

Unaudited Financial Statements

Abc Pte. Ltd. (Ufs Demo)

UEN No. ABC PTE. LTD. (UFS Demo)

(Incorporated in the Republic of Singapore)

For the financial year ended 31 December 2025

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ABC PTE. LTD. (UFS DEMO)

DIRECTOR'S STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The director is pleased to present the statement to the member together with the unaudited financial statements of Abc Pte. Ltd. (Ufs Demo) (the "Company") for the financial year ended 31 December 2025.

1. Opinion of the director

In my opinion,

(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 of 31 December 2025 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Director

The director of the Company in office at the date of this statement is:

Director A

3. Arrangements to enable director to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the director 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. Director's interest in shares or debentures

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

	Direct Interest	Direct Interest
Name of Director	At the beginning of financial year	At the end of financial year
Director A	10000 (Ordinary)	10000 (Ordinary)

ABC PTE. LTD. (UFS DEMO)

**DIRECTOR'S STATEMENT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

5. 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.

6. Audit

The Company is exempt from audit under Section 205C of the Singapore Companies Act 1967 (the Act).

The Sole Director,

Director A	
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Dated:

ABC PTE. LTD. (UFS DEMO)**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	Notes	2025 SGD	2024 SGD
Continuing operations			
Revenue	4	3,659,249	2,809,620
Cost of sales		(751,544)	(404,889)
Total continuing operations		2,907,705	2,404,731
Gross Profit		2,907,705	2,404,731
Income and expenses			
Other operating income	5	21,460	4,520
General and administrative expenses		(2,005,174)	(1,337,396)
Other operating expenses		(130,174)	(175,814)
Total income and expenses		(2,113,888)	(1,508,690)
Operating Profit		793,817	896,041
Profit before financing and income taxes		793,817	896,041
Interest from borrowings and lease liabilities	7	(4,336)	(13,595)
Profit before income taxes		789,481	882,446
Income tax expense	8	-	(115,731)
Profit from continuing operations		789,481	766,715
Total comprehensive income / (loss) for the year		789,481	766,715

ABC PTE. LTD. (UFS DEMO)**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	2025 SGD	2024 SGD
ASSETS			
Non-Current Assets			
Property, plant and equipment	9	103,348	141,684
Total Non-Current Assets		103,348	141,684
Current Assets			
Prepayments		6,715	9,938
Trade receivables	10	1,114,411	583,208
Other receivables	11	19,861	21,101
Cash and cash equivalents	12	598,871	585,979
Total Current Assets		1,739,858	1,200,226
TOTAL ASSETS		1,843,206	1,341,910
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	10,000	10,000
Accumulated Profits		1,612,557	973,077
TOTAL EQUITY		1,622,557	983,077
Non-current Liabilities			
Borrowings	16	-	33,595
Total non-current Liabilities		-	33,595
Current Liabilities			
Income tax liabilities		43,655	157,037
Trade payables	14	13,747	27,043
Other payables	15	114,925	70,525
Borrowings	16	48,322	70,633
Total Current Liabilities		220,649	325,238
TOTAL LIABILITIES		220,649	358,833
TOTAL EQUITIES AND LIABILITIES		1,843,206	1,341,910

ABC PTE. LTD. (UFS DEMO)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital SGD	Accumulated Profits SGD	Total SGD
At 1 January 2024	10,000	706,362	716,362
Total comprehensive income for the year	-	766,715	766,715
Dividend Declared (Note 19)	-	(500,000)	(500,000)
At 31 December 2024	10,000	973,077	983,077
At 1 January 2025	10,000	1,473,076	1,483,076
Total comprehensive income for the year	-	789,481	789,481
Dividend Declared (Note 19)	-	(650,000)	(650,000)
At 31 December 2025	10,000	1,612,557	1,622,557

