

EXIM ROUTES PTE. LTD.

(Incorporated in Singapore)

REG NO: 201842540C

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2023 TO 31 MARCH 2024

CORPORATE INFORMATION

Directors

Shishodia Yogesh Pratap
Govind Rai Garg (Appointed on 19.06.2023)
Anne Sasikanth

Shareholders

Exim Routes Private Limited
Shishodia Yogesh Pratap

Registered office

11 Woodlands Close
#04-36H Woodlands 11
Singapore 737853

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EXIM ROUTES PTE. LTD.*(Incorporated in Singapore)***DIRECTORS' STATEMENT**

The directors present their statement to the shareholder(s) together with the financial statements for the financial period ended 31 March 2024.

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 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, having regard to the financial support from the shareholders, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement is as follows:

Shishodia Yogesh Pratap
Govind Rai Garg (Appointed on 19.06.2023)
Anne Sasikanth

Arrangements to enable directors to acquire shares and debentures

Except as described in the financial statements, 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 whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate

Director's interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Cap 50, the directors who held office at the end of the financial period were interested in shares or debentures of the Company or its related corporations are as follows:

<u>Name of director</u>	<u>Ordinary Shares</u>	
	<u>At the beginning of the period</u>	<u>At end of the period</u>
Shishodia Yogesh Pratap	-	1,155

DIRECTORS' STATEMENT (Continued)

Share options

During the financial period, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial period, there were no unissued shares of the Company under option.

Auditors

The Company is a limited private company and has met the requirement for an audit exemption.

Signed by the Board of Directors,



Shishodia Yogesh Pratap
Director



Govind Rai Garg
Director

Date: 02/09/2024
Singapore

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 01 JANUARY 2023 TO 31 MARCH 2024

		01.01.2023 to 31.03.2024	01.01.2022 to 31.12.2022
	Notes	US\$	US\$
Revenue	4	8,795,890	11,451,363
Cost of sales and service		(7,923,382)	(10,571,865)
Gross profit		872,508	879,498
Other income	5	255,570	1,287
Employee benefits expense	6	(184,533)	(194,000)
Other operating expenses	7	(552,397)	(472,478)
Other gains/(losses)	8	4,814	-
Profit before tax from operations		395,962	214,307
Income tax expenses	9	(27,786)	(26,846)
Profit for the period/year from operations		368,176	187,461

The accompanying notes form an integral part of these financial statements.

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

		As at 31.03.2024 US\$	As at 31.12.2022 US\$
	Notes		
<u>ASSETS</u>			
<u>Current assets</u>			
Inventories		-	54,406
Trade and other receivables	10	1,803,223	872,624
Cash and cash equivalents	11	28,296	58,384
Total current assets		1,831,519	985,414
TOTAL ASSETS		<u>1,831,519</u>	<u>985,414</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share capital	12	25,900	25,900
Accumulated profits		414,892	246,716
Total Equity		440,792	272,616
<u>Current liabilities</u>			
Trade and other payables	14	1,363,596	689,000
Income tax payables	9	27,131	23,798
Total current liabilities		1,390,727	712,798
TOTAL EQUITY AND LIABILITIES		<u>1,831,519</u>	<u>985,414</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 01 JANUARY 2023 TO 31 MARCH 2024

	Share Capital US\$	Accumulated Profits US\$	Total Equity US\$
Balance at 01 January 2022	25,900	159,255	185,155
Total comprehensive income for the year	-	187,461	187,461
Dividends	-	(100,000)	(100,000)
Balance as at 31 December 2022	25,900	246,716	272,616
Total comprehensive income for the period	-	368,176	368,176
Dividends	-	(200,000)	(200,000)
Balance as at 31 March 2024	25,900	414,892	440,792

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOW
FOR THE PERIOD FROM 01 JANUARY 2023 TO 31 MARCH 2024

	01.01.2023 to 31.03.2024 US\$	01.01.2022 to 31.12.2022 US\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before income tax	395,962	214,307
Operating cash flows before movements in working capital	395,962	214,307
Inventories	54,406	(54,406)
Trade and other receivables	(930,599)	35,430
Trade and other payables	674,596	(56,222)
Cash generated from operations	194,365	139,109
Income taxes paid / adjustments	(24,453)	(9,773)
Net cash generated from operating activities	169,912	129,336
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	-	-
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividends paid	(200,000)	(100,000)
Net cash used in financing activities	(200,000)	(100,000)
<u>CASH AND CASH EQUIVALENTS</u>		
Cash and cash equivalents at the beginning of the year	58,384	29,048
Net (decrease)/increase in the year	(30,088)	29,336
Cash and cash equivalents at end of the year	28,296	58,384

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

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

1. Domicile and activities

Exim Routes Pte. Ltd. (the “Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 11 Woodlands Close, #04-36H Woodlands 11, Singapore 737853.

The principal activities of the Company are those of wholesale trade of variety of goods without a dominant product non-hazardous and non-toxic waste and freight transport arrangement. There have been no significant changes in the nature of these activities during the financial period.

The immediate holding company is Exim Routes Private Limited, a corporation incorporated in India.

2. Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in United States Dollar (US\$), which is the Company’s functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of critical judgements in the application of accounting policies that have significant effect on the amount recognised in the financial statements or assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

3. Significant accounting policies

The Company adopted new or revised FRS which became effective during the period. The initial adoption of these new standards did not have a material impact on the financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Company.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at incorporation, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

3.2 Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company classifies non-derivative financial assets into the loans and receivables category.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents comprise bank balances.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

Non-derivative financial liabilities

The Company recognises all financial liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise of accrued operating expenses.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

For the current period, the above policy is not applicable for the company.

3.3 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy.

