

Company Registration No: 202000279E

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

DIRECTORS' STATEMENT
AND FINANCIAL STATEMENTS

31 MARCH 2023

ChangAnn PAC
Public Accountants and Chartered Accountants

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

31 MARCH 2023

CONTENTS	PAGE
Directors' Statement	1 - 2
Independent Auditor's Report	3 - 5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash flows	9
Notes to the Financial Statements	10 - 22

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors present the statement to the member together with the audited financial statements of First Games Singapore Pte. Ltd. (f.k.a. Paytm First Games Singapore Pte. Ltd.) (the "Company") for the financial year ended 31 March 2023.

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 2023 and of the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company, will be able to pay its debts as and when they fall due.

1 Directors

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

Sudhanshu Gupta
Sabapathy Ravindranath Vijay

2 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 object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other corporate body.

3 Directors' interests 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.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

4 Share Options

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

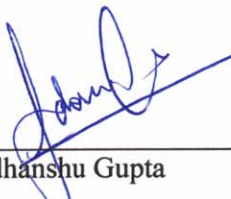
There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.


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

5 Auditor

ChangAnn PAC has expressed its willingness to accept re-appointment as auditor.

The Board of Directors


x _____
Sudhanshu Gupta


x _____
Sabapathy Ravindranath Vijay

Singapore

28 AUG 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

**FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of First Games Singapore Pte. Ltd. (f.k.a. Paytm First Games Singapore Pte. Ltd.) (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements 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 financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company 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 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 Matter

The financial statements of the Company for the financial year ended 31 March 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 30 September 2022.

Other Information

Management is responsible for the other information. The other information comprises the directors' statement but does not include the financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

FIRST GAMES SINGAPORE PTE. LTD. **(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)** **(Incorporated in Singapore)**

(cont'd)

Other Information (cont'd)

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 skepticism 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

**FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)**

(cont'd)

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.



ChangAnn PAC
Public Accountants and
Chartered Accountants

Singapore

28 AUG 2023

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>Note</u>	<u>2023</u> S\$	<u>2022</u> S\$
Audit fee		(5,738)	(4,898)
Bank and other charges		(30)	(2,345)
Director's fee		(4,500)	(3,588)
Foreign exchange loss - net		-	(104,364)
Professional fees		(10,859)	(4,591)
Finance costs - Interest on loan from a related party		-	(157,130)
Loss before tax		<u>(21,127)</u>	<u>(276,916)</u>
Income tax expense	4	-	-
Loss for the year		<u>(21,127)</u>	<u>(276,916)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u><u>(21,127)</u></u>	<u><u>(276,916)</u></u>

The accompanying notes form an integral part of these financial statements

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	<u>Note</u>	<u>2023</u> S\$	<u>2022</u> S\$
ASSETS			
Current Assets			
Other receivables	5	6,886	7,037
Cash and bank balances	6	71,343	89,490
		78,229	96,527
Total Assets		78,229	96,527
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	8	720,000	720,000
Accumulated losses		(651,755)	(630,628)
		68,245	89,372
Current Liability			
Other payables	7	9,984	7,155
Total Equity and Liabilities		78,229	96,527

The accompanying notes form an integral part of these financial statements

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>Note</u>	<u>Share Capital</u> S\$	<u>Accumulated Losses</u> S\$	<u>Total</u> S\$
As at 1 April 2021		20,000	(353,712)	(333,712)
Issuance of ordinary shares	8	700,000	-	700,000
Loss for the year, representing total comprehensive loss for the year		-	(276,916)	(276,916)
Balance at 31 March 2022		720,000	(630,628)	89,372
Loss for the year, representing total comprehensive loss for the year		-	(21,127)	(21,127)
Balance at 31 March 2023		720,000	(651,755)	68,245

The accompanying notes form an integral part of these financial statements

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>2023</u>	<u>2022</u>
	S\$	S\$
Cash Flows from Operating Activities		
Loss before tax	(21,127)	(276,916)
Adjustment for:-		
Interest on loan from a related party	-	157,130
Unrealised foreign exchange loss	-	104,364
Operating cash flows before working capital changes	(21,127)	(15,422)
Changes in working capital:		
Other receivables	151	(5,151)
Other payables	2,829	(5,336)
Net cash used in operating activities	(18,147)	(25,909)
Cash Flows from Financing Activities		
Issuance of ordinary shares	-	700,000
Repayment of borrowings	-	(12,212,064)
Interest paid	-	(341,537)
Net cash used in financing activities	-	(11,853,601)
Net decrease in cash and cash equivalents	(18,147)	(11,879,510)
Cash and cash equivalents at the beginning of the year	89,490	11,969,000
Cash and cash equivalents at the end of the year (Note 6)	71,343	89,490