ABC PTE. LTD. (UFS DEMO)**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	2025 SGD	2024 SGD
Operating Activities		
Profits before taxation	789,481	882,446
Adjustment for non-cash items		
Depreciation of property, plant and equipments	129,736	175,814
Interest expense	4,336	13,595
Operating cash flow before working capital changes	923,553	1,071,855
Changes in working capital		
Trade and other receivables	(529,964)	(15,798)
Prepayments	3,223	(9,938)
Trade and other payables	31,104	38,827
Operating cash flow generated from/(used in) operating activities	427,916	1,084,946
Operating cash flow		
Income tax paid	(113,381)	(41,460)
Interest paid	(4,336)	(13,595)
Net cash flow generated from/(used in) operating activities	310,199	1,029,891
Investing activities		
Payment for purchase of property, plant & equipment	(47,797)	(46,854)
Net cash flow generated from/(used in) investing activities	(47,797)	(46,854)
Financing activities		
Repayment of principal portion of lease liabilities	(99,510)	(96,989)
Dividend paid	(150,000)	(500,000)
Net cash flow generated from/(used in) financing activities	(249,510)	(596,989)
Net increase/(decrease) in cash and cash equivalents	12,892	386,048

ABC PTE. LTD. (UFS DEMO)

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

Cash and cash equivalents

Cash and cash equivalents at beginning of period	585,979	199,931
Cash and cash equivalents at end of period	598,871	585,979
Net change in cash for year	12,892	386,048

ABC PTE. LTD. (UFS DEMO)

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

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

1. Corporate Information

Abc Pte. Ltd. (Ufs Demo) (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at Abc Residences 3 Abc Road #12-34 Singapore 123456.

The principal activities of the Company are: wholesale trade of a variety of goods without a dominant product.

2. Material accounting policy information

2.1 Basis of preparation

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

The financial statements are presented in Singapore Dollar (SGD), which is the Company's functional currency.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the 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 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments : Disclosures: Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvement to FRSs Volume 11	January 1, 2026
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity	January 1, 2026
FRS 118 Presentation and Disclosure in Financial Statements	January 1, 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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

2.4 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 are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.4 Foreign currency transactions and balances (Continued)

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

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computer Equipment	3 years
Office Renovation	3 years
Rights of Use Assets - Office Lease	3 years
Rights of Use Assets - S-plated Car	3 years

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the period the asset is derecognised.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.6 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 considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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

2.7 Financial Instruments

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

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

Trade receivables are measured at the amount of consideration to which the 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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.7 Financial Instruments (Continued)

Subsequent measurement

Investments in debt instruments (if any)

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, FVOCI and FVPL. The Company only has debt instruments at amortised cost.

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

Investments in equity instruments (if any)

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

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

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.7 Financial Instruments (Continued)

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.

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 de-recognised, and through the amortisation process.

Derecognition

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

2.8 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).

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.8 Impairment of financial assets (Continued)

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 considers a financial asset in default when contractual payments are 60 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.

2.9 Cash and cash equivalents

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

2.10 Government Grants

Grants in recognition of specific expenses are recognised in profit or loss over the period necessary to match them with the relevant expenses they are intended to compensate. Cash grants received from the government are recognised as income upon receipts.

2.11 Finance Cost

Finance costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of finance costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and finance costs are incurred. Finance costs are capitalised until the assets are substantially completed for their intended use or sale. All other finance costs are expensed in the period they occur. Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.12 Employee Benefits

a) 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 schemes are recognised as an expense in the period in which the related service is performed.

b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed 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.

2.13 Leases

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

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straightline basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 3. The Company's right-of-use assets are presented within property, plant and

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.13 Leases (Continued)

equipment (Note 9).

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in borrowings (Note 16).

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery (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 equipment 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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.14 Revenues

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.

Sale of goods

Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.15 Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (Continued)

2.15 Taxes (Continued)

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted 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.

c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

Receivables and payables that are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.16 Share Capital

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

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Significant accounting judgments and estimates

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

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 December 2025 was SGD 103,348 (2024: SGD 141,684).

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Impairment of receivables

The impairment of trade receivables and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade receivables and other receivables as at 31 December 2025 were SGD 1,134,272 (2024: SGD 604,309).

