

ZASTIAN PTE. LTD.
(Incorporated in the Republic of Singapore)
(Registration Number 202327627Z)

AND ITS SUBSIDIARIES

AUDITED FINANCIAL STATEMENTS- 31 MARCH 2025

<u>CONTENTS</u>	<u>PAGE</u>
DIRECTORS' STATEMENT	2-3
INDEPENDENT AUDITOR'S REPORT	4-6
STATEMENTS OF FINANCIAL POSITION	7
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	8
STATEMENTS OF CHANGES IN EQUITY	9
CONSOLIDATED STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11-23

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

DIRECTORS' STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

The directors are pleased to present their statement to the member together with the audited consolidated financial statements of Zastian Pte. Ltd. (the "Company") and its subsidiary (collectively, the "Group") and statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in equity of the Company for the financial year ended 31 March 2025.

Opinion of the directors

In our opinion,

- (a) the consolidated financial statements of the Group and the statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in equity of the Company, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and the financial performance, changes in equity of the Group and of the Company, and the cash flows of the Group for the financial year ended on that date and
- (b) at the date of this statement, having regard to financial support from the holding company, 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 of the Company in office at the date of this statement are:

Makarand Moreshwar Appalwar
Phang Kong Juan

Arrangements to enable directors to acquire shares or 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 whose 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.

Directors' interest in shares or debentures

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

Name of the Director Shares in holding company (Emmbi Industries Limited, India)	Direct interest		Deemed interest	
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
Makarand Moreshwar Appalwar	3,839,550	3,839,550	2,367,746* 2,724,300+	2,367,746* 2,724,300+

Mr. Makarand Moreshwar Appalwar who by virtue of his interest of not less than 20% of the issued capital of the holding company is deemed to have an interest in the 10,000 shares held by the holding company in the Company and shares held by Company in the subsidiary of the Company.

* Held by Mrs. Rinku Makarand, Appalwar, spouse of Mr. Makarand Moreshwar Appalwar.

+ Shares of the holding company that are held by related companies where Mr. Makarand Moreshwar's interest in the related companies' issued share capital is not less than 20%.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**DIRECTORS' STATEMENT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Auditor

JK Professionals have expressed their willingness to accept re-appointment as auditor.

The Board of Directors,



Makarand Moreshwar Appalwar
Director



Phang Kong Juan
Director

29 September 2025



JK Professionals

Public Accountants and Chartered Accountants

Firm Reg No – T23PF0010C

138 Market Street, #24-01, CapitaGreen, Singapore 048946

✉ - karthik@jk-professionals.com | jamil@jk-professionals.com

INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ZASTIAN PTE. LTD. FOR THE YEAR ENDED 31 MARCH 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Zastian Pte. Ltd. (the "Company") and its subsidiary (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2025, the statements of profit or loss and other comprehensive income and statements of changes in equity of the Group and the Company and the consolidated statement of cash flows of the Group, including material policy information.

In our opinion, the accompanying consolidated financial statements of the Group and statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in equity of the Company 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 consolidated financial position of the Group and the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity of the Group and of the Company, and the cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Company's comparative financial statements for the financial year ended 31 March 2024 were not audited. Accordingly, we do not express an opinion or any other form of assurance of them.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages 2 to 3].

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ZASTIAN PTE. LTD.
FOR THE YEAR ENDED 31 MARCH 2025 (Cont'd...)**

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 group'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 group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group'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 group'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 group 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ZASTIAN PTE. LTD.
FOR THE YEAR ENDED 31 MARCH 2025 (Cont'd...)**

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.



