

NAZARA PTE. LTD.
Registration Number: 201306429N
(Incorporated in Singapore)

FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

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NAZARA PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2025

The directors present their statement to the member together with the audited financial statements of Nazara Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

1. Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

James Savio Saldanha
Saranya Ramalingam

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of 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.

4. Directors' interests in shares and debentures

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

NAZARA PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2025

5. Share options

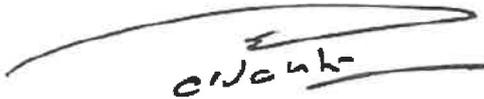
There were no share options granted during the financial year to subscribe for the unissued shares of the Company.

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

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

6. Auditor

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



James Savio Saldanha
Director

25 SEP 2025



Saranya Ramalingam
Director

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nazara Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

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

Other Information

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

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

Other Information (Continued)

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

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

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:

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

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

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

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



Bestar Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

25 SEP 2025

NAZARA PTE. LTD.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	<u>2025</u> US\$	<u>2024</u> US\$
ASSETS			
Non-current assets			
Intangible assets	4	13,685	28,686
Investment in subsidiaries	5	3,800	3,800
Investment in an associate	6	-	-
Other investments	7	2,220,655	2,101,548
Deferred tax assets	8	185,494	185,494
Total non-current assets		<u>2,423,634</u>	<u>2,319,528</u>
Current assets			
Trade and other receivables	9	1,020,838	1,460,541
Income tax receivable		154,106	146,222
Advance payment in securities	10	500,000	500,000
Cash and bank balances	11	2,252,485	2,235,458
Total current assets		<u>3,927,429</u>	<u>4,342,221</u>
Total assets		<u>6,351,063</u>	<u>6,661,749</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	800	800
Retained earnings		5,117,965	5,496,254
Fair value reserve	13	21,934	21,934
Total equity		<u>5,140,699</u>	<u>5,518,988</u>
Non-current liabilities			
Loan from a holding company	14	167,528	123,750
Total non-current liabilities		<u>167,528</u>	<u>123,750</u>
Current liabilities			
Trade and other payables	15	198,675	431,511
Loan from a subsidiary	16	844,161	587,500
Income tax payable		-	-
Total current liabilities		<u>1,042,836</u>	<u>1,019,011</u>
Total liabilities		<u>1,210,364</u>	<u>1,142,761</u>
Total equity and liabilities		<u>6,351,063</u>	<u>6,661,749</u>

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

NAZARA PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME***As at 31 March 2025*

	Note	<u>2025</u> US\$	<u>2024</u> US\$
Revenue	17	91,043	497,720
Other income	18	100,874	435,114
Administrative and other operating expenses	19	(570,206)	(1,223,934)
Loss before income tax		(378,289)	(291,100)
Income tax expense	20	-	(174,458)
Net loss for the financial year		(378,289)	(465,558)
Other comprehensive income			
Items that may be reclassified subsequent to profit or loss:			
Financial assets, at fair value through OCI			
- Fair value gain – investment in preference shares		-	-
Total comprehensive loss for the financial year		(378,289)	(465,558)

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

NAZARA PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2025

	<u>Share capital</u> US\$	<u>Retained</u> <u>Earnings/(Accu</u> <u>mulated losses)</u> US\$	<u>Fair value</u> <u>reserve</u> US\$	<u>Total</u> US\$
At 1 April 2024	800	5,961,812	21,934	5,984,546
Loss for the financial year	-	(465,558)	-	(465,558)
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	(465,558)	-	(465,558)
At 31 March 2024	800	5,496,254	21,934	5,518,988
Loss for the financial year	-	(378,289)	-	(378,289)
Other comprehensive loss for the financial year	-	-	-	-
Total comprehensive loss for the financial year	-	(378,289)	-	(378,289)
At 31 March 2025	800	5,117,965	21,934	5,140,699

