SMARTWORKS SPACE PTE. LTD.
(Registration No. 202410446R)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FINANCIAL PERIOD FROM MARCH 15, 2024 (DATE OF INCORPORATION) TO MARCH 31, 2025

SMARTWORKS SPACE PTE. LTD.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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SMARTWORKS SPACE PTE. LTD.

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of Smartworks Space Pte. Ltd. (the 'Company') for the financial period from March 15, 2024 (date of incorporation) to March 31, 2025.

In the opinion of the directors, the accompanying financial statements as set out on pages 6 to 28 are drawn up so as to give true and fair view of the financial position of the Company as at March 31, 2025 and the financial performance, changes in equity and cash flows of the Company for the financial period from March 15, 2024 (date of incorporation) to March 31, 2025 and at the date of this statement, with the continuing financial support from the holding company, there are reasonable grounds to believe that the company will be able to pay its liabilities when they fall due.

1. DIRECTORS

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

Prerna Jhunjhunwala	(Appointed on April 29, 2024)
Pranay Ganeriwala	(Appointed on March 15, 2024)
Sanjib Kumar Jain	(Appointed on March 15, 2024)

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Companies Act 1967.

4. SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial period, no option to take up unissued shares of the company was granted.

(b) *Options exercised*

During the financial period, there were no shares of the company issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial period, there were no unissued shares of the company under option.

SMARTWORKS SPACE PTE. LTD

DIRECTORS' STATEMENT

5. AUDITORS

The auditor, Deloitte & Touche LLP, have expressed its willingness to accept re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS

Pranay Ganeriwala

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Pranay Ganeriwala

....

Sanjib Kumar Jain

September 5, 2025

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

SMARTWORKS SPACE PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Smartworks Space Pte. Ltd. (the "company"), which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial period from March 15, 2024 (date of incorporation) to March 31, 2025, and notes to the financial statements, including material accounting policy information, as set out on pages 6 to 28.

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 March 31, 2025 and of the financial performance, changes in equity and cash flows of the company for the financial period from March 15, 2024 (date of incorporation) to March 31, 2025.

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 *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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement as set out on pages 1 to 2, but does not include the financial statements and our auditor's report thereon.

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 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 of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) 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.

(b) 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.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

SMARTWORKS SPACE PTE. LTD.

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

(e) 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.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

September 5, 2025

Smartworks Space Pte. Ltd.

Statement of Profit or Loss and Other Comprehensive Income
Period from March 15, 2024 (date of incorporation) to March 31, 2025

	Notes	For the period from March 15, 2024 to March 31, 2025
		$ '000
Income		
Revenue	4	4,571
Other income	5	96
Total income		**4,667**
Expenses		
Operating expenses	6	(786)
Employee benefits expense	7	(262)
Finance costs	8	(394)
Depreciation expenses	14 & 15	(2,933)
Other operating expenses	9	(154)
Total expenses		**(4,529)**
Profit before tax		**138**
Income tax expense	10	(15)
Profit for the period representing total comprehensive income for the period		**123**

See accompanying notes to financial statements.

Smartworks Space Pte. Ltd.

Statement of Financial Position
March 31, 2025

	Notes	As at March 31, 2025
ASSETS		**$ '000**
Current assets		
Cash and cash equivalents	11	1,581
Trade and other receivables	12	424
Contract assets	13	12
Total current assets		**2,017**
Non-current assets		
Property, plant and equipment	14	2,045
Right-of-use assets	15	2,563
Other receivables	16	392
Total non-current assets		**5,000**
Total assets		**7,017**
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	17	51
Other payables	18	478
Lease liabilities	15	2,585
Contract liabilities	19	109
Provisions	20	6
Income tax payable	10	15
Total current liabilities		**3,244**
Non-current liabilities		
Lease liabilities	15	58
Other payables	18	561
Contract liabilities	19	25
Provisions	20	6
Total non-current liabilities		**650**
Equity		
Share capital	21	3,000
Accumulated profits		123
Total equity		**3,123**
Total liabilities and equity		**7,017**

See accompanying notes to financial statements.

