Company Registration No. 201210680W

Exicom Tele-Systems (Singapore) Pte. Ltd.

Annual Financial Statements
31 March 2021

Building a better
working world

Exicom Tele-Systems (Singapore) Pte. Ltd.

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The directors are pleased to present their statement to the member together with the audited financial statements of Exicom Tele-Systems (Singapore) Pte Ltd. (the "Company") for the financial year ended 31 March 2021.

Opinion of the directors

In the opinion of the directors,

(i) the financial statements of the Company together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date, and

(ii) 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.

Directors of the Company

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

Nahata Anant
Gauravaram Navalur Chandrasekar Sailesh

Arrangements to enable directors to acquire shares and debentures

Except as disclosed in Directors' interests in shares and debentures, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is 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 body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Holding registered in own name		**Holdings in which the director deemed to have an interest**	
	At beginning of financial year	**At end of financial year**	**At beginning of financial year**	**At end of financial year**
The company – Exicom Tele-Systems (Singapore) Pte. Ltd.				
Nahata Anant	444,645	444,645	444,645	444,645

Directors' interests in shares and debentures (cont'd)

	Holding registered in own name		Holdings in which the director deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
Subsidiary – Horizon Tele Systems Sdn. Bhd.				
Nahata Anant	684,068	684,068	684,068	684,068
Holding company – Exicom Tele-Systems Limited				
Nahata Anant	4,946,146	4,946,146	4,946,146	4,946,146

Share options

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

No shares have been issued during the financial year by virtue of the exercise of the options to take up unissued shares of the Company.

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

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

Nahata Anant
Director

Gauravaram Navalur Chandrasekar Sailesh
Director

Singapore
8 June 2021

Independent auditor's report to the member of Exicom Tele-Systems (Singapore) Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Exicom Tele-Systems (Singapore) Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (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 2021 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 information

Management is responsible for other information. The other information comprises Director's statement set out on pages 1 to 2.

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

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

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

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

Independent auditor's report to the member of Exicom Tele-Systems (Singapore) Pte. Ltd.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- 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.

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

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

Report on other legal and regulatory requirements

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

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

8 June 2021

Exicom Tele-Systems (Singapore) Pte. Ltd.

Statement of comprehensive income
For the financial year ended 31 March 2021

	Note	2021 USD	2020 USD (restated)
Revenue	4	29,009,394	26,224,544
Cost of sales	5	(25,427,758)	(24,131,992)
		3,581,636	2,092,552
Other income	6	53,420	22,267
		3,635,056	2,114,819
Less: Expenses			
Staff costs	7	(463,077)	(438,514)
Depreciation of plant and equipment	12	(12,334)	(11,732)
Depreciation of right-of-use assets	11	(19,036)	(39,525)
Amortisation of Intangible assets	16	(5,165)	(307)
Other operating expenses	8	(1,668,356)	(1,439,845)
Finance costs	9	(2,216)	(14,420)
Profit before taxation		1,464,872	170,476
Income tax expense	10	(808,230)	(11,596)
Profit after taxation		656,642	158,880
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Net fair value gain/(loss) on investment securities at fair value through other comprehensive income		26,016	(462,670)
Other comprehensive income/(loss) for the year, net of tax		26,016	(462,670)
Total comprehensive income/(loss) for the year		682,658	(303,790)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Exicom Tele-Systems (Singapore) Pte. Ltd.

Statement of financial position
As at 31 March 2021

	Note	31 March 2021 USD	31 March 2020 USD (restated)	1 April 2019 USD (restated)
ASSETS				
Non-current assets				
Right-of-use assets	11	–	19,036	–
Plant and equipment	12	8,985	21,319	30,689
Amount due from a subsidiary	13	4,159,050	4,589,941	4,081,524
Investment in a subsidiary	14	–	–	–
Investment securities	15	80,335	157,646	620,316
Intangible assets	16	20,250	25,415	5,680
		4,268,620	4,813,357	4,738,209
Current assets				
Inventories	17	17,933	82,564	99,227
Trade and other receivables	18	33,078,060	8,931,116	23,464,047
Prepayments		9,438	9,594	385
Cash and cash equivalents	19	849,129	648,398	7,322,403
		33,954,560	9,671,672	30,886,062
Current liabilities				
Trade and other payables	20	24,046,901	1,542,865	18,160,469
Provision for taxation		1,852,724	1,270,114	1,819,115
Lease liabilities	11	–	31,153	–
		25,899,625	2,844,132	19,979,584
Net current assets		8,054,935	6,827,540	10,906,478
Net assets		12,323,555	11,640,897	15,644,687
Equity				
Share capital	21	489,454	489,454	489,454
Retained earnings		12,529,460	12,977,769	16,518,889
Fair value reserve	24	(695,359)	(1,826,326)	(1,363,656)
Total equity		12,323,555	11,640,897	15,644,687
Total equity and liabilities		38,223,180	14,485,029	35,624,270