Provision for expected credit losses of trade receivables

Expected credit losses are unbiased probability - weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

Exposures with each credit risk grade are segmented by industry classification and an expected credit loss rate is calculated for each segment based on historic collection data. Management determines the expected credit loss arising from default for trade receivables, by analyzing historical bad debt, historical payment profile, geographical risk as well as credit risk profile of customer. Where the expectations are different from the original estimate, such difference will impact the carrying value of receivables. No provision has been done for the Company.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Revenue

	2025 SGD	2024 SGD
Revenue		
Sales of goods	3,659,249	2,809,620
Total revenue	3,659,249	2,809,620

5. Other Income

	2025 SGD	2024 SGD
Other Income		
Government grants	21,460	4,520
Total other income	21,460	4,520

6. Employee benefits expense

	2025 SGD	2024 SGD
Employee benefits expense		
Wages and salaries	1,599,611	1,057,746
Employer's contribution to Central Provident Fund	170,027	121,218
Other benefits	-	-
Total employee benefits expense	1,769,638	1,178,964

7. Finance costs

	2025 SGD	2024 SGD
Finance costs		
Interest expense on lease liabilities	4,336	13,595
Total finance costs	4,336	13,595

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. Income tax expense

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

	2025 SGD	2024 SGD
- Current year	-	151,382
- Under/(over) provision in respect of prior years	-	(35,651)
Total current income tax	-	115,731
Deferred income tax		
Income tax expense recognised in profit or loss	-	115,731

The major components of income tax expense recognised in other comprehensive income for the years ended 31 December 2025 and 31 December 2024 were:

	2025 SGD	2024 SGD
Deferred Income Tax		
- Net fair value gains on equity instruments at fair value through other comprehensive income:	-	-
Income tax expense recognised in other comprehensive income	-	-

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Relationship between tax expense and accounting profit

A reconciliation between tax expense and accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2025 and 2024 is as follows:

	2025 SGD	2024 SGD
Profit before tax	789,482	882,444
Income tax using the statutory tax rate of 17% (2024: 17%)	134,212	150,015
Adjustments:		
Non-deductible expenses	-	34,259
Income not subject to tax	-	(340)
Capital allowances	-	(5,208)
Other deductions	-	(9,919)
Statutory stepped income exemption	(134,212)	(17,425)
Under/(over)provision in respect of prior years	-	(35,651)
Income tax expense recognised in profit or loss	-	115,731

ABC PTE. LTD. (UFS DEMO)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

9. Property, plant and equipment

	Computer Equipment	Office Renovation	Rights of Use Assets - Office Lease	Rights of Use Assets - S-plated Car	Total
Costs					
At 1 January 2024	-	44,847	-	-	69,577
Additions	66,971	(20,117)	159,207	88,082	269,413
At 31 December 2024	66,971	24,730	159,207	88,082	338,990
At 1 January 2025	66,971	24,730	159,207	88,082	338,990
Additions	42,972	4,825	-	(44,479)	3,318
At 31 December 2025	109,943	29,555	159,207	43,603	342,308
Accumulated depreciation					
At 1 January 2024	-	19,340	-	-	21,493
Depreciation	38,420	(9,036)	75,181	73,401	175,813
At 31 December 2024	38,420	10,304	75,181	73,401	197,306
At 1 January 2025	38,420	24,730	75,181	73,401	197,306
Depreciation	23,066	8,733	53,069	(43,214)	41,654
At 31 December 2025	109,943	19,037	128,250	30,187	342,308
Carrying amount					
At 31 December 2024	28,551	14,426	84,026	14,681	141,684
At 31 December 2025	48,457	10,518	30,957	13,416	103,348

ABC PTE. LTD. (UFS DEMO)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025****10. Trade receivables**

	2025 SGD	2024 SGD
Trade receivables		
Third parties	1,114,411	583,208
Total trade receivables	1,114,411	583,208

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms.

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows

11. Other receivables

	2025 SGD	2024 SGD
Other receivables		
Other receivables	19,861	21,101
Total other receivables	19,861	21,101

Other receivables are unsecured, interest free and have no fixed terms of repayment.

12. Cash and cash equivalents

	2025 SGD	2024 SGD
Cash and cash equivalents		
Cash at bank	598,871	585,979
Total Cash and cash equivalents	598,871	585,979

13. Share capital

	2025		2024	
	No. of shares	SGD	No. of shares	SGD
Issued and fully paid ordinary shares				
As at 31 December	10,000	10,000	10,000	10,000

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

14. Trade payables

	2025 SGD	2024 SGD
Trade payables		
Third parties	13,747	27,043
Related parties	-	-
Total trade payables	13,747	27,043

These amounts are non-interest bearing. Trade payables are normally settled on 30 to 60 days terms.