JK PROFESSIONALS
Public Accountants and
Chartered Accountants
Singapore

29 September 2025

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

	Note	Group 2025 US\$	Company 2025 US\$	2024 US\$
ASSETS				
Non-current assets				
Investment in subsidiary	6	-	29,288	-
Goodwill	7	2,663	-	-
		2,663	29,288	-
Current assets				
Cash and cash equivalents	8	31,678	4,932	-
Other receivables	9	27,224	5,944	75
		58,902	10,876	75
TOTAL ASSETS		61,565	40,164	75
LIABILITIES				
Non-current liabilities				
Borrowings	10	50,000	50,000	-
		50,000	50,000	-
Current liabilities				
Trade and other payables	11	55,423	27,430	-
		55,423	27,430	-
TOTAL LIABILITIES		105,423	77,430	-
NET (LIABILITIES)/ ASSETS		(43,858)	(37,266)	75
EQUITY				
Share capital	12	75	75	75
Accumulated (losses)		(44,265)	(37,341)	-
Translation reserve		332	-	-
TOTAL EQUITY		(43,858)	(37,266)	75

The accompanying notes form an integral part of these financial statements

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	Group 2025 US\$	Company	
			2025 US\$	2024 US\$
Revenue		-	-	-
Expenses				
Finance cost	4	(1,663)	(1,663)	-
Professional fees		(26,624)	(25,524)	-
Director's fee		(9,633)	(9,633)	-
Other expenses		(6,345)	(521)	-
(Loss) for year/period before tax		(44,265)	(37,341)	-
Income tax expense	5	-	-	-
(Loss) for the year/period after tax		(44,265)	(37,341)	-
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences arising from consolidation		332	-	-
Total comprehensive income		(43,933)	(37,341)	-

The accompanying notes form an integral part of these financial statements

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

Group	Share capital	Accumulated	Translation	Total
	US\$	(losses) US\$	reserve US\$	US\$
At 1 April 2024	75	-	-	75
(Loss) for the year	-	(44,265)	-	(44,265)
Other comprehensive income				
Currency translation difference arising from consolidation	-	-	332	332
At 31 March 2025	75	(44,265)	332	(43,858)

Company	Share capital	Accumulated	Total
	US\$	(losses) US\$	US\$
At 13 July 2023 (date of incorporation)	75	-	75
(Loss) for the period	-	-	-
At 31 March 2024 and 1 April 2024	75	-	75
(Loss) for the year	-	(37,341)	(37,341)
At 31 March 2025	75	(37,341)	(37,266)

The accompanying notes form an integral part of these financial statements

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	2025 US\$
Cash flows from operating activities		
(Loss) before tax		(44,265)
Adjustment for		
Finance cost	4	1,663
Translation reserve		332
		<u>(42,270)</u>
Changes in working capital		
Other receivables		(27,149)
Trade and other payables		53,760
Net cash flows (used in) operating activities		<u>(15,659)</u>
Cash flows from investing activities		
Net cash out flow in subsidiary at acquisition date	6	(2,663)
Net cash flows (used in) investing activities		<u>(2,663)</u>
Cash flows from financing activities		
Borrowings	10	50,000
Net cash flows from financing activities		<u>50,000</u>
Net increase in cash and cash equivalents		31,678
Cash and cash equivalents at beginning of the year/period		-
Cash and cash equivalents at end of the year/period	8	<u><u>31,678</u></u>

The accompanying notes form an integral part of these financial statements

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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

1. GENERAL

Zastian Pte Ltd (“the Company”) is incorporated and domiciled in the Republic of Singapore with its registered office and principal place of business at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619

The principal activities of the Company are general wholesale trade (including general importers and exporters) in packing materials.

The principal activities of the subsidiary is disclosed in Note 6 to the financial statements.

The immediate and ultimate holding company is Emmbi Industries Limited, which is incorporated and listed in India.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

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

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

Going concern

As at 31 March 2025, the Group was in a capital deficiency position of US\$43,858. In addition, the Group incurred a net loss of US\$44,265 and net operating cash outflow of US\$15,659 for the financial year then ended. The Company had a capital deficiency position of US\$37,266 and net current liability position of US\$16,554 as of 31 March 2025. In addition, the Company incurred a net loss of US\$37,341 for the financial year then ended. Notwithstanding the existence of these factors, the financial statements of the Group and the Company have been prepared on a going concern basis.

The ability of the Group and the Company to continue as going concern is dependent on the undertaking of its holding company to provide continuing financial support to enable the Group and the Company to meet their liabilities as and when they fall due.

If the going concerns assumption is no longer appropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which may differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities, respectively. Such adjustments have not been made to these financial statements.”

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual periods beginning on April 1, 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders that are present ownership interest and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.5 Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with FRS 39 either in profit or loss or as change to other comprehensive income. If the contingent consideration is classified as equity, it is not re-measured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interests proportionate share of the acquired identifiable net assets.