The accompanying notes form an integral part of these financial statements

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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

1 General

First Games Singapore Pte. Ltd. (f.k.a. Paytm First Games Singapore Pte. Ltd.) (the “Company”) is a private limited company incorporated and domiciled in Singapore. The registered office of the Company and its principal place of business is at 137 Telok Ayer Street, #08-01, Singapore 068602.

The intended principal activities of the Company are those of carrying on the business of developing, enhancing and operating an online platform through a user interface, allowing users to participate in and play various games, including but not limited to games of skill, mobile games and quizzes. The Company was dormant during the current and previous financial years.

The Company’s immediate holding company is First Games Technology Pvt. Ltd. (f.k.a. Paytm First Games Pvt. Ltd.), a company incorporated in India. The Company’s ultimate holding company is One97 Communications Limited, a company incorporated in India and listed with National Stock Exchange of India since November 2021.

The financial statements for the financial year ended 31 March 2023 were approved and authorised for issue by the Board of Directors of the Company in accordance with a resolution of the directors on the date of the Directors’ Statement.

2 Significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared on an historical cost basis, except as disclosed in the summary of accounting policies below.

(b) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 Significant accounting policies (cont'd)

(c) Standards issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 <i>Income Taxes</i> : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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

(d) Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements are presented in Singapore dollar, which is the functional currency of the Company.

Translation and balances

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 Significant accounting policies (cont'd)

(e) 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.

(f) Financial assets

i. Classification and measurement

Initial recognition and measurement

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

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

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 Significant accounting policies (cont'd)

(f) Financial assets (cont'd)

i. Classification and measurement (cont'd)

Subsequent measurement

Investment in debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the 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 FVPL.

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.

Derecognition

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.

ii. Impairment

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.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 Significant accounting policies (cont'd)

(f) Financial assets (cont'd)

ii. Impairment (cont'd)

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(g) Financial liabilities

The Company shall recognise a financial liability on its statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value, plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are presented as “other payables” and “borrowings” on the statement of financial position.

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprise bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and bank balances as defined above.

(i) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2 Significant accounting policies (cont'd)

(j) Related parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the “reporting entity”).

- a. A person or a close member of that person’s family is related to a reporting entity if that person:
- i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to a reporting entity if any of the following conditions applies:
- i. the entity and the reporting entity 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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - vi. the entity is controlled or jointly controlled by a person identified in (i);
 - 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); or
 - 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.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are set out in Note 2 above, 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.

In the preparation of these financial statements, there were no critical judgements that the management has made in the process of applying the Company's accounting policies during the financial year and that have the most significant effect on the amounts recognised in the financial statements nor key assumptions made by management concerning the future, and other key sources estimation uncertainty at the statement of financial position date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Income tax expense

	<u>2023</u>	<u>2022</u>
	S\$	S\$
Income tax		
- Current year	-	-
	-	-

Income tax on the loss before tax varies from the amount of income tax determined by applying the Singapore statutory income tax rate of 17% (2022: 17%) due to the following:

	<u>2023</u>	<u>2022</u>
	S\$	S\$
Loss before tax	(21,127)	(276,916)
Tax at statutory rate	(3,592)	(47,076)
Non-deductible expenses	3,592	47,076
	-	-

5 Other receivables

	<u>2023</u>	<u>2022</u>
	S\$	S\$
Deposits	5,000	5,000
Prepayments	1,886	2,037
	6,886	7,037

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

6	Cash and bank balances		<u>2023</u> S\$	<u>2022</u> S\$
	Cash at bank		71,343	89,490
			<hr/>	<hr/>
7	Other payables		<u>2023</u> S\$	<u>2022</u> S\$
	Accrued operating expenses		9,984	6,513
	Other payables		-	642
			<hr/>	<hr/>
			9,984	7,155
			<hr/>	<hr/>
8	Share capital			
		<u>2023</u>		<u>2022</u>
		No. of ordinary shares	S\$	No. of ordinary shares
				S\$
	<u>Issued and fully paid</u>			
	At beginning of the year	720,000	720,000	20,000
	Issuance during the year	-	-	700,000
	At end of the year	<hr/>	<hr/>	<hr/>
		720,000	720,000	720,000
				<hr/>

There is no par value for these ordinary shares. 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 and rank equally with respect to the Company's residual assets.