Smartworks Space Pte. Ltd.

Statement of Changes in Equity
Period from March 15, 2024 (date of incorporation) to March 31, 2025

	Share Capital	Accumulated profits	Total
	$ '000	**$ '000**	**$ '000**
Balance as at March 15, 2024 (date of incorporation)	**-**	**-**	**-**
Transactions with owners, recognised directly in equity			
Issuance of share capital	3,000	-	3,000
Total comprehensive income for the period			
Profit for the period, representing total comprehensive income for the period	-	123	123
Balance as at March 31, 2025	**3,000**	**123**	**3,123**

See accompanying notes to financial statements.

Smartworks Space Pte. Ltd.

Statement of Cash Flows

Period from March 15, 2024 (date of incorporation) to March 31, 2025

	For the period from March 15, 2024 to March 31, 2025
	$ '000
Operating activities:	
Profit before tax	138
Adjustments for:	
Depreciation of property, plant and equipment	879
Depreciation of right-of-use assets	2,054
Interest income	(85)
Finance cost	383
Operating cash flows before movements in working capital	**3,369**
Changes in working capital	
Trade receivables, other receivables, deposit and prepayments	(843)
Contract assets	(12)
Trade payables	51
Other payables	1,044
Contract liabilities	134
Net cash from operating activities	**3,743**
Investing activities	
Purchase of property, plant and equipments	(2,924)
Interest received	3
Net cash used in investing activities	**(2,921)**
Financing activities	
Proceeds from short term borrowings	300
Repayment of short term borrowings	(300)
Repayment of lease liabilities- principal portion	(1,915)
Repayment of lease liabilities- Interest Portion	(314)
Issuance of shares	3,000
Interest paid	(12)
Net cash generated from financing activities	**759**
Net increase in cash and cash equivalents	**1,581**
Cash and cash equivalents at beginning of the period	**-**
Cash and cash equivalents at end of the period (Note 11)	**1,581**

See accompanying notes to financial statements.

1. GENERAL INFORMATION

The company (Registration No. 202410446R) is incorporated in Singapore with its principal place of business and registered office at 1 Pickering Street Great Eastern Centre Level 8, Singapore 048659.

The Company is engaged in the business of developing and licensing fully serviced office spaces including rendering of related ancillary services.

The financial statements of the company for the period starting from March 15, 2024 and ended March 31, 2025 were authorised for issue by the Board of Directors on September 5, 2025.

1.1 Basis of preparation

These Financial Statements are drawn up in accordance with the provision of the Singapore Companies Act 1967 and Finanical Reporting Standards in Singapore ("FRSs").

This being the first year of operations, as the Company was incorporated on March 15, 2024, the financial statements reflect the results for the period from March 15, 2024 to March 31, 2025.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said Financial Statements, except in case of adoption of any new standards and amendments during the period.

The Financial Statements have been prepared on the accrual and going concern basis, and the historical cost convention as otherwise required by Singapore Finanical Reporting Standards ("FRSs")

1.2 Amendments to Standards applied with no material effect on financial statements

The company has applied all the new and revised FRSs that are mandatorily effective for an accounting period that begins on or after March 15, 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Effective for annual periods beginning on or after January 1, 2027
• FRS 118 Presentation and Disclosure in Financial Statements

Management is currently evaluating the impact of the Amendments to FRSs and has not yet concluded its assessment. Accordingly, the potential impact on the financial statements in the period of initial adoption has not been determined at this stage.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Functional and presentation currency

All the amounts included in the Financial Statements are reported in thousands of Singapore dollars ($'000) and are rounded off to the nearest thousand, unless stated otherwise, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. Amount less than $500 are appearing as '0'.

2.2 Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company’s accounting policies require, measurement of certain financial/non financial assets and liabilities at fair values (either on a recurring or non-recurring basis).

