

COMPUAGE INFOCOM (S) PTE. LTD.

(Incorporated in Singapore)

UEN. No.: 200814423G

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

AAA Assurance PAC

Public Accountants and Chartered Accountants

180B Bencoolen Street,

#12-05 The Bencoolen,

Singapore 189648

Tel: 6392 0021

Whatsapp: +659157 1105

Email: audit@aaapac.com

COMPUAGE INFOCOM (S) PTE. LTD.

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Table of Contents	Page
Directors' Statement	2
Independent Auditor's Report	4
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

COMPUAGE INFOCOM (S) PTE. LTD.

DIRECTORS' STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The directors are pleased to present their statement to the member together with the audited financial statements of **COMPUAGE INFOCOM (S) PTE. LTD.** (the "Company") for the financial year ended 31 March 2021.

Opinion of the Directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021 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, with the continuing financial support from ultimate holding company, will be able to pay its debts as and when they fall due.

Directors

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

Shanthi Balakrishnan
Atul H. Mehta

Arrangements to Enable Directors to Acquire Shares or Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interest in Shares or Debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Name of Director	Direct Interest		Deemed Interest	
	At the Beginning of financial year	At the end of financial year	At the Beginning of financial year	At the end of financial year
Ordinary Shares of the Company				
Atul H. Mehta	-	-	34,530	34,530
Immediate and Ultimate Holding Company				
Compuage Infocom Ltd				
Atul H. Mehta	14,954,370	14,954,370	-	-

COMPUAGE INFOCOM (S) PTE. LTD.

DIRECTORS' STATEMENT - continued
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 as at the end of the financial year.

Auditor

The independent auditor, AAA Assurance PAC, has expressed its willingness to accept re-appointment as auditor.

The Board of Directors,



Shanthi Balakrishnan
Director



Atul H. Mehta
Director

Singapore

05 MAY 2021



AAA ASSURANCE PAC
PUBLIC ACCOUNTANTS
CHARTERED ACCOUNTANTS

180B Bencoolen Street #12-05 The Bencoolen
Singapore 189648
Tel : (65) 6392 0021
H/P : (65) 9730 9947
Email : audit@aaapac.com
Website : www.aaapac.com
Co. Reg. No. 201408818E
GST Reg. No. 201408818E

COMPUAGE INFOCOM (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
COMPUAGE INFOCOM (S) PTE. LTD.

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Compuage Infocom (S) Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph of our report, 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 financial year ended on that date.

Basis for Qualified Opinion

Other Payables

The Company as at financial year end had other payables amounting to US\$649,736 (2020: US\$649,736) as disclosed in Note 10 to the financial statements. We were unable to obtain sufficient appropriate audit evidence or perform other practicable alternative audit procedures to satisfy ourselves on the existence, completeness and accuracy of these amounts. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. A similar qualified opinion was issued in the financial statements of the Company for the financial years from 2015 to 2020.

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 qualified opinion.

- continued



AAA ASSURANCE PAC
PUBLIC ACCOUNTANTS
CHARTERED ACCOUNTANTS

180B Bencoolen Street #12-05 The Bencoolen
Singapore 189648
Tel : (65) 6392 0021
H/P : (65) 9730 9947
Email : audit@aaapac.com
Website : www.aaapac.com
Co. Reg. No. 201408818E
GST Reg. No. 201408818E

COMPUAGE INFOCOM (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Emphasis of Matter

As mentioned in Note 9 of the financial statements, the Inland Revenue Authority of Singapore ("IRAS") in the financial year ended 2016 had withheld Goods and Services Tax ("GST") - Input tax paid by the Company of approximately US\$544,799. The Company has since filed numerous appeals with IRAS requesting for a full refund. Presently, the outcome of the above-mentioned matter is uncertain and should the appeals become unsuccessful there is significant uncertainty with regards to the recoverability of this amount. The Company has submitted all relevant documentation requested by IRAS and is reasonably certain to recover all of these dues in full. In the event of an unsuccessful appeal, the Company's best estimate of an impairment amounts to approximately US\$544,799 (2020: US\$599,280).