2.6 Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Investments in subsidiaries are accounted for at cost, less impairment loss, if any, in the Company's statement of financial position.

2.7 Goodwill

Goodwill arising on the acquisition of subsidiary represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.8 Impairment of non- financial assets excluding goodwill

The Group 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 Group 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.

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

2.9 Financial instruments

a) Financial assets

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 Group measures a financial asset at its fair value plus, in the case of a financial asset not at 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 Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group'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, FVOCI and FVPL. The Group 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 recognized in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

De-recognition

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

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.9 Financial instruments (Cont'd)

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De recognition

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

c) Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when and only when, an entity:

- (i) Currently has a legally enforceable right to set off the recognized amounts, and
- (ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.10 Impairment of financial assets

The Group 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 Group 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 Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group 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.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.10 Impairment of financial assets cont'd...

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

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

2.12 Foreign currency transactions and balances

Foreign currency translation

The financial statements are presented in United States Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies 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 end of the reporting period. 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 end of the reporting period are recognized in profit or loss.

b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.13 Taxes

a) 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.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION CONT'D...

2.13 Taxes (Cont'd)

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at 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 at the end of each reporting period.

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

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.15 Related party

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Group if that person:
 - (i) Has control or joint control over the Group;
 - (ii) Has significant influence over the Group; or
 - (iii) Is a member of the key management personnel of the Group or of parent of the Group.
- b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.16 Share capital

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

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgments made in applying accounting policies

- Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, 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 currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

4. FINANCE COST

	Group	Company	
	2025	2025	2024
	US\$	US\$	US\$
Interest on loan (note 10)	1,663	1,663	-

5. TAX EXPENSES

The major components of income tax expense recognised in profit or loss for the period ended 31 March 2025 and 31 March 2024 were as follows:

	Group	Company	
	2025	2025	2024
	US\$	US\$	US\$
Current income tax	-	-	-
Income tax expense recognised in profit or loss	-	-	-

Relationship between tax expense and accounting profit

Reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial period ended 31 March 2025 and 31 March 2024 were as follows:

	US\$	US\$	US\$
(Loss) before tax	(44,265)	(37,341)	-
Tax @17% (2024: @17%)	(7,525)	(6,348)	-
Tax on non-deductibles	7,525	6,348	-
Income tax expense recognised in profit or loss	-	-	-

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

6. INVESTMENT IN SUBSIDIARY

	2025	2024
	US\$	US\$
Unquoted equity shares stated at cost	29,288	-
	29,288	-

The details of the subsidiary are follows:

Name of the subsidiary and country of incorporation	Principal activity	% of holding	
		2025	2024
Zastian Europe GmbH (Germany)	Trading of plastic and plastic products	100	-

During the year the Company has acquired 100% of the shares and voting interest in above subsidiary.

The following table summarises the recognised amounts of assets acquired and liabilities assumed and goodwill has recognised as follows:

	US\$
Assets	
Cash at cash equivalents	26,625
Total identifiable assets at fair value	26,625
Liabilities	-
Fair value of identifiable assets	26,625
Cash consideration paid	(29,288)
Goodwill	2,663

The net cash out flow on acquisition of subsidiary was as follows:

	As at date of acquisition
Purchase consideration	29,288
Cash and cash equivalents acquired	(26,625)
Net cash out flow on acquisition	2,663

7. GOODWILL

	Group
	2025
	US\$
Acquisition of subsidiary (Note 6)	2,663
	2,663

8. CASH AND CASH EQUIVALENTS

	Group	Company	
	2025	2025	2024
	US\$	US\$	US\$
Cash at banks	31,678	4,932	-
	31,678	4,932	-

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

9. OTHER RECEIVABLES

	Group	Company	
	2025 US\$	2025 US\$	2024 US\$
Other receivables	-	-	75
Prepayments	19,075	2,264	-
Deposits	3,680	3,680	-
VAT receivable	4,469	-	-
	27,224	5,944	75

10. BORROWINGS

	Group	Company	
	2025 US\$	2025 US\$	2024 US\$
Loan from holding company	50,000	50,000	-
	50,000	50,000	-

During the year, the Company obtained an unsecured loan of US\$50,000 from the holding company. This loan is subject to an annual interest rate of 9% per annum and is repayable within five years. The total loan amount granted to the Company by the holding company is S\$500,000.