The Company is required to classify the fair valuation method of the financial assets and liabilities, either measured or disclosed at fair value in the Financial Statement, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierachy are described below:

(a) Level 1: quoted prices (unadjusted) in active markets for financial instruments;

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

(c) Level 3: unobservable inputs for the asset or liability.

2.3 Use of estimates and judgement

The preparation of Financial Statements in conformity with FRSs requires the management to make judgments, 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. (refer note 3).

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.4 Revenue recognition

2.4.1 Operating revenue

Revenue from operations includes rental income for the use of co-working space, along with related ancillary services.

Rental income

Revenue from leased out co-working space under an operating lease is recognized on a straight line basis over lease term, except where there is an uncertainty of ultimate collection. The Company has determined the lease term as the non-cancellable term.

After the lease term, rental revenue is recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under agreement entered with customers. Initial direct costs, such as commissions, incurred by the Company in negotiating and arranging a lease are deferred and allocated to income over the lease Term for revenue, which has been presented as 'Prepayments' in the Balance Sheet.

Ancillary services

Revenue from contracts with customers for ancillary services (such as meeting room charges, one-time setup costs, parking charges, internet fees, electricity charges, facility management services etc.) is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenues in excess of invoicing are classified as unbilled revenue while invoicing and collection in excess of revenue are classified as deferred revenue. The Company presents service revenue net of indirect taxes in its Statement of Profit or Loss and Other Comprehensive Income.

2.4.2 Other income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Leases

2.5.1 Company as a lessee

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates that commensurate with the lease term. Subsequently, lease liabilities are measured at amortized cost using the effective interest rate method and remeasured to reflect any reassessment of options or lease modifications, or to reflect changes in lease payments, with a corresponding adjustment to the ROU asset or Statement of Profit or Loss and Other Comprehensive Income if the ROU asset has been reduced to zero.

Asset retirement obligation is determined at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular right-of-use asset on initial recognition.

2.5.2 Company as a lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment and right of use assets. Management recognised lease income on an operating lease is recognized in the Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the lease term on reasonable basis.

2.6 Foreign currency transactions and balances

Transactions in currencies other than the Company’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

2.7 Employee benefits

Company's employee benefit mainly includes salaries, bonuses, and defined benefit plans. The employee benefits are recognised in the period in which the associated services are rendered by the Company employees. Short term employee benefits are recognised in Statement of Profit or Loss and Other Comprehensive Income at undiscounted amounts during the period in which the related services are rendered.

2.7.1 Short-term benefits

Liabilities for salaries, including non-monetary benefits (such as compensated absences) that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Statement of Financial Position.

2.7.2 Long term benefits

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely the Central provident fund. The Company’s contribution thereto is charged to the Statement of Profit or Loss and Other Comprehensive Income. The Company has no further obligations under these plans beyond its periodic contributions.

2.8 Finance costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit or Loss and Other Comprehensive Income for the period for which they are incurred.

2.9 Taxes

Income tax expense represents the sum of current and deferred tax and is recognised in Statement of Profit or Loss and Other Comprehensive Income.

Current Tax

Current tax payable represents the amount expected to be paid to the taxation authority on taxable profit for the year, using tax rate enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rate that is expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rate that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

2.10 Property, plant and equipment ('PPE')

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost comprises of the purchase price including freight and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Cost incurred for expected fit-out period is capitalised as part of leasehold improvement, as this cost is attributable to bring the asset in necessary condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance are charged to Statement of Profit or Loss and Other Comprehensive Income during the reporting period in which they are incurred.

2.10.1 Depreciation method, estimated useful lives and residual value

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Residual value is estimated to be five percent of total cost of asset, except for certain electrical equipment classes of assets where it is estimated to be nil.