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Exicom Tele-Systems (Singapore) Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 March 2021

	Share capital USD (restated) (Note 21)	**Retained earnings** USD (restated)	**Fair value reserve** USD (restated) (Note 24)	**Total** USD (restated)
Balance at 1 Apr 2019	489,454	16,518,889	(1,363,656)	15,644,687
Dividends (Note 22)	–	(3,700,000)	–	(3,700,000)
Total comprehensive loss for the year	–	158,880	(462,670)	(303,790)
Balance at 31 March 2020	489,454	12,977,769	(1,826,326)	11,640,897
Transfer upon derecognition of equity instruments	–	(1,104,951)	1,104,951	–
Total comprehensive income for the year	–	656,642	26,016	682,658
Balance as at 31 March 2021	489,454	12,529,460	(695,359)	12,323,555

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Exicom Tele-Systems (Singapore) Pte. Ltd.

Statement of cash flows
For the financial year ended 31 March 2021

	2021 USD	2020 USD (restated)
Cash flow from operating activities		
Profit before taxation	1,464,872	170,476
Adjustments for:		
Depreciation of plant and equipment	12,334	11,732
Depreciation of right-of-use assets	19,036	39,525
Amortisation of intangible assets	5,165	307
Unrealised foreign exchange (gain)/loss	(11,628)	7,996
Net loss on derecognition of investment securities	103,327	–
Impairment loss on trade receivables	190,673	–
Interest expense	2,216	14,420
Interest income	(7,463)	–
Operating cash flows before changes in working capital	1,778,532	244,456
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(23,895,098)	14,103,790
Decrease/(increase) in prepayment	156	(9,210)
Decrease in inventories	64,631	16,663
Increase/(decrease) in trade and other payables	22,504,036	(16,704,875)
Cash generated from/(used in) operations	452,257	(2,349,176)
Income tax paid	(225,620)	(560,597)
Interest paid	(1,434)	(11,395)
Interest received	7,463	–
Net cash flow generated from/(used in) operating activities	232,666	(2,921,168)
Cash flow from investing activities		
Additions of intangible asset	–	(20,042)
Purchase of plant and equipment	–	(2,362)
Net cash flow used in investing activities	–	(22,404)
Cash flow from financing activities		
Dividend paid	–	(3,700,000)
Principal portion of repayment of lease liabilities	(31,153)	(27,408)
Interest portion of repayment of lease liabilities	(782)	(3,025)
Net cash flow used in financing activities	(31,935)	(3,730,433)
Net increase/(decrease) in cash and cash equivalents	200,731	(6,674,005)
Cash and cash equivalents at beginning of financial year	648,398	7,322,403
Cash and cash equivalents at the end of the financial year	849,129	648,398

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

The Company is incorporated and domiciled in Singapore with its principal place of business and registered office at 7500A Beach Road #12-318/9, The Plaza, Singapore 199591.

The principal activities of the Company are those of wholesale, retail sale of all types of telecom equipment including general importers and exporters and development and customisation of telecom equipment. There have been no significant changes in the nature of these activities during the financial year.

Related companies in these financial statements relate to Exicom Tele-Systems Ltd.'s group of companies.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements have been prepared on a historical cost basis and are presented in United States Dollars (USD or US$).

2.2 *Changes in accounting policies*

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 April 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

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

Description	**Effective for annual periods beginning on or after**
Amendment to FRS 116 Leases: Covid-19-Related Rent Concessions	1 June 2020
Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosures, FRS 104 Insurance Contracts, FRS 116 Leases: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to FRS 16: Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
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 directors expect that the adoption of the other standards and interpretation above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency*

The financial statements are presented in United States dollars, which is also the Company's functional currency.