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

NAZARA PTE. LTD.**STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2025*

	<u>2025</u>	<u>2024</u>
	US\$	US\$
Cash flows from operating activities		
Loss before income tax	(378,289)	(291,100)
Adjustments for:		
Amortisation of intangible assets	15,002	18,000
Fair value (loss)/gain – investment in equity securities	4,699	(30,899)
Interest income	(107,982)	(150,623)
Provision for expected credit losses on trade receivables	106,999	215,000
Reversal of impairment loss on investment in a subsidiary	(4)	(7)
Operating loss before working capital changes	(359,575)	(239,629)
Changes in working capital:		
Trade and other receivables	439,703	794,533
Trade and other payables	(232,836)	(302,501)
Cash generated from operations	(152,708)	252,403
Income tax paid	(11,597)	(134,272)
Net cash from operating activities	(164,305)	118,131
Cash flows from investing activities		
Acquisition of other investments	(119,107)	(281,250)
Investment in fixed deposit	(971,028)	885,681
Net cash generated (used in)/from investing activities	(1,090,135)	604,431
Cash flows from financing activity		
Loan from a holding company	43,778	-
Loan from a subsidiary	256,661	75,000
Net cash from financing activity	300,439	75,000
Net (decrease)/increase in cash and cash equivalents	(954,001)	797,562
Cash and cash equivalents at beginning of the financial year	1,003,358	205,796
Cash and cash equivalents at end of the financial year (Note 11)	49,357	1,003,358

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

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

1. General

Nazara Pte. Ltd. (the “Company”) is incorporated and domiciled in Singapore. The registered office of the Company is located at 138 Robinson Road, #02-26 Oxley Tower, Singapore 068906.

The principal activity of the Company is providing subscription or download of games or other contents on mobile phones. There have been no significant changes to the Company’s principal activities during the financial year.

The immediate and ultimate holding company is Nazara Technologies Limited, a company incorporated in India.

The financial statements of the Company for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors as stated in the Directors’ Statement.

2. Significant accounting policies

(a) Basis of preparation

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

The financial statements of the Company are presented in United States Dollars (“USD”), which is the Company’s functional currency and are prepared in accordance with the historical cost convention except for the accounting policies as stated below.

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

Interpretations and amendments to published standards effective from 1 April 2022

On 1 April 2022, the Company adopted the new or amended FRS and interpretations to FRS (“INT FRS”) that are mandatory for application from that date. Changes to the Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(b) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

(c) Intangible assets

Intangible assets acquired separately was initially capitalised at cost. Intangible assets were subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The amortisation period of intangible assets is over the 3 years.

(d) Investments in subsidiaries

Subsidiaries are entities (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

These financial statements are the separate financial statements of the Company. The Company is exempted from the preparation of consolidated financial statements as the Company's holding company, Nazara Technologies Limited ("NTL"), a company incorporated in India, produces consolidated financial statements available for public use. The registered office of NTL is at 51-54, Maker Chambers III, Nariman Point, Mumbai 400021 India.

Investment in subsidiary is stated at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amount of the investment is taken to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(e) Investment in associates

Associates are entities over which the Company has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Investment in associates is carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investment, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

(f) Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is recognised as impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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

(g) Financial assets

(i) Initial recognition and measurement

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

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(g) Financial assets (continued)

(ii) Subsequent measurement

Investments in debt instruments

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

Debt instruments at amortised cost

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

Debt instruments at FVOCI

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

(iii) De-recognition

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(h) Cash and cash equivalents

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

(i) Impairment of financial assets

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

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

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

The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For debt instruments at FVOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making the evaluation, the Company reassesses the internal credit rating of the debt instrument.

(j) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(k) Financial liabilities

(i) Initial recognition and measurement

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

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

(ii) Subsequent measurement

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

(iii) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(l) Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

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

Interest income

Interest income is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(l) Revenue recognition (continued)

Dividend income

Dividend income is recognised when the Company's right to receive payments is established.