15. Other payables

	2025 SGD	2024 SGD
Other payables		
CPF payable	36,195	35,344
GST	78,730	35,181
Total other payables	114,925	70,525

Amount due to shareholders and a related party are unsecured, interest free and repayable on demand.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Borrowings

	2025 SGD	2024 SGD
Current		
Lease liabilities (short-term)	48,322	70,633
Total current	48,322	70,633
Non-current		
Lease liabilities (long-term)	-	33,595
Total non-current	-	33,595

Bank borrowings

The bank borrowings were fully paid during the financial year. The weighted average effective interest rate is % (2024: %) per annum.

The bank borrowings were secured by a mortgage over leasehold land and buildings and were denominated in Singapore Dollar (SGD). The mortgage was discharged during the financial year.

A reconciliation of liabilities arising from financing activities excluding bank overdraft is as follows:

	1 January 2025	Cash flows	Non-cash changes			31 December 2025
			Acquisition	Accretion of interests	Other	
Liabilities						
Lease liabilities						
-current	70,633	(103,846)	43,603	4,336	33,595	48,322
-non-current	33,595	-	-	-	(33,595)	-
Total lease liabilities	104,228	(103,846)	43,603	4,336	-	48,322
Total liabilities	104,228	(103,846)	43,603	4,336	-	48,322

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	1 January 2024	Cash flows	Non-cash changes			31 December 2024
			Acquisition	Accretion of interests	Other	
Liabilities						
Lease liabilities						
-current	96,989	(104,783)	-	7,794	70,633	70,633
-non-current	104,228	-	-	-	(70,633)	33,595
Total lease liabilities	201,217	(104,783)	-	7,794	-	104,228
Total liabilities	201,217	(104,783)	-	7,794	-	104,228

17. Significant related party transactions

Sales and purchases of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2025 SGD	2024 SGD
Compensation of key management personnel		
Wages and salaries	236,000	191,000
Employer's contribution to Central Provident Fund	15,096	14,042
Total compensation of key management personnel	251,096	205,042

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Leases

	Rights of Use Assets - Office Lease	Rights of Use Assets - S-plated Car	Total
Leases			
At 1 January 2024	-	-	22,577
Addition	159,207	88,082	222,559
Deprecation	75,181	73,401	146,429
At 31 December 2024	84,026	14,681	98,707
At 1 January 2025	84,026	14,681	98,707
Addition	-	(44,479)	(44,479)
Deprecation	53,069	(43,214)	9,855
At 31 December 2025	30,957	13,416	44,373

19. 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 and interest rate risk).

The Sole Director reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the 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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

a) Credit Risks

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 (including cash), 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, 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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

- 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.

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

ABC PTE. LTD. (UFS DEMO)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

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

	Note	Category	12- month or lifetime ECL	Gross carrying amount SGD	Loss allowance SGD	Net carrying amount SGD
31 December 2025						
Trade receivables	10	Note 1	Lifetime ECL (simplified)	1,114,411	(411)	1,114,000
Other receivables	11	I	12-month ECL	19,861	0	19,861
31 December 2024						
Trade receivables	10	Note 1	Lifetime ECL (simplified)	583,208	(208)	583,000
Other receivables	11	I	12-month ECL	21,101	0	21,101

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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 a provision matrix, estimated based on historical credit loss experience based on the 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.

	Trade Receivables					Total
	Not past due	Days past due				
≤30 days		31-60 days	61-90 days	>90 days		
31 December 2025						
ECL rate	-%	-%	-%	-%	-%	
Estimated total gross carrying amount at default	993,781	90,602	10,730	5,400	13,898	1,114,411
ECL	-	-	-	-	-	-
						1,114,411
31 December 2024						
ECL rate	-%	-%	-%	-%	-%	
Estimated total gross carrying amount at default	486,758	46,548	3,000	22,085	24,817	583,208
ECL	-	-	-	-	-	-
						583,208

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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Exposure to credit risk

The Company has no significant concentration of credit risk other than those balances of trade receivables. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

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.

b) 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 director is satisfied that funds are available to finance the operations of the Company.