Effective 1 April 2020, the Company changed its presentation currency from Singapore Dollar (SGD) to the United States Dollar (USD). In making this change in presentation currency, the Company followed the requirements of FRS 21: *The Effects of Changes in Foreign Exchange Rates,* which requires such a change in functional currency to be accounted for prospectively from the date of change.

The change in presentation currency was made to coincide with the functional currency as management felt the USD better reflected the economics of its business. Prior to 1 April 2020, the Company reported its balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement in Singapore Dollar (SGD). In accordance with FRS 21, the financial statements for all years and periods previously presented have been translated into the new presentation currency. As a result, the statement of comprehensive income and cash flow statement items for each prior year have been translated into the presentation currency using the average exchange rates prevailing during each reporting period. All assets and liabilities have been translated using the exchange rate prevailing at each of the reporting dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of the various capital transactions.

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 end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency (cont'd)*

The following are the comparative presentations of the financial position and results of operation in Singapore Dollar and translation to United States Dollar as at and for the year ended 31 March 2020.

Statement of Comprehensive Income

	Year ended 31 March 2020	
	(SGD as presentation currency) – as previously presented	(USD as presentation currency) - as restated
Revenue	36,024,875	26,224,544
Cost of sales	(33,150,318)	(24,131,992)
	2,874,557	2,092,552
Other income	30,589	22,267
	2,905,146	2,114,819
Less: Expenses		
Staff costs	(602,390)	(438,514)
Depreciation of plant and equipment	(16,050)	(11,732)
Depreciation of right-of-use assets	(55,045)	(39,525)
Amortisation of Intangible assets	(420)	(307)
Other operating expenses	(1,977,247)	(1,439,845)
Finance costs	(19,809)	(14,420)
Profit before taxation	234,185	170,476
Income tax expense	(15,930)	(11,596)
Profit after taxation	218,255	158,880
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Net fair value loss on investment securities at fair value through other comprehensive income	(608,140)	(462,670)
Other comprehensive loss for the year, net of tax	(608,140)	(462,670)
Total comprehensive loss for the year	(389,885)	(303,790)

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency (cont'd)*

Statement of financial position

	31 March 2020		**1 April 2019**	
	(SGD as presentation currency) - as previously presented	(USD as presentation currency) - as restated	(SGD as presentation currency) - as previously presented	(USD as presentation currency) - as restated
ASSETS				
Non-current assets				
Right-of-use assets	26,512	19,036	–	–
Plant and equipment	28,300	21,319	41,125	30,689
Amount due from a subsidiary	5,628,159	4,589,941	4,953,324	4,081,524
Investment in a subsidiary	–	–	–	–
Investment securities	224,425	157,646	840,901	620,316
Intangible assets	34,870	25,415	7,710	5,680
	5,942,266	4,813,357	5,843,060	4,738,209
Current assets				
Inventories	113,334	82,564	136,980	99,227
Trade and other receivables	12,170,461	8,931,116	31,709,334	23,464,047
Prepayments	13,650	9,594	521	385
Cash and cash equivalents	923,059	648,398	9,929,733	7,322,403
	13,220,504	9,671,672	41,776,568	30,886,062
Current liabilities				
Trade and other payables	2,137,398	1,542,865	24,508,010	18,160,469
Provision for taxation	1,808,134	1,270,114	2,465,992	1,819,115
Lease liabilities	42,617	31,153	–	–
	3,988,149	2,844,132	26,974,002	19,979,584
Net current assets	9,232,355	6,827,540	14,802,566	10,906,478
Net assets	15,174,621	11,640,897	20,645,626	15,644,687
Equity				
Share capital	650,000	489,454	650,000	489,454
Retained earnings	17,008,392	12,977,769	21,871,257	16,518,889
Fair value reserve	(2,483,771)	(1,826,326)	(1,875,631)	(1,363,656)
Total equity	15,174,621	11,640,897	20,645,626	15,644,687
Total equity and liabilities	19,162,770	14,485,029	47,619,628	35,624,270