Other income

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

(m) Taxes

Current income tax

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. Significant accounting policies (continued)

(n) Leases

As lessee

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office space (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office space that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(o) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

Where the loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

(p) Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

Short-term employee benefits

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. Critical accounting judgement and key sources of estimation uncertainty

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

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

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

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

Determination of functional currency

The Company measures foreign currency transactions in the functional currency of the Company. In determining the functional currency of the Company, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the Company is determined based on management's assessment of the economic environment.

(ii) Key sources of estimation uncertainty

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

Income taxes

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

NAZARA PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2025***4. Intangible asset**

	Computer software US\$
Cost	
At 1 April 2023 and 31 March 2024	136,450
Additions	-
At 31 March 2025	<u>136,450</u>
Accumulated amortisation	
At 1 April 2023	89,764
Depreciation charge	18,000
At 31 March 2024	<u>107,764</u>
Depreciation charge	15,002
At 31 March 2025	<u>122,766</u>
Carrying amount	
At 31 March 2025	<u>13,685</u>
At 31 March 2024	<u>28,686</u>

5. Investment in subsidiaries

	<u>2025</u> US\$	<u>2024</u> US\$
Unquoted equity investments at cost:		
At beginning of financial year	3,800	3,800
Disposal during the financial year	-	-
At end of financial year	<u>3,800</u>	<u>3,800</u>
Less: Accumulated impairment losses	-	-
	<u>3,800</u>	<u>3,800</u>

The movements in accumulated impairment losses of investment in subsidiaries are as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
At beginning of financial year	-	7
Allowance reversed	-	<u>(7)</u>
At the end of financial year	<u>-</u>	<u>-</u>

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

5. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Principal place of business / country of incorporation</u>	<u>Effective ownership interest</u>	
			<u>2025</u> %	<u>2024</u> %
<u>Held by the Company</u>				
Nazara Technologies	Mobile value added services	Mauritius	100	100

6. Investment in an associate

	<u>2025</u> US\$	<u>2024</u> US\$
Unquoted equity investment, at cost		
At beginning	-	375,000
Less: Disposal during the year *	-	(375,000)
End of financial year	-	-
Less: Accumulated impairment losses		
At beginning	-	(375,000)
Less: Disposal during the year *	-	375,000
End of financial year	-	-

Details of the associate are as follows:

<u>Name of associate</u>	<u>Principal activities</u>	<u>Principal place of business / country of incorporation</u>	<u>Effective ownership interest</u>	
			<u>2025</u> %	<u>2024</u> %
Mastermind Sports Limited*	Mobile phone gaming application development	England	-	-

* The associated company was dissolved on 22 August 2023.

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

7. Other investments

	<u>2025</u> US\$	<u>2024</u> US\$
At fair value through profit or loss		
- Investment placed with fund manager	2,068,295	1,829,188
At fair value through profit or loss		
- Convertible preference shares in Hashcube Inc	<u>152,360</u>	<u>272,360</u>
	<u>2,220,655</u>	<u>2,101,548</u>

Investment in Hashcube Inc.

The investment in Hashcube Inc is held in US Dollars. All convertible preference shares invested are Series Seed -II preference shares.

The holders of the preference shares ("The Shares") have conversion rights. All conversion of Series Seed-II preference shares into ordinary shares shall be at no additional cost to the holders of the Series Seed-II preference shares. The Shares shall be convertible, at the point option of the holder, thereof, at any time after the date of issuance of such shares.

The holders of the Series Seed-II preference shares are entitled to receive dividends on a paripassu basis according to the number of shares held by holders, when the dividends are declared.

Investment placed with fund manager

The investment is placed with BITKRAF is held in US Dollars costing US\$1,900,056. The fair value gain recognised in profit or loss during the year amounted of US\$168,239.