11. TRADE AND OTHER PAYABLES

	Group	Company	
	2025 US\$	2025 US\$	2024 US\$
Trade advance	27,993	-	-
Due to a holding company	15,000	15,000	-
Accrued interest	1,663	1,663	-
Accruals	10,767	10,767	-
	55,423	27,430	-

Due to holding company is non-trade, unsecured, interest free and is repayable on demand.

12. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025	2024	2025 US\$	2024 US\$
Issued and fully paid up				
Beginning of financial year/period	10,000	75	10,000	75
End of financial year/period	10,000	75	10,000	75

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.

Share capital are denominated in Singapore dollars and converted to United States Dollar at historical rate.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

13. FINANCIAL RISK MANAGEMENT

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

The Board of Directors reviews 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 and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group'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 Group's exposure to these financial risks or the manner in which it manages and measures the risks.

a) Market risk

(i) Foreign currency risk

The Group's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. The Group's currency risk is insignificant.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. At the reporting date, the Group does not have variable interest rate on borrowings.

b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has no significant concentration of credit risk. For cash and cash equivalents, the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

c) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group'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 Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. . The Company obtained financial support from its holding company to meet its operational requirements.

The maturity profile of the Group's and Company's non-derivative financial liabilities based on original contractual repayment dates and contractual undiscounted cash flows at 31 March 2025 is set in the table below:

2025

	Carrying amount US\$	Contractual cash flows US\$	One year or less US\$	Two to five years US\$	More than Five years US\$
Group and Company Financial liabilities					
Trade and other payables	27,430	27,430	-	-	-
Borrowings	50,000	70,837	4,500	66,337	-
Total undiscounted financial liabilities	77,430	98,267	4,500	66,337	-

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

13. FINANCIAL RISK MANAGEMENT (Cont'd)

d) Financial instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	Group	Company	
	2025	2025	2024
	US\$	US\$	US\$
Financial assets at amortised cost			
Cash and cash equivalents (Note 8)	31,678	4,932	-
Other receivables (Note 9)	3,680	3,680	75
	35,358	8,612	75
Financial liabilities at amortised cost			
Borrowings (Note 10)	50,000	50,000	-
Trade and other payables (Note 11)	27,430	27,430	-
	77,430	77,430	-

14. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximize shareholder value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements.

The Group's overall strategy remains unchanged from 2024.

15. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In addition to the related party information disclosed elsewhere in the financial statements, the following are related parties transactions during the financial year ended 31 March 2025 and 2024 and were at terms and rates agreed between the parties:

	Group and Company	
	2025	2024
	US\$	US\$
Payments made by holding company on behalf of the Company	15,000	-
Finance cost payable to the holding company	1,663	-
Loan received from holding company	50,000	-
Director's fee	9,633	-

16. FAIR VALUES

The carrying amounts of financial assets and financial liabilities approximate their fair values either due to the short term in nature of these balances or as they are subject to normal credit terms or as they are paying market rate of interest to financial institutions.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

17. COMPARATIVES

This is the first financial year in which financial statements for the Group are presented, following the Company's acquisition of its subsidiary. Therefore, no comparatives for the Group are included.

The comparative financial statements of the Company cover the period since incorporation on 13 July 2023 to 31 March 2024.

18. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' statement.

ZASTIAN PTE. LTD. AND ITS SUBSIDIARY

(This does not form part of audited financial statements)

**DETAILED INCOME STATEMENT OF THE COMPANY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	2025	2024
	US\$	US\$
Revenue	<u>-</u>	<u>-</u>
Less: Expenses		
Accounting fees	10,838	-
Audit fees	4,142	-
Bank charges	279	-
Director's fee	9,633	-
General expenses	242	-
Interest expenses	1,663	-
Secretarial fees	8,594	-
Tax service fees	1,950	-
Total expenses	<u>37,341</u>	<u>-</u>
(Loss) for the year/period	<u>(37,341)</u>	<u>-</u>