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency (cont'd)*

Statement of changes in equity

(SGD as presentation currency) - as previously presented

	Share capital SGD	**Retained earnings** SGD	**Fair value reserve** SGD	**Total** SGD
Balance at 1 April 2019	650,000	21,871,257	(1,875,631)	20,645,626
Dividends declared	–	(5,081,120)	–	(5,081,120)
Total comprehensive income for the year	–	218,255	(608,140)	(389,885)
Balance at 31 March 2020	650,000	17,008,392	(2,483,771)	15,174,621

(USD as presentation currency) - as restated

	Share capital USD (restated) (Note 21)	**Retained earnings** USD (restated)	**Fair value reserve** USD (restated) (Note 24)	**Total** USD (restated)
Balance at 1 April 2019	489,454	16,518,889	(1,363,656)	15,644,687
Dividends declared (Note 22)	–	(3,700,000)	–	(3,700,000)
Total comprehensive income for the year	–	158,880	(462,670)	(303,790)
Balance at 31 March 2020	489,454	12,977,769	(1,826,326)	11,640,897

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency (cont'd)*

Statement of cash flows

	Year ended 31 March 2020	
	(SGD as presentation currency) - as previously presented	(USD as presentation currency) - as restated
Cash flow from operating activities		
Profit before taxation	234,185	170,476
Adjustments for:		
Depreciation of plant and equipment	16,050	11,732
Depreciation of right-of-use assets	55,045	39,525
Amortisation of intangible assets	420	307
Unrealised foreign exchange loss	16,332	7,996
Interest expense	19,809	14,420
Operating cash flows before changes in working capital	341,841	244,456
Changes in working capital:		
Decrease in trade and other receivables	18,943,314	14,103,790
Increase in prepayment	(13,129)	(9,210)
Decrease in inventories	23,645	16,663
Decrease in trade and other payables	(22,457,883)	(16,704,875)
Cash used in from operations	(3,162,212)	(2,349,176)
Income tax paid	(673,788)	(560,597)
Interest paid	(17,117)	(11,395)
Net cash flow used in operating activities	(3,853,117)	(2,921,168)
Cash flow from investing activities		
Additions of intangible asset	(27,580)	(20,042)
Purchase of plant and equipment	(3,225)	(2,362)
Net cash flow used in investing activities	(30,805)	(22,404)
Cash flow from financing activities		
Dividend paid	(5,081,120)	(3,700,000)
Principal portion of repayment of lease liabilities	(38,940)	(27,408)
Interest portion of repayment of lease liabilities	(2,692)	(3,025)
Net cash flow used in financing activities	(5,122,752)	(3,730,433)
Net decrease in cash and cash equivalents	(9,006,674)	(6,674,005)
Cash and cash equivalents at beginning of financial year	9,929,733	7,322,403
Cash and cash equivalents at the end of the financial year	923,059	648,398

2. Summary of significant accounting policies (cont'd)

2.5 *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Computers	–	5 years
R&D equipment	–	5 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Renovation	–	5 years
Tools and equipment	–	10 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of 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 de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2. Summary of significant accounting policies (cont'd)

2.7 *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 to sell 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 groups 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 of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation

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 unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

At initial recognition, the 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.

Subsequent measurement

Investments in debt instruments

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.

2. Summary of significant accounting policies (cont'd)

2.8 *Financial instruments (cont'd)*

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Investments in equity instruments

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 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.

(b) Financial liabilities

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 other 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 derecognised, and through the amortisation process.

Derecognition

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

2. Summary of significant accounting policies (cont'd)

2.9 *Impairment of financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. 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 receivables and contract assets, 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.

The Company 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.

2.10 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and deposit with a financial institution that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.11 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for on a first-in-first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2. Summary of significant accounting policies (cont'd)

2.12 *Revenue recognition*

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

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

The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of tele-communication products

The Company supplies telecommunication product. Revenue from sale of tele-communication products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

2.13 *Taxes*

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company operates and generates taxable income.

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.

(b) Deferred tax

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2. Summary of significant accounting policies (cont'd)

2.13 *Taxes (cont'd)*

(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.

2.14 *Employees benefits*

(i) *Defined contribution plan*

The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in 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.