NAZARA PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2025***8. Deferred tax assets**

Movement in deferred tax assets are as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
At beginning of financial year	185,494	117,982
Credited to profit or loss (Note 20)	-	67,512
At the end of financial year	<u>185,494</u>	<u>185,494</u>

9. Trade and other receivables

	<u>2025</u> US\$	<u>2024</u> US\$
Trade receivables		
- Third parties	1,874,797	2,036,817
- Advances to holding company	-	143,459
- Advances to third parties	371	7,177
Contract assets (Note 17)	<u>107,004</u>	<u>236,072</u>
	1,982,172	2,423,525
Less: Allowance for expected credit losses	<u>(1,091,139)</u>	<u>(1,091,139)</u>
	891,033	1,332,386
Other receivables		
- Deposit paid	51,400	52,000
- Accrued interest receivables	13,763	16,442
- Prepayments	430	283
- Withholding tax receivable	27,444	22,662
- Other debtor	<u>36,768</u>	<u>36,768</u>
	<u>1,020,838</u>	<u>1,460,541</u>

Trade receivables are non-interest bearing and are generally on 60 to 120 days' terms.

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

9. Trade and other receivables (continued)

Amounts due from immediate holding company and subsidiary are non-trade in nature, unsecured, interest-free and repayable on demand.

Movements in allowance for expected credit losses are as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
At beginning of financial year	1,091,139	876,139
Provision for expected credit losses (Note 19)	-	215,000
At end of financial year	<u>1,091,139</u>	<u>1,091,139</u>

10. Advance payment in securities

	<u>2025</u> US\$	<u>2024</u> US\$
Advance payment in securities	<u>500,000</u>	<u>500,000</u>
	<u>500,000</u>	<u>500,000</u>

Advance payment was made during the year to acquire shares in Snax Games Ltd, an Israeli corporation. As at 31 March 2025, the Company had not been allotted the shares for which the advance payment had been made.

11. Cash and bank balances

	<u>2025</u> US\$	<u>2024</u> US\$
Cash at banks	49,357	1,003,358
Fixed deposits	<u>2,203,128</u>	<u>1,232,100</u>
	<u>2,252,485</u>	<u>2,235,458</u>

Fixed deposits bear interest at floating rates based on daily bank deposit rates.

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

11. Cash and bank balances (continued)

Cash and cash equivalents presented in the statement of cash flows comprise the following amounts in the statement of financial position:

	<u>2025</u> US\$	<u>2024</u> US\$
Cash at banks	49,357	1,003,358
Fixed deposits	2,203,128	1,232,100
	2,252,485	2,235,458
Less: Fixed deposit with maturity period of more than 3 months	(2,203,128)	(1,232,100)
	<u>49,357</u>	<u>1,003,358</u>

12. Share capital

	<u>2025</u>		<u>2024</u>	
	No. of shares	US\$	No. of shares	US\$
Issued and fully paid ordinary shares				
At the beginning and end of financial year	<u>1,000</u>	<u>800</u>	<u>1,000</u>	<u>800</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares have no par value and carry one vote per share without restriction.

13. Fair value reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of financial assets held at FVOCI until they are disposed of or impaired.

14. Loan from a holding company

Loan from a holding company is unsecured, interest-free and repayable on demand. The settlement of this loan is neither planned nor likely to occur in the foreseeable future.

NAZARA PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2025***15. Trade and other payables**

	<u>2025</u> US\$	<u>2024</u> US\$
Trade payables		
- Third parties	112,755	147,400
- Immediate holding company	-	192,310
	<u>112,755</u>	<u>339,710</u>
Other payables		
- Accruals	85,160	88,642
Contract liabilities (Note 17)	760	3,159
	<u>198,675</u>	<u>431,511</u>

Trade payables are non-interest bearing and generally on 30 to 90 days.

Loan from a holding company is unsecured, interest-free till March 2024, subsequent after year ended the interest shall be charged at 5% per annum and repayable on demand.