9 Significant related party transactions

(a) Transactions with related parties

In addition to the related party information disclosed elsewhere in the financial statements, the Company entered into transactions with related parties during the financial year, on terms agreed between the parties, as shown below.

	<u>2023</u> S\$	<u>2022</u> S\$
Interest expense on loan from related party	-	157,130
	<hr/>	<hr/>
(b) Key management personnel compensation	<u>2023</u> S\$	<u>2022</u> S\$
Director's fee	4,500	3,588
	<hr/>	<hr/>

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

10 Financial risk management

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, interest rate risk and foreign currency risk. The directors of the Company review and agree policies for managing each of these risks and they are summarised below.

(a) Financial risk management objectives and policies

(i) *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 receivables. For other financial assets (including 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.

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, 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.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

10 Financial risk management (cont'd)

(a) Financial risk management objectives and policies (cont'd)

(i) *Credit risk* (cont'd)

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 1 year past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

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

Internal rating grades	Definition	Basis of recognition of expected credit loss (ECL)
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired.	Lifetime ECL (credit impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

10 Financial risk management (cont'd)

(a) Financial risk management objectives and policies (cont'd)

(i) *Credit risk* (cont'd)

The credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating grades is presented as follows:

	Internal credit rating	ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<u>31 March 2023</u>					
Other receivables	Performing	12-month ECL	5,000	-	5,000
Cash and bank balances	Performing	12-month ECL	71,343	-	71,343
<u>31 March 2022</u>					
Other receivables	Performing	12-month ECL	5,000	-	5,000
Cash and bank balances	Performing	12-month ECL	89,490	-	89,490

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 at the reporting date. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

The other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting year and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL which reflects the low credit risk of the exposures. There is no allowance arising from these outstanding balances as the ECLs are insignificant. There has been no change in the estimation techniques or significant assumptions made during the current reporting year in assessing the loss allowance for receivables.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

10 Financial risk management (cont'd)

(a) Financial risk management objectives and policies (cont'd)

(ii) *Liquidity risk*

In the management of its liquidity, the Company maintains an adequate level of cash and bank balances, and internally generated cash flows to finance its operations.

The current liabilities at the reporting date approximate its expected contractual discounted cash outflows of financial liabilities as the impact of discounting is not significant. All financial liabilities are due within one year from the reporting date.

(iii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company has no interest-earning financial assets and interest-bearing liabilities as at year end.

(iv) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has no significant exposure to foreign currency risk for the financial year ended 31 March 2023 as most of its transactions, financial assets and liabilities are denominated in Singapore dollar, which is the Company's functional currency.

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

11 Fair value

(a) Fair value hierarchy

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

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

(b) Financial assets and financial liabilities not measured at fair value

The carrying amounts of other financial assets and financial liabilities with a maturity of less than one year (including other receivables, cash and bank balances and other payables) are assumed to approximate fair values because of the short-term period of maturity.

12 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 to the objectives, policies or processes during the financial years ended 31 March 2023 and 31 March 2022.

13 Financial instruments by category

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

	<u>2023</u>	<u>2022</u>
	S\$	S\$
<u>Financial assets measured at amortised cost</u>		
Other receivables	5,000	5,000
Cash and bank balances	71,343	89,490
	76,343	94,490
 <u>Financial liabilities measured at amortised cost</u>		
Other payables	9,984	7,155

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

THE FOLLOWING DETAILED INCOME STATEMENT
HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY
AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

FIRST GAMES SINGAPORE PTE. LTD.
(f.k.a. PAYTM FIRST GAMES SINGAPORE PTE. LTD.)
(Incorporated in Singapore)

DETAILED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>2023</u> S\$	<u>2022</u> S\$
<u>Administrative expenses</u>		
Audit fee	(5,738)	(4,898)
Bank and other charges	(30)	(2,345)
Director's fee	(4,500)	(3,588)
Foreign exchange loss - net	-	(104,364)
Professional fees	(10,859)	(4,591)
	(21,127)	(119,786)
Less: Finance costs		
Interest on loan from a related party	-	(157,130)
Loss before tax	<u>(21,127)</u>	<u>(276,916)</u>