(ii) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.15 *Government grants*

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

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

2.16 *Provision*

General

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

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

2. Summary of significant accounting policies (cont'd)

2.17 *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 straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office building	2 years

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 2.7.

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.

2. Summary of significant accounting policies (cont'd)

2.17 *Leases (cont'd)*

As lessee *(cont'd)*

Short-term leases and leases of low-value assets

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

2.18 *Share capital and share issuance expenses*

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

2.19 *Subsidiary*

A subsidiary is an investee that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are accounted for at cost less impairment losses.

2.20 *Basis of consolidation*

The financial statements of the subsidiary as at 31 March 2021 have not been consolidated with those of the Company in accordance with FRS 10, Consolidated Financial Statements. The Company itself is a wholly-owned subsidiary of a company incorporated in Gurugram, India. The financial statements of the Company and its subsidiary have been consolidated with the ultimate holding company’s financial statements.

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. The management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3. Significant accounting judgments and estimates (cont'd)

3.1 *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statement was 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.

Investment in a subsidiary

Investment in a subsidiary is stated at cost less impairment losses. The Company follows the guidance of FRS 36, Impairment of Assets, to determine when its investments in a subsidiary is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the market and economic environment in which the subsidiary operate, economic performance of the entity, the duration and extent to which the cost of investments in the entity exceed its net tangible assets values and fair value of investments less cost to sell.

During the financial year, the Company has considered and assessed the value of its investments and for the financial year ended 31 March 2021, an accumulated impairment charge of USD258,660 (2020: USD258,660) was recorded, determined based on estimated fair values of the subsidiary using the cost model.

4. Revenue

Disaggregation of revenue

	2021 USD	2020 USD (restated)
Major product		
Sale of tele-communication products	29,009,394	26,224,544
Timing of transfer of goods		
At a point in time	29,009,394	26,224,544

5. Cost of sales

	2021 USD	2020 USD (restated)
Changes in inventories	25,427,570	24,126,990
Domestic purchases, customs duty and clearance charges	188	5,002
	25,427,758	24,131,992

6. Other income

	2021	2020
	USD	USD (restated)
Interest income	7,463	–
Government grant income	22,457	–
Other income	23,500	22,267
	53,420	22,267

In 2020, the Company received wage support for local employees under the Jobs Support Scheme ("JSS") from the Singapore Government as part of the Government's measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Company assessed that there is reasonable assurance that it will comply with the conditions attached to the grants and the grant will be received. Grant income is recognised in profit or loss on a systematic basis over the period of uncertainty in which the related salary cost for which the grant is intended to compensate is recognised as expenses.

Government grant income of USD22,457 (2019: nil) was recognised during the year.

7. Staff costs

	2021	2020
	USD	USD (restated)
Wages, salaries and bonuses	447,174	417,609
Central Provident Fund ("CPF") and other defined contribution plans	11,975	8,994
Others	3,928	11,911
	463,077	438,514

8. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2021	2020
	USD	USD (restated)
Realised foreign exchange loss/(gain)	6,020	(96,695)
Unrealised foreign exchange (gain)/loss	(11,628)	7,996
Management fee expenses	130,292	165,206
Royalty charges	429,119	341,097
Warranty expense	567,168	619,575
Net loss on derecognition of investment securities	103,327	–
Impairment loss on trade receivables	190,673	–
Provision for slow moving stock	42,445	–
Selling expenses	18,041	66,732
Travelling and vehicle expenses	1,672	38,244

9. Finance costs

	2021 USD	2020 USD (restated)
Bank charges	2,216	12,460
Finance lease interest	–	1,960
	2,216	14,420

10. Income tax expense

(a) *Major components of income tax expense*

The major components of income tax expense for the financial years ended 31 March 2021 and 2020 are:

	2021 USD	2020 USD (restated)
Current income tax		
- Income tax	209,464	11,596
- Under provision in respect of prior years	598,766	–
Income tax expense recognised in the statement of comprehensive income	808,230	11,596

(b) *Relationship between tax expenses and accounting profit*

A reconciliation between tax expense and the product of accounting profit multiplied by iithe applicable tax rate for the financial years ended 31 March 2021 and 2020 is as follows:

	2021 USD	2020 USD (restated)
Profit before tax	1,464,872	170,476
Tax at statutory rate of 17% (2020: 17%)	249,028	28,981
Adjustments:		
Non-deductible expenses	915	9,131
Income not subject to tax	(9,789)	(6,570)
Effect of tax exemption and relief	(30,690)	(19,946)
Under provision in respect of prior years	598,766	–
Income tax expense recognised in the statement of comprehensive income	808,230	11,596

11. Leases

The Company has lease contract for office building used in its operations. Lease term of this asset is disclosed in Note 2.17.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	2021 USD	**2020** USD (restated)
As at 1 April	19,036	58,561
Depreciation expense	(19,036)	(39,525)
As at 31 March	–	19,036

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021 USD	**2020** USD (restated)
As at 1 April	31,153	58,561
Accretion of interest	782	3,025
Payments	(31,935)	(30,433)
As at 31 March	–	31,153
Current	–	31,153

The following are the amounts recognised in statement of comprehensive income:

	2021 USD	**2020** USD (restated)
Depreciation expense of right-of-use assets	19,036	39,525
Interest expense on leases liabilities	782	3,025
	19,818	42,550

12. Plant and equipment

	Computers USD (restated)	**R&D equipment** USD (restated)	**Furniture and fittings** USD (restated)	**Office equipment** USD (restated)	**Renovation** USD (restated)	**Tools and equipment** USD (restated)	**Total** USD (restated)
Cost:							
At 1 April 2019 (restated)	10,830	26,550	645	652	5,969	18,200	62,846
Additions	2,362	–	–	–	–	–	2,362
At 31 March 2020, 1 April 2020 and 31 March 2021	13,192	26,550	645	652	5,969	18,200	65,208
Accumulated depreciation:							
At 1 April 2019 (restated)	7,436	15,259	304	262	3,427	5,469	32,157
Charge for the year	1,466	5,216	130	112	1,196	3,612	11,732
At 31 March 2020 and 1 April 2020	8,902	20,475	434	374	4,623	9,081	43,889
Charge for the year	1,658	5,607	127	118	1,177	3,647	12,334
At 31 March 2021	10,560	26,082	561	492	5,800	12,728	56,223
Net book value							
At 1 April 2019 (restated)	3,394	11,291	341	390	2,542	12,731	30,689
At 31 March 2020 (restated)	4,290	6,075	211	278	1,346	9,119	21,319
At 31 March 2021	2,632	468	84	160	169	5,472	8,985

13. Amount due from a subsidiary

Amount due from a subsidiary is unsecured, non-trade in nature and interest is charged at 5.5% per annum USD.

14. Investment in a subsidiary

	31 March 2021 USD	**31 March 2020** USD (restated)	**1 April 2019** USD (restated)
Cost			
Balance at beginning and end of year	258,660	258,660	258,660
Impairment			
Balance at beginning and end of year	258,660	258,660	258,660
Carrying value as at end of year	–	–	–

The following are the details of the subsidiary:

Name	**Principal activities**	**Country of incorporation**	**Proportion (%) of ownership interest 2021**	**2020**
Horizon Tele Systems Sdn. Bhd.*	Trading of telecom equipment	Malaysia	100	100

* Horizon Tele Systems Sdn. Bhd., Malaysia was audited by TCMK Associated, Kuala Lumpur, Malaysia.

15. Investment securities

	31 March 2021 USD	**31 March 2020** USD (restated)	**1 April 2019** USD (restated)
At fair value through other comprehensive income			
- Equity securities (quoted)	80,335	157,646	620,316

15. Investment securities (cont'd)

The Company has elected to measure these equity securities at FVOCI due to the Company's intention to hold these equity instruments for long-term appreciation:

	31 March 2021 USD	**31 March 2020** USD (restated)	**1 April 2019** USD (restated)
At fair value through other comprehensive income			
- Equity securities (quoted)			
Koovs Ltd.	–	103,327	260,216
Clean Motion AB	80,335	54,319	360,100
	80,335	157,646	620,316

During the year, the Company derecognised its investment in Koovs Ltd. as the investee filed for administration. The fair value of the investment at the date of derecognition amounted to USD103,327 and the cumulative loss of USD1,104,951 was transferred from fair value reserve to retained earnings as a result of the derecognition.