16. Loan from a subsidiary

Loan from a subsidiary is unsecured, interest-free and repayable on demand. The settlement of this loan is neither planned nor likely to occur in the foreseeable future.

17. Revenue

	<u>2025</u> US\$	<u>2024</u> US\$
Rendering of services	<u>91,043</u>	<u>497,720</u>

The revenue is recognised over time and comprises of the following:

	<u>2025</u> US\$	<u>2024</u> US\$
Geographical market for rendering of services		
- Pakistan	127,752	28,058
- Myanmar	(11,052)	-
- Qatar	(9,999)	-
- Nepal	(295)	28,480
- Indonesia	98	-
- Gabon	(13,696)	-
- Bangladesh	3	-
- Congo	(12,449)	-
- Africa	-	178,832
- Uganda	7,565	-
- Kenya	887	-
- Rest of the World	4,229	262,350
	<u>91,043</u>	<u>497,720</u>

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

17. Revenue (continued)

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
Trade receivables	1,874,797	2,036,817
Contract assets	107,004	236,072
Contract liabilities	<u>(760)</u>	<u>(3,159)</u>
 <u>Contract assets</u>		
As at 1 April	236,072	608,271
Less: Billed during the year	(236,072)	(608,271)
Add: Contract assets for the current year	<u>107,004</u>	<u>236,072</u>
As at 31 March	<u>107,004</u>	<u>236,072</u>
 <u>Contract liabilities</u>		
As at 1 April	3,159	2,759
Less: Billed during the year	(3,159)	(2,759)
Add: Contract assets for the current year	<u>760</u>	<u>3,159</u>
As at 31 March	<u>760</u>	<u>3,159</u>

NAZARA PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2025***17. Revenue (continued)**

Contract assets primarily relate to the Company's right to consideration for work completed but yet billed at reporting date. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Company's obligation to transfer goods or services to customers for which the Company has received advanced from customers. Contract liabilities are recognised as revenue as the Company performs its obligations under the contract. The contract liability will be recognised as revenue in the next financial year. There are no unsatisfied performance obligation as at the date of Statement of financial position.

18. Other income

	<u>2025</u> US\$	<u>2024</u> US\$
Dividend income	-	250,000
Fair value gain on financial assets, at FVPL (Note 7)	(4,699)	30,899
Interest income	107,982	150,623
Reversal impairment loss of investment a subsidiary (Note 5)	4	7
Other income	(2,413)	3,585
	<u>100,874</u>	<u>435,114</u>

19. Administrative and other operating expenses

	<u>2025</u> US\$	<u>2024</u> US\$
Administrative and business support services fee	23,544	78,487
Advertising	25,699	223,858
Amortisation of intangible assets (Note 4)	15,002	18,000
Bandwidth charges	84,143	75,879
Bank charges	6,735	9,380
Content costs	1,285	1,206
Director Sitting Fees	12,000	12,000
Fair value loss on financial assets, at FVPL (Note 7)	120,000	-
Foreign exchange loss	72,895	122,651
License fees	4,387	94,863
Miscellaneous Expenses	1,791	3,033
Professional fees	112,636	88,387
Provision for expected credit losses on trade receivables (Note 9)	-	215,000
Rates and Taxes	-	127,193
Commission and digital marketing services	41,222	47,548
Services fee	3,512	51,683
Tax deduction at source (TDS) write-off	34,030	-
Technologies services fee	11,325	54,766
	<u>570,206</u>	<u>1,223,934</u>

NAZARA PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2025*

20. Income tax expense

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

	<u>2025</u> US\$	<u>2024</u> US\$
Current income tax		
- Under provision in respect of prior years	-	241,970
Deferred income tax		
- Origination and reversal of temporary differences (Note 8)	-	<u>(67,512)</u>
	<u>-</u>	<u>174,458</u>

The current year income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2024: 17%) to (loss)/profit before income tax as a result of the following differences:

	<u>2025</u> US\$	<u>2024</u> US\$
Loss before income tax	<u>(378,289)</u>	<u>(291,100)</u>
Income tax expense at statutory rate	(64,309)	(49,487)
Income not subject to tax	(12,871)	(5,254)
Tax effect of expenses not deductible for tax purposes	3,349	39,610
Under provision in respect of prior years	-	241,970
Other factors	<u>(73,831)</u>	<u>(52,381)</u>
	<u>-</u>	<u>174,458</u>

Movements in income tax (receivable) / payable are as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
At beginning of financial year	(146,222)	(11,950)
Tax paid during the financial year	<u>(7,884)</u>	<u>(134,272)</u>
At end of financial year	<u>(154,106)</u>	<u>(146,222)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

21. Related party transactions

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

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

	<u>2025</u>	<u>2024</u>
	US\$	US\$
Expenses recharged by immediate holding company	(36,156)	(140,976)
License fee recharged by immediate holding company	-	(89,293)
Loan from a subsidiary company	(844,161)	(662,500)
Loan to a subsidiary company	-	(192,310)
Loan from an immediate holding company	<u>(167,528)</u>	<u>(123,750)</u>

22. Financial risk management

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

The directors review and agree 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 Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

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

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

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (cash and bank balances), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

Credit risk (continued)

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

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors.

The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

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

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

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

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

Credit risk (continued)

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default)	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

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

	Note	Category	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
31 March 2025						
Trade receivables	9	Note 1	12-month ECL	1,982,172	(1,091,139)	891,033
Other receivables (excluding prepayments, income tax receivable and withholding tax receivable)	9	I	12-month ECL	101,930	-	101,930
					<u>(1,091,139)</u>	
31 March 2024						
Trade receivables	9	I		2,423,525	(1,091,139)	1,332,386
Other receivables (excluding prepayments)	9	I	12-month ECL	105,209	-	105,209
					<u>(1,091,139)</u>	

Trade receivables (Note 1)

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

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

Credit risk (continued)

Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

	Trade receivables					Total S\$
	Not past due S\$	<61-90 days S\$	<91-180 days S\$	<181-360 days S\$	>361 days S\$	
31 March 2025						
ECL rate	1%	1%	1%	50%	100%	
Estimated total gross carrying amount at default	626,005	50,828	32,822	88,348	1,184,339	1,981,801
ECL	(6,260)	(508)	(328)	(44,174)	(1,039,869)	<u>(1,091,139)</u>
						<u>890,662</u>
31 March 2024						
ECL rate	1%	1%	1%	50%	100%	
Estimated total gross carrying amount at default	1,042,021	12,854	98,323	66,494	1,053,197	2,272,889
ECL	(4,584)	(128)	(983)	(33,247)	(1,053,197)	<u>(1,091,139)</u>
						<u>1,181,750</u>

Information regarding loss allowance movement of trade receivables is disclosed in Note 9.

Excessive risk concentration

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

Exposure to credit risk

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

Credit risk (continued)

Other receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

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

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

Market risk

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

Foreign currency risk

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

The Company has transactional currency exposures arising from transactions that are denominated in a currency other than the functional currency of the Company, primarily Nepalese Rupee ("NPR"), Pakistan Rupee ("PKR"), Indonesia Rupiah ("IDR"), Maldive Rufiyaa ("MVR"), Euro ("EUR"), Sri Lanka Rupee ("LKR"), Bangladeshi Taka ("BDT"), Thai Baht ("THB"), Singapore Dollar ("SGD") and Malaysian Ringgit ("MYR").