This has not been adjusted for in the financial statements as at 31 March 2021.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we are unable to obtain sufficient appropriate audit evidence to substantiate the existence of other payables and unable to obtain sufficient appropriate audit evidence with respect to the validity, accuracy and recoverability of other receivables due to limitations imposed by management and absence of certain supporting documents. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.



AAA ASSURANCE PAC
PUBLIC ACCOUNTANTS
CHARTERED ACCOUNTANTS

180B Bencoolen Street #12-05 The Bencoolen
Singapore 189648
Tel : (65) 6392 0021
H/P : (65) 9730 9947
Email : audit@aaapac.com
Website : www.aaapac.com
Co. Reg. No. 201408818E
GST Reg. No. 201408818E

COMPUAGE INFOCOM (S) PTE. LTD.

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

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 FRSSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- continued



AAA ASSURANCE PAC
PUBLIC ACCOUNTANTS
CHARTERED ACCOUNTANTS

180B Bencoolen Street #12-05 The Bencoolen
Singapore 189648
Tel : (65) 6392 0021
H/P : (65) 9730 9947
Email : audit@aaapac.com
Website : www.aaapac.com
Co. Reg. No. 201408818E
GST Reg. No. 201408818E

COMPUAGE INFOCOM (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

AAA Assurance PAC
Public Accountants and Chartered Accountants

Singapore

06 MAY 2021

COMPUAGE INFOCOM (S) PTE. LTD.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	<u>Note</u>	<u>2021</u> US\$	<u>2020</u> US\$
Revenue		-	-
Other income			
Unrealised exchange gain		31,620	-
Administrative expenses	4	(3,300)	(34,682)
Profit / (Loss) before income tax		<u>28,320</u>	<u>(34,682)</u>
Income tax expense	5	-	-
Profit / (Loss) for the year, representing total comprehensive income / (loss) for the year		<u>28,320</u>	<u>(34,682)</u>

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

COMPUAGE INFOCOM (S) PTE. LTD.**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

	<u>Note</u>	<u>2021</u> <u>US\$</u>	<u>2020</u> <u>US\$</u>
Assets			
Non-current assets			
Plant and equipment	6	-	-
Current assets			
Cash and cash equivalents	7	4,134	4,522
Trade receivables	8	141,870	141,870
Other receivables	9	669,317	641,109
		815,321	787,501
Less: current liabilities			
Other payables	10	652,736	653,236
Net current assets		162,585	134,265
Net assets		<u>162,585</u>	<u>134,265</u>
Equity			
Share capital	11	100,000	100,000
Retained earnings		62,585	34,265
		<u>162,585</u>	<u>134,265</u>

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

COMPUAGE INFOCOM (S) PTE. LTD.

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Share Capital	Retained Earnings	Total
	US\$	US\$	US\$
At 01 April 2019	100,000	68,947	168,947
Loss for the Year, Representing Total Comprehensive Loss for the Year	-	(34,682)	(34,682)
At 31 March 2020	100,000	34,265	134,265
Profit for the Year, Representing Total Comprehensive Profit for the Year	-	28,320	28,320
At 31 March 2021	100,000	62,585	162,585

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

COMPUAGE INFOCOM (S) PTE. LTD.**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	2021	2020
	US\$	US\$
Cash flows from operating activities		
Profit / (Loss) before income tax	28,320	(34,682)
Adjustments for		
Unrealised exchange (gains) / loss	<u>(31,620)</u>	<u>30,408</u>
Operating loss before working capital changes	(3,300)	(4,274)
Change in working capital		
Other receivables	3,412	4,494
Other payables	<u>(500)</u>	<u>1,654</u>
Net cash generated (used in) / from operations	<u>(388)</u>	<u>1,874</u>
Net (decrease) / increase in cash and cash equivalents	(388)	1,874
Cash and cash equivalents at the beginning of the financial year	<u>4,522</u>	<u>2,648</u>
Cash and cash equivalents at the end of the financial year (Note 7)	<u>4,134</u>	<u>4,522</u>

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

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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

1. General

COMPUAGE INFOCOM (S) PTE. LTD. (the Company) is incorporated and domiciled in Singapore with its registered office and principal place of business at 69 Ubi Crescent #03-04, CES Building, Singapore 408561.