16. Intangible assets

	Accounting software USD	**License** USD	**Total** USD
Cost:			
At 1 April 2019 (restated)	4,236	1,547	5,783
Additions	12,576	7,466	20,042
At 31 March 2020, 1 April 2020 and 31 March 2021	16,812	9,013	25,825
Accumulated depreciation:			
At 1 April 2019 (restated)	–	103	103
Charge for the year	–	307	307
At 31 March 2020 and 1 April 2020	–	410	410
Charge for the year	3,365	1,800	5,165
At 31 March 2021	3,365	2,210	5,575
Net book value			
At 1 April 2019 (restated)	4,236	1,444	5,680
At 31 March 2020 (restated)	16,812	8,603	25,415
At 31 March 2021	13,447	6,803	20,250

17. Inventories

	31 March 2021 USD	31 March 2020 USD (restated)	1 April 2019 USD (restated)
Statement of financial position			
Finished goods (at cost)	17,933	82,564	99,227
Inventories recognised as an expense in cost of sales	25,427,570	24,126,990	78,696,304

18. Trade and other receivables

	31 March 2021 USD	31 March 2020 USD (restated)	1 April 2019 USD (restated)
Trade receivables			
Amount due from immediate holding company	6,291,328	6,997,144	3,431,129
Third parties	25,864,340	47,462	17,722,638
Less: Allowance for impairment loss on trade receivables	(190,673)	–	–
Net trade receivables	31,964,995	7,044,606	21,153,767
Other receivables			
Deposits	–	–	210
Staff loans	–	5,396	5,371
GST receivables	1,084	1,288	20,368
Other receivables	56,856	367,402	55,745
Advances	1,053,045	1,094,636	1,749,954
Amount due from a subsidiary	2,080	417,788	478,632
	1,113,065	1,886,510	2,310,280
Total trade and other receivables	33,078,060	8,931,116	23,464,047
Add: Cash and cash equivalents (Note 19)	849,129	648,398	7,322,403
Amount due from a subsidiary (non-current)	4,159,050	4,589,941	4,081,524
Less: GST receivables	(1,084)	(1,288)	(20,368)
Total financial assets carried at amortised cost	38,085,155	14,168,167	34,847,606

Trade receivables are non-interest bearing and are generally on 60 to 150 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Non-trade amounts due from a subsidiary are unsecured, interest-free and repayable on demand.

18. Trade and other receivables (cont'd)

Expected credit losses (ECL)

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

	31 March 2021 USD	**31 March 2020** USD (restated)	**1 April 2019** USD (restated)
Movement in allowance accounts:			
Opening balance	–	–	–
Charge for the year	190,673	–	–
Ending balance	190,673	–	–

19. Cash and cash equivalents

	31 March 2021 USD	**31 March 2020** USD (restated)	**1 April 2019** USD (restated)
Cash at bank	268,529	45,834	6,741,803
Fixed deposit with a financial institution	580,600	602,564	580,600
Cash and cash equivalents	849,129	648,398	7,322,403

Fixed deposit with a financial institution is made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interests at 2.45% per annum.

The cash and cash equivalents denominated in foreign currency at 31 March are as follows:

	31 March 2021 USD	**31 March 2020** USD	**1 April 2019** USD
Singapore Dollars	15,307	3,201	168,584

20. Trade and other payables

	31 March 2021 USD	31 March 2020 USD (restated)	1 April 2019 USD (restated)
Trade payables			
Third parties	23,075,330	321,061	17,082,508
Amount due to a subsidiary	545	545	–
	23,075,875	321,606	17,082,508
Other payables			
Accrued expenses	97,826	110,507	173,584
Amount due to immediate holding company	873,200	1,110,752	795,069
Amount due to a subsidiary	–	–	109,308
	971,026	1,221,259	1,077,961
Total trade and other payables	24,046,901	1,542,865	18,160,469
Add: Lease liabilities (Note 11)	–	31,153	–
Total financial liabilities carried at amortised cost	24,046,901	1,574,018	18,160,469

Trade payables are recognised at their original invoice amounts which represent their fair value at initial recognition. Trade payables are non-interest bearing and are normally settled on 90 to 120 days' terms.