NAZARA PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

Market risk (continued)

Foreign currency risk (continued)

The Company's currency exposures to NPR, PKR, IDR, MVR, EUR, LKR, BDT, THB, SGD and MYR at the reporting date were as follows:

	<u>NPR</u> US\$	<u>PKR</u> US\$	<u>IDR</u> US\$	<u>MVR</u> US\$	<u>EUR</u> US\$	<u>LKR</u> US\$	<u>BDT</u> US\$	<u>THB</u> US\$	<u>SGD</u> US\$	<u>MYR</u> US\$
31 March 2025										
Financial assets										
Trade and other receivables	746,899	364,241	80	747	-	-	-	-	-	-
Cash and bank balances	2,209,510	-	-	-	-	-	-	-	17,789	-
	<u>2,956,409</u>	<u>364,241</u>	<u>80</u>	<u>747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,789</u>	<u>-</u>
Net currency exposure	<u>2,956,409</u>	<u>364,241</u>	<u>80</u>	<u>747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,789</u>	<u>-</u>
31 March 2024										
Financial assets										
Trade and other receivables	330,149	242,090	498	183	137	501	87,754	-	-	481
Cash and bank balances	2,192,084	-	-	-	-	-	-	-	20,743	-
	<u>2,522,233</u>	<u>242,090</u>	<u>498</u>	<u>183</u>	<u>137</u>	<u>501</u>	<u>87,754</u>	<u>-</u>	<u>20,743</u>	<u>481</u>
Net currency exposure	<u>2,522,233</u>	<u>242,090</u>	<u>498</u>	<u>183</u>	<u>137</u>	<u>501</u>	<u>87,754</u>	<u>-</u>	<u>20,743</u>	<u>481</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. Financial risk management (continued)

*Market risk (continued)**Foreign currency risk (continued)*

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

	Profit after tax	
	<u>2025</u>	<u>2024</u>
	US\$	US\$
Nepalese Rupee	(245,382)	(209,345)
Pakistan Rupee	(30,232)	(20,093)
Indonesia Rupiah	(7)	(41)
Maldiva Rufiyaa	(62)	(15)
Euro	-	(11)
Sri Lanka Rupee	-	(42)
Bangladeshi	-	(7,284)
That Baht	-	(140)
Singapore Dollar	(1,476)	(1,722)
Malaysian Ringgit	-	(40)

A 10% weakening of United States Dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

23. Fair value of assets and liabilities

Fair value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

23. Fair value of assets and liabilities (continued)

Fair value hierarchy (continued)

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the reporting period:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
31 March 2025				
Financial assets				
At fair value through other comprehensive income – equity securities (unquoted)	-	-	152,360	152,360
At fair value through profit or loss – investment placed with fund manager (unquoted)	-	-	2,068,295	2,068,295
31 March 2024				
Financial assets				
At fair value through other comprehensive income – equity securities (unquoted)	-	-	272,360	272,360
At fair value through profit or loss – investment placed with fund manager (unquoted)	-	-	1,870,407	1,870,407

Level 3 fair value measurements

(a) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about the fair value measurements using significant unobservable inputs (Level 3):

Description	Valuation techniques	Unobservable inputs	Range (weighted average) 2024	Range (weighted average) 2024
At fair value through other comprehensive income – equity securities (unquoted)	Discounted cash flow	Cost of equity	8.18%	10.97%
At fair value through other comprehensive income – equity securities (unquoted)	Discounted cash flow	Growth rate	2%	2%

Assets and liabilities not measured at fair value

Cash and bank balances, other receivables and other payables

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

23. Fair value of assets and liabilities (continued)

Assets and liabilities not measured at fair value (continued)

Trade receivables and trade payables

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

24. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	<u>2025</u> US\$	<u>2024</u> US\$
Financial assets measured at amortised cost		
Trade and other receivables (excluding prepayments, income tax receivable and withholding tax receivable)	992,963	1,437,595
Cash and bank balances	<u>2,252,485</u>	<u>2,235,458</u>
	<u>3,245,448</u>	<u>3,673,053</u>
Financial liabilities measured at amortised cost		
Trade and other payables (excluding contract liabilities and withholding tax payable)	<u>197,915</u>	<u>428,352</u>

25. Capital management

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year. The Company's overall strategy remains unchanged from previous financial year.

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

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

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