Depreciation on property, plant and equipment is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful lives,has accordingly, depreciated the assets over such useful lives. The Company has established the estimated range of useful lives for different categories of property, plant and equipment as follows :

Categories	Useful life (in years)
Electrical installations and equipment	10
Plant and equipment	15
Furniture and fixtures	3-10
Computer and data processing unit	3-6
Office equipment	3-10

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and/or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life.

2.10.2 Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit or Loss and Other Comprehensive Income.

2.11 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its impairment of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

2.12 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease.

Asset retirement obligation are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted using incremental borrowing rate that reflects the risks specific to the site restoration obligation. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit or Loss and Other Comprehensive Income as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.13 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

2.14 Financial assets

2.14.1 Initial recognition and measurement

At initial recognition, financial asset (except trade receivables which are measured at transaction price) is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit or Loss and Other Comprehensive Income.

2.14.2 Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit or Loss and Other Comprehensive Income. Investments in debt mutual funds are measured at fair value through Profit and Loss as per the business model and contractual cash flow test.

2.14.3 Impairment of financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a class of financial assets is impaired. Expected credit losses are recognised through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For other financial assets carried at amortised cost the Company assesses, on a forward looking basis, the expected credit losses associated with such assets and recognises the same in the Statement of Profit or Loss and Other Comprehensive Income.

2.14.5 Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

2.15 Financial liabilities and equity instruments

2.15.1 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.15.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

2.15.3 Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables and bank borrowing. These are initially measured at fair value, net oftransaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest rate method.

2.15.3. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.3. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit or Loss and Other Comprehensive Income.

2.15.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.16 Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments, other than which are lien against borrowings, with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

3 Critical accounting judgements and key sources of estimation uncertainty

3.1 Critical judgements in applying the Company's material accounting policies

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next financial year, are related to the following areas:

3.2.1 Useful life of property, plant and equipment

As described at note 2.10.1 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful lives of its PPE remain appropriate. Uncertainties in these estimate relate to technical and economic obsolescence that may change the utility of assets.

(the section is intentionally leave blank)

4. Revenue

	For the period from March 15, 2024 to March 31, 2025
	$'000
Revenue from lease rentals	4,298
Revenue from ancillary services	273
Total	**4,571**

4.1. Revenue from ancillary services are transferred to the customers over a point of time
4.2. Refer note 13 for contract assets (unbilled revenue), and note 19 for contract liabilities (deferred revenue).

5. Other income

	For the period from March 15, 2024 to March 31, 2025
	$'000
Interest income on security deposits	81
Interest income on bank deposits	4
Gain on foreign currency transactions	11
Total	**96**

6. Operating expenses

	For the period from March 15, 2024 to March 31, 2025
	$'000
Housekeeping, security, support service, plantation and pest control	195
Electricity and water charges	28
Building maintenance charges	471
Equipment hire charges	4
Commission and brokerage	15
Communication expenses	32
Rent expense (refer note 15.3)	21
Freight and transportation	6
Parking charges	14
Total	**786**

7. Employee benefits expense

	For the period from March 15, 2024 to March 31, 2025
	$'000
Salaries	225
Contributions to central provident fund and other funds	34
Staff welfare expenses	3
Total	**262**

8. Finance costs

	For the period from March 15, 2024 to March 31, 2025
	$'000
Interest expense on:	
- Borrowings	23
- Lease liabilities	314
- Other financial liabilities that are measured at amortised cost	56
Others:	
- Interest on asset retirement obligation	1
Total	**394**

9. Other operating expenses

	For the period from March 15, 2024 to March 31, 2025
	$'000
Business development	10
Legal and professional charges	123
Travelling expenses	3
Interest & Penalties	1
Miscellaneous expenses	17
Total	**154**

10. Income tax expense

The major components of income tax expense are:

	For the period from March 15, 2024 to March 31, 2025
	$'000
Current tax expense	15
Deferred tax expense relating to the origination and reversal of temporary differences	(0)
Income tax expense	**15**

The income tax is calculated at 17% of the estimated assessable profit for the period. The total charge for the period can be reconciled to the profit before tax as follows:

	For the period from March 15, 2024 to March 31, 2025
	$'000
Profit before tax	138
Income tax expense calculated at 17%	**23**
Tax effects of:	
Expenses not deductible for tax purposes	8
Income not subject to tax	(16)
Total	**15**

The analysis of deferred tax assets / liabilities is as follows:

The following are the major deferred tax liabilities and (assets) recognised by the company, and the movements thereon, during the current reporting period:

	Accelerated tax depreciation	Right-of-use assets	Lease liabilities	Asset retirement obligation	Closing balance (At March 31, 2025)
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
As at March 15, 2024 (date of incorporation)	**-**	**-**	**-**	**-**	**-**
Charge (Credit) to profit or loss	15	436	(449)	(2)	(0)
As at March 31, 2025	**15**	**436**	**(449)**	**(2)**	**(0)**

11. Cash and cash equivalents

For the purpose of cashflows, cash and cash equivalents includes balance with banks in current accounts and deposits.

	As at March 31, 2025
	$'000
Balance with banks:	
- in current accounts	478
- in fixed deposits (with original maturity of 3 months or less)	1,103
Total	**1,581**

12. Trade and other receivables

	As at March 31, 2025
	$'000
Trade receivables (refer note 12.1, 12.2 and 12.3)	12
Loss Allowance	-
	12
Other receivables due from related parties	5
Security deposits	368
Prepayments	38
Interest accrued on bank deposits	1
Total	**424**

12.1 The average credit period is 7 days.

12.2 The customer pays security deposits which can be used for any non-payment during the contract period. Trade receivables amounting to $12 (in thousands), which comprise $12 (in thousands) are secured and $0 (in thousands) are unsecured.

12.3 The following table details the risk profile of trade receivables from contracts with client based on the company's provision matrix.

The average age of trade receivables are as follows:

	As at March 31, 2025
	$'000
Not past due	8
Less than 3 months	4
3 months to 1 year	-
More than 1 year	-
	12

13. Contract Assets

	As at March 31, 2025
	$'000
Unbilled revenue	12
Total	**12**

14. Property, plant and equipment

	Electrical installations/ equipment	Plant and equipment	Furniture and fixtures	Computers and data processing units	Office equipment	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cost						
As at March 15, 2024 (date of incorporation)	-	-	-	-	-	-
Addition	203	13	2,665	18	25	2,924
As at March 31, 2025	**203**	**13**	**2,665**	**18**	**25**	**2,924**
Accumulated depreciation						
As at March 15, 2024 (date of incorporation)	-	-	-	-	-	-
Depreciation	26	1	840	3	9	879
As at March 31, 2025	**26**	**1**	**840**	**3**	**9**	**879**
Carrying amount						
As at March 31, 2025	**177**	**12**	**1,825**	**15**	**16**	**2,045**

15. Leases (Company as a lessee)

15.1 Right-of-use assets

	Building	Equipment/furniture and fixtures	Total
Cost	**$'000**	**$'000**	**$'000**
As at March 15, 2024 (date of incorporation)	**-**	**-**	-
Addition	4,562	55	4,617
As at March 31, 2025	**4,562**	**55**	**4,617**
Accumulated depreciation			
As at March 15, 2024 (date of incorporation)	**-**	**-**	-
Depreciation	(2,037)	(17)	(2,054)
As at March 31, 2025	**(2,037)**	**(17)**	**(2,054)**
Carrying amount			
As at March 31, 2025	**2,525**	**38**	**2,563**

15.1.1 Building include property taken from landlords for developing co-working spaces along with guest houses.

15.1.2 The company leases several assets including co-working spaces, guest houses, equipment and furniture and fixtures. The lease term is for 2 years.

15.1.3 The Company periodically reassesses the lease term for its lease arrangements. Lease reassessment involves re-evaluating any options to extend or terminate the lease considering factors such as the importance of the underlying asset to the Company's operations taking into account the location and size of the underlying building and the availability of suitable alternatives.

