>257,494</u>	<u>213,339</u>
Financial liabilities measured at amortised cost		
Trade and other payables (excluding GST payable and contract liabilities)	813,175	499,390

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Fair values of assets and liabilities not measured in fair value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

17. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and accumulated losses.

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 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. The Company's overall strategy remains unchanged from previous financial year.

18. New or revised FRS and INT FRS issued but not yet effective

The Company has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Company's accounting periods beginning on or after 1 April 2024. However, management anticipates that the adoption of these standards and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

-----End of audited financial statements-----

ROUTE MOBILE PTE. LTD.**DETAILED INCOME STATEMENT***For the financial year ended 31 March 2024*

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Revenue		
Rendering of services	310,331	243,422
Less: Cost of services provided		
Purchases	<u>(294,792)</u>	<u>(226,639)</u>
Gross profit	<u>15,539</u>	<u>16,783</u>
Add: Other income		
Foreign exchange gain	-	9,108
Other income	<u>-</u>	<u>5</u>
	<u>-</u>	<u>9,113</u>
Less: Administrative and other operating expenses		
Audit fees	5,000	4,500
Bank charges	606	823
Business promotion expenses	1,241	-
Central Provident Fund contributions	15,503	-
Depreciation of plant and equipment	179	-
Food expenses	3,030	-
Foreign exchange losses	2,136	-
Internet and website expenses	336	-
Membership and subscription	1,071	1,169
Postage and courier charges	150	150
Printing and stationery	182	150
Professional fee	13,513	4,810
Salaries and bonus	230,869	-
Staff welfare expense	8	-
Telephone expense	306	-
Travelling expenses	8,869	-
Write-off of debtor balance	<u>46</u>	<u>(2)</u>
	<u>283,045</u>	<u>11,600</u>
(Loss) / profit before income tax	<u>(267,506)</u>	<u>14,296</u>

The above statement of does not form part of the audited financial statements.