Non-trade amounts due from immediate holding company and a subsidiary are unsecured, interest-free and repayable on demand.

21. Share capital

	2021		2020	
	No. of shares	USD (restated)	No. of shares	USD (restated)
Issued and fully paid ordinary shares:				
At 1 April and 31 March	650,000	489,454	650,000	489,454

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.

22. Dividends

	2021	2020
	USD	USD (restated)
Declared and paid during the financial year:		
Dividends on ordinary shares:		
Final exempt (one-tier) dividend for 2021: Nil (2020: 569.23 cents per share)	–	3,700,000

23. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the significant related party transactions entered into by the Company on terms agreed between the parties were as follows:

	2021	2020
	USD	USD (restated)
Sales to holding company	390,925	3,540,367
Purchase from holding company	–	19,892
Warranty fee to holding company	567,168	1,566,744
Royalties to holding company	429,119	341,097
Sales to subsidiary	11,048	2,520
Purchase from subsidiary	–	2,340
Management fee to subsidiary	130,292	165,206
Working capital to subsidiary	–	485,265
Reimbursements to subsidiary	110,501	58,850

Key management personnel compensation

	2021	2020
	USD	USD (restated)
Salaries, bonuses and other expense	182,587	186,808

Key management personnel is the director of the Company.

24. Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of equity securities at fair value through other comprehensive income until they are disposed of or impaired.

25. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks arising from the Company's financial instruments are credit risk and liquidity risk.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the Board's policies for managing each of these risks.

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade receivables. For cash and bank balances, the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

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.

Additionally, the Company determined that its financial assets are credit-impaired when:

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

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans and receivables have been written off, the Company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

25. Financial risk management objectives and policies (cont'd)

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

The Company has applied the simplified approach to providing for impairment for ECLs prescribed by FRS 109, which permits the use of the lifetime expected loss provision for impairment of trade receivables. The provision rates are determined based on the Company's historical observed default rates. The loss allowance provision as at 31 March 2021 also incorporate forward looking information.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily due from mismatches of the timing of financial assets and liabilities. The Company relies on the financial support from its ultimate holding company to finance the Company's operations.

The table below summarizes the maturity profile of the Company's financial assets used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less USD	**More than one year** USD	**Total** USD
2021			
Financial assets:			
Trade and other receivables, excluding GST receivables	33,076,976	–	33,076,976
Amount due from a subsidiary	–	4,159,050	4,159,050
Cash and cash equivalents	849,129	–	849,129
Total undiscounted financial assets	33,926,105	4,159,050	38,085,155
Financial liabilities:			
Trade and other payables	24,046,901	–	24,046,901
Total undiscounted financial liabilities	24,046,901	–	24,046,901
Total net undiscounted financial assets	9,879,204	4,159,050	14,038,254

25. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	One year or less USD	**More than one year** USD	**Total** USD
2020			
Financial assets:			
Trade and other receivables, excluding GST receivables	8,929,828	–	8,929,828
Amount due from a subsidiary	–	4,589,941	4,589,941
Cash and cash equivalents	648,398	–	648,398
Total undiscounted financial assets	9,578,226	4,589,941	14,168,167
Financial liabilities:			
Trade and other payables	1,542,865	–	1,542,865
Lease liabilities	31,153	–	31,153
Total undiscounted financial liabilities	1,574,018	–	1,574,018
Total net undiscounted financial assets	8,004,208	4,589,941	12,594,149

26. Fair value

(a) ***Fair value hierarchy***

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

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

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

26. Fair value (cont'd)

(b) ***Assets measured at fair value***

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

Assets measured at fair value	2021 **Level 1** USD	 **Level 2** USD	 **Level 3** USD
Financial assets:			
Equity securities at FVOCI (Note 15)			
Quoted equity securities	26,016	–	–
Financial assets as at 31 March 2021	26,016	–	–

Assets measured at fair value	2020 **Level 1** USD	 **Level 2** USD	 **Level 3** USD
Financial assets:			
Equity securities at FVOCI (Note 15)			
Quoted equity securities	157,646	–	–
Financial assets as at 31 March 2020	157,646	–	–

27. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and to 31 March 2020.

28. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the directors on 8 June 2021.