Loans and receivables

The Company considers evidence of impairment for loans and at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

For the current period, the above policy is not applicable for the company.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

3.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.5 Dividends

Equity dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

3.7 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 reporting date.

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

3.8 Revenue

Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Rendering of services and handling fees

Revenue from rendering of services and handling fees is recognised when the services have been performed and rendered or performance has started to be rendered.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

4. Revenue

	2024	2022
	US\$	US\$
Sale of goods - At a point in time	8,479,890	11,451,363
Freight charges - At a point in time	316,000	-
	8,795,890	11,451,363

5. Other income

	2024	2022
	US\$	US\$
Quality claim	229,578	-
Others	25,992	1,287
	255,570	1,287

6. Employee benefits expenses

	2024	2022
	US\$	US\$
<u>Director</u>		
Salaries, bonus and other related costs	184,533	194,000
	184,533	194,000

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

7. Other operating expenses

	2024	2022
	US\$	US\$
Administrative expenses	-	349
Bad debts written off	1,170	2,462
Bank charges	39,944	38,516
Commission charges	2,887	195,703
Consultancy charges	210,000	-
Inspection and documentation charges	3,561	4,708
Insurance	5,516	3,387
Office and admin expenses	-	5,513
Professional fee	12,299	7,800
Quality claim	241,236	185,269
Travelling and accommodation	35,784	28,771
	552,397	472,478

8. Other gains/losses

	2024	2022
	US\$	US\$
Exchange (gains)/losses	(4,814)	-
	(4,814)	-

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

9. Income tax expense

Current income tax

	2024	2022
	US\$	US\$
Current income tax	27,131	23,798
Under provision for prior year tax	655	3,048
	27,786	26,846

Income tax payables

	2024	2022
	US\$	US\$
As at beginning	23,798	6,725
Current income tax	27,131	23,798
Under provision of income tax	655	3,048
Income tax paid	(24,453)	(9,773)
	27,131	23,798

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years were as follows:

	2024	2022
	US\$	US\$
Profit before income tax from operation	395,962	214,307
Income tax at statutory rate (17%)	67,314	36,432
Adjusted for the effects of:		
Non-deductible expenses	-	-
Tax exemption and rebate	(40,183)	(12,634)
Total income tax expenses	27,131	23,798

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

10. Trade and other receivables

The average credit period generally granted to customers is about 30-60 days. A provision for impairment is established when there is objective evidence that management will not be able to collect all amounts due according to the original terms of receivables. The carrying amount of trade receivables approximates to their fair value.

Short duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant.

	2024	2022
	US\$	US\$
<u>Trade receivables</u>		
Third parties	1,128,899	871,488
<u>Other receivables</u>		
Advances to suppliers	75,745	1,136
Amount due from related companies	598,579	-
Total trade and other receivables	<u>1,803,223</u>	<u>872,624</u>

The above amounts due from related companies are non-trade, unsecured, interest-free and repayable on demand.

11. Cash and cash equivalents

	2024	2022
	US\$	US\$
Cash at bank - USD	28,212	58,384
Cash at bank - SGD	9	-
Cash at bank - EURO	75	-
Cash and cash equivalents	<u>28,296</u>	<u>58,384</u>

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

12. Share capital

	2024	2022
	US\$	US\$
<u>Issued and fully paid ordinary shares</u>		
At beginning of the period/year	25,900	25,900
Issued of share during financial year	-	-
At end of the period/year	<u>25,900</u>	<u>25,900</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.

Capital management

The Company's primary objective in capital management is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and to continue to maintain its future development and growth of the business.

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 or issue new shares.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

13. Dividends

During the financial period ended:	31 March 2024
The company tax exempt dividends totaling	US\$ 200,000

During the financial year ended:	31 December 2022
The company tax exempt dividends totaling	US\$ 100,000

14. Trade and other payables

Trade payables are recognized at their original invoice amounts which represent their fair value initial recognition. Trade payables are non-interest bearing. Trade payables are normally settled on 30 – 90 day's term.

Other payables are of non-trade nature, interest free, unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

	2024	2022
	US\$	US\$
<u>Trade payables</u>		
Third parties	924,020	658,151
<u>Other payables</u>		
Advance from customers	13,917	11,789
Amount due to related companies	313,457	-
Amount due to related parties	19,215	-
Others	92,987	19,060
Total trade and other payables	<u>1,363,596</u>	<u>689,000</u>

The above amounts due to related companies and related parties are non-trade, unsecured, interest-free and repayable on demand

15. Financial instruments and risk management

The main risks arising from the Company's financial instruments are liquidity risk, credit risk, foreign exchange risk, interest rate risk and fair value of financial assets and liabilities. The policies for managing each of these risks are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company is unable to pay its debts as and when they fall due. To mitigate this risk, the Company maintains sufficient cash balances to meet its working capital requirements and operational needs and where necessary, from funds provided by the directors and shareholders.

Credit risk

The Company manages the credit risk by monitoring creditworthiness and collection from its customers and has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

Foreign exchange risk

The Company is exposed to foreign exchange risk mainly from cash flows from transactions denominated in foreign currencies. It is the Company's policy not to enter into derivative forward foreign exchange contracts for hedging and speculative purposes.

Interest rate risk

The Company is not exposed to significant market risk for changes in interest rates as the Company has no loans and borrowings which are subject to interest charge.

Fair value of financial assets and liabilities

The carrying amounts of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

16. Comparative figures

The financial statements of the company for the period ended 31 March 2024, cover the financial period from 01 January 2023 to 31 March 2024.

The financial statements of the company for the year ended 31 December 2022, cover the financial year from 01 January 2022 to 31 December 2022.

17. Authorisation of financial statements

The financial statements for the financial period ended 31 March 2024 were authorized for issue in accordance with a resolution of the Board of Director(s) on the date stated on the Director's Statement.