15.2 Lease liabilities

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date

	As at March 31 2025
	$'000
Maturity analysis:	
Within one year	2,723
Within two to five years	58
	2,781
Less : Unearned interest	**(138)**
Total	**2,643**
Current	2,585
Non-Current	58
Total	**2,643**

15.3 At March 31, 2025, the company is committed to $2 (in thousands) for short term lease.

16. Other receivables

	As at March 31, 2025
	$'000
Security deposits	384
Prepayments	8
Total	**392**

17. Trade payables

	As at March 31, 2025
	$'000
Total outstanding dues of creditors	51
Total	**51**

17.1 The average credit period on purchases of goods and services is 30 days, except for brokerage & commission and manpower services which is 90 days.

18. Other Payables

	As at March 31, 2025
	$'000
Current	
Security deposits	420
Employee payables	10
Statutory dues	48
Total	**478**
Non-current	
Security deposits	561
Total	**561**

19. Contract Liabilities

	As at March 31, 2025
	$'000
Current	
Deferred revenue	96
Advance from customers	13
Total	**109**
Non-current	
Deferred revenue	25
Total	**25**

20. Provisions

	As at March 31, 2025
	$'000
Current	
Asset retirement obligation (refer note 20.1)	6
Total	**6**
Non-current	
Asset retirement obligation (refer note 20.1)	6
Total	**6**

20.1. Movement of provisions:

	Asset retirement obligations
	$'000
As at March 15, 2024 (date of incorporation)	-
Addition during the period	11
Interest accrued during the period	1
As at March 31, 2025	**12**

21. Share capital

	As at March 31, 2025	
	Number of shares ('000')	Amount ($'000)
Issued and fully paid:		
As at March 15, 2024 (date of incorporation)	-	-
Issued for cash	3,000	3,000
As at March 31, 2025	3,000	3,000

22. Related party transactions

22.1. Holding company and related company transactions

The company is a subsidiary of Smartworks Coworking Spaces Limited, incorporated in India, which is also the company's ultimate holding company. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Some of the company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand.

Significant transactions with ultimate holding company:

	For the period from March 15, 2024 to March 31, 2025
	$'000
Issue of shares	3,000
Interest paid on borrowings taken	23
Borrowings taken	300
Borrowings repaid	(300)

22.2 Compensation of directors and key management personnel:

There are no key management personnel apart from the company's directors. The remuneration of directors during the period are as follows:

	For the period from March 15, 2024 to March 31, 2025
	$'000
Short-term employee benefits	50

23 Financial instruments

23.1 Categories of financial instruments

	As at March 31, 2025
	Amortised cost
	$'000
Financial assets	
Trade receivables	12
Other receivables due from related parties	5
Security deposits	752
Interest accrued on bank deposits	1
Cash and cash equivalents	1,581
Financial liabilities	
Lease liabilities	2,643
Trade payables	51
Security deposits	981
Employee payables	10

The fair value of instruments measured at amortised cost is equivalent to the carrying cost of financial instruments.

	Level	As at March 31, 2025	
		Fair value	**Amortised cost**
		$'000	**$'000**
Other financial assets - security deposits	Level 3	780	752
Interest rate used for fair valuation		3.61%	
Other financial liabilities - security deposits	Level 3	1,074	981
Interest rate used for fair valuation		11.00%	

The fair value of security deposits was estimated based on the contractual terms of the security deposits and parameters such as interest rates. Since, the data from any observable markets in respect of interest rates were not available, the interest rates were considered to be significant unobservable inputs for the valuation of these deposits.

23.2 Financial risk management objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's management also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk.

23.2.1 Market risk

23.2.1.1 Foreign Currency risk

The company’s foreign currency exposures arise mainly from the exchange rate movements of the United States dollar against the Singapore dollar.