ABC PTE. LTD. (UFS DEMO)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025****19. Financial risk management (Continued)****b) Liquidity risk (Continued)****Analysis of financial instruments by remaining contractual maturities**

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2025			
	Carrying amount SGD	Contractual cash flows SGD	One year or less SGD	Two to five years SGD
Financial Assets				
Trade receivables	1,114,411	1,114,411	1,114,411	-
Other receivables	19,861	19,861	19,861	-
Cash and cash equivalents	598,871	598,871	598,871	-
Total undiscounted financial assets	1,733,143	1,733,143	1,733,143	-
Financial liabilities				
Borrowings	48,322	48,861	14,824	-
Trade payables	13,747	13,747	13,747	-
Total undiscounted financial liabilities	62,069	62,608	28,571	-
Total net undiscounted financial assets (liabilities)	1,671,074	1,670,535	1,704,572	-

ABC PTE. LTD. (UFS DEMO)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025****19. Financial risk management (Continued)****b) Liquidity risk (Continued)**

		2024		
	Carrying amount SGD	Contractual cash flows SGD	One year or less SGD	Two to five years SGD
Financial Assets				
Trade receivables	583,208	583,208	583,208	-
Other receivables	21,101	21,101	21,101	-
Cash and cash equivalents	585,979	585,979	585,979	-
Total undiscounted financial assets	1,190,288	1,190,288	1,190,288	-
Financial liabilities				
Borrowings	104,228	107,864	49,515	34,037
Trade payables	27,043	27,043	27,043	-
Total undiscounted financial liabilities	131,271	134,907	76,558	34,037
Total net undiscounted financial assets (liabilities)	1,059,017	1,055,381	1,113,730	(34,037)

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and 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.

i) 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's exposure to interest rate risk arises primarily from cash and cash equivalents and borrowings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

ii) 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 sales or purchases that are denominated in a currency other than the functional currency of the Company.

The Company's currency exposures to foreign currency at the reporting date were as follows:

	2025		2024	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	100	-	-	3,000
Other receivables	-	500	500	-
Total	100	500	500	3,000
Financial liabilities				
Trade payables	(500)	-	-	(500)
Other payables	-	(900)	-	-
Total	(500)	(900)	-	(500)
Currency exposure	(400)	(400)	500	2,500

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

	2025	2024
USD	(33)	42
EUR	(33)	208

ABC PTE. LTD. (UFS DEMO)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

19. Financial risk management (Continued)

c) Market risk (Continued)

ii) Foreign currency risk (Continued)

A 10% weakening of functional currency 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.

d) Fair value measurement

Cash and cash equivalents, other receivables and other payables

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

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.

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Financial instruments by category

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

	2025 SGD	2024 SGD
Financial assets		
Financial assets measured at amortised cost less impairment		
Cash and cash equivalents	598,871	585,979
Trade receivables	1,114,411	583,208
Other receivables	26,576	31,039
Total financial assets measured at amortised cost less impairment	1,739,858	1,200,226
Total financial assets	1,739,858	1,200,226
Financial liabilities		
Financial liabilities measured at amortised cost less impairment		
Trade payables	13,747	27,043
Other payables	-	-
Total financial liabilities measured at amortised cost less impairment	13,747	27,043
Borrowings	48,322	104,228
Total financial liabilities	62,069	131,271

ABC PTE. LTD. (UFS DEMO)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. 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 ended 31 December 2025 and 31 December 2024.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payable shown in the statement of financial position) less cash and cash equivalents. Total Capital is calculated as total equity, as shown in the statement of financial position, plus net debts. No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year. The gearing ratios at 31 December 2025 and 31 December 2024 were as follows:

	2025 SGD	2024 SGD
Total trade and other payables and borrowings	220,649	358,833
Less: Cash and cash equivalents	(598,871)	(585,979)
Net debt	(378,222)	(227,146)
Total Equity	1,622,557	983,077
Total Capital	1,244,335	755,931
Gearing ratio	(30)%	(30)%

ABC PTE. LTD. (UFS DEMO)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

22. Comparative information

The financial statements for the financial year ended 31 December 2025 and 31 December 2024 were not audited.

23. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Sole Director of the Company.