These exposures are managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

	As at March 31, 2025	
	Assets	**Liabilities**
Unhedged foreign currency	**Amount (in $'000)**	**Amount (in $'000)**
United States dollar (USD)	1,103	19

<u>Foreign currency sensitivity analysis</u>

These exposures are managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates.

If the United States dollar had been changed by 5% against the Singapore dollar and all other variables were held constant, profit for the year will increase/decrease by $54 (in thousands).

23.2.1.2 Interest risk

The company does not have significant exposure to interest rate risk at the end of the reporting period as it does not hold significant interest-bearing financial assets and/or financial liabilities.

No sensitivity analysis is prepared as the company does not expect any material effect on the company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

23.2.1.3 Credit risk management

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly with respect to trade receivables, bank deposits and bank balances.

23.2.2 Trade receivables

The trade receivables of the Company are typically non-interest bearing and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is minimal concentration of credit risk. The credit period provided by the Company to its customers generally ranges from 7 days.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the statement of profit and loss.

23.2.3 Other financial instruments and bank deposits

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents and deposits with banks, financial and other institutions, having good reputation, past track record, and high credit rating. Similarly, counter-parties of the Company's other receivables carry either no or very minimal credit risk. Further, the Company reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

23.2.4 Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities, security deposits from customers to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

As at the end of the reporting period, the company's total current liabilities exceeded its total current assets by $1,227 (in thousands). The company is dependent on its ultimate holding company for continuing financial support. Management is satisfied that financial support will be made available to the company as and when required.

All financial liabilities in 2025 are repayable on demand or due within 12 months from the end of reporting period.

	Less than 1 year	1 year – 5 years	More than 5 years	Total	Carrying Amount
	$'000	$'000	$'000	$'000	$'000
As at March 31, 2025					
Non-interest bearing					
Trade payable	51	-	-	**51**	**51**
Security deposits	428	646	-	**1,074**	**981**
Employee payables	10	-	-	**10**	**10**
Fixed interest rate instruments					
Lease liabilities	2,723	58	-	**2,781**	**2,643**
Total	**3,212**	**704**	**-**	**3,916**	**3,685**

23.2.5. Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Balance sheet caption	Statement of cash flows line item	Opening balance	Cash flows (net)	Non - Cash items		
				Addition on account of ROU	Other adjustments	Closing balance
		$'000	$'000	$'000	$'000	$'000
For the period ended March 31, 2025						
Lease liabilities	Repayment of principal and interest portion of lease liabilities	-	(2,229)	4,558	314	2,643

24 Capital management

The primary objective of the Company's capital management is to ensure that it maintains an appropriate amount of capital in order to support its business and maximise shareholder value.The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the return to shareholders, funding through financial support of shareholders or obtain credit facilities from the financial institutions. No changes were made in objectives, policies or processes during the period from March 15, 2024 (date of incorporation) to March 31, 2025.

25 Acquisition of assets

On March 27, 2024, Smartworks Space Pte. Ltd. entered into an agreement with Keppel Real Estate Services PTE. LTD. ('KRESPL') to acquire property, plant and equipment and contracts with customers / vendor in respect of two co-working centers located in Singapore for consideration of SGD 2,834 thousands. Further, the Company has received net security deposit amounting SGD 330 thousands from KRESPL, with respect to deposits received from existing customers and paid to landlords by KRESPL. This transaction has been completed as on May 28, 2024 as per closing condition mentioned in agreement. Considering no business process (other than ancillary process) has been acquired under this arrangement, this acquisition has been accounted as asset purchase as per FRS 103. Below are the details of asset acquired:

	Amount
Fair Value of Assets	$'000
Property, Plant and Equipment	2,834
Security deposit paid to landlords	520
Fair Value of Assets (A)	**3,354**
Security deposit received from customers	850
Fair Value of Liabilities (B)	**850**
Net Assets acquired (A-B)	**2,504**
Consideration paid for acquisition of assets	2,834
Net receipt on account of security deposits	(330)
Total consideration	**2,504**