The principal activities of the Company are those of general wholesale trade and general importers and exporters. There have been no significant changes in the nature of this activity during the financial year.

However, the Company did not trade during the financial year.

The Company's immediate and ultimate holding Company is Compuage Infocom Ltd, a Company incorporated in India. The principal activities of the Holding Company are those of general wholesale trade and general importers and exporters.

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 of the Company are prepared in accordance with historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars ("US\$") which is the Company's functional currency. All financial information presented in United States Dollars has been rounded to the nearest one-dollar unless otherwise indicated.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial 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.

The following standards and interpretations are effective for the annual period beginning on or after 1 April 2020:

- Amendments to References to the Conceptual Framework in FRS Standards
- Amendments to *FRS 1 Presentation of Financial Statements*
- Amendments to *FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material*
- Amendments to *FRS 103 Business Combinations: Definition of a Business*
- Annual Improvements to *FRS 109 Financial Instruments*
- Annual Improvements to *FRS 39 Financial Instruments: Recognition and Measurement*

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. Summary of Significant Accounting Policies - continued

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 109 <i>Financial Instruments</i> , FRS 39 <i>Financial Instruments: Recognition and Measurement</i> , FRS 107 <i>Financial Instruments: Disclosures</i>	1 January 2021
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023

The directors are still assessing the effect that the adoption of the standards above will have 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.

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 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 estimates 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 loss 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.

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. Summary of Significant Accounting Policies - continued

2.6 Financial Instruments

(i) 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 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

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.

2. Summary of Significant Accounting Policies - continued

2.6 Financial Instruments - continued

(i) Financial Assets - continued

De-recognition

A financial assets is recognised 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.

(ii) 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 financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent Measurement

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

De-recognition

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

2.7 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.

2. Summary of Significant Accounting Policies - continued

2.7 Impairment of Financial Assets - continued

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).

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.

2.8 Cash and Cash Equivalents

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

2.9 Provisions

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.

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. Summary of Significant Accounting Policies - continued

2.10 Taxes

(i) 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.

(ii) Deferred Tax

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

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

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

2.11 Share Capital

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

2.12 Related Party

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to the Company if that person:
 - a) Has control or joint control over the Company;
 - b) Has significant influence over the Company; or
 - c) Is a member of the key management personnel of the Company or of a parent of the Company.

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. Summary of Significant Accounting Policies - continued

2.12 Related Party - continued

- (ii) An entity is related to the Company if any of the following applies:
- a) The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member);
 - c) Both entities are joint ventures of the same third party;
 - d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - e) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - f) The entity is controlled or jointly controlled by a person identified in (i) above;
 - g) A person identified in (i)(a) above has significant influence over the entity or is a member of the key management personnel or the entity (or of a parent of the entity).
 - h) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Key Management Personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

2.13 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of 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 plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. Summary of Significant Accounting Policies - continued

2.13 Plant and equipment- continued

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

	<u>Useful lives</u>
Computers	3 years
Furniture and fittings	3 years
Office equipment	3 years
Renovations	5 years

3. Significant accounting judgements 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.

(a) 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 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.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in **Note 13** to the financial statements

The carrying amount of the Company's trade receivables as at 31 March 2021 is amounted to \$141,870 (2020: \$141,870) as disclosed in Note 8 to the financial statements.

COMPUAGE INFOCOM (S) PTE. LTD.NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**3. Significant accounting judgements and estimates (continued)****(a) Key sources of estimation uncertainty (continued)***Uncertain tax position*

The Inland Revenue Authority of Singapore ("IRAS") in the financial year ended 2015 had withheld Goods and Services Tax ("GST") - Input tax paid by the Company of approximately US\$544,799. The Company has since filed numerous appeals with IRAS requesting for a full refund. The Company has submitted all relevant documentation requested by IRAS and is reasonably certain to recover all of these dues in full. In the event of an unsuccessful appeal, the Company's best estimate of an impairment amounts to approximately US\$544,799 (2020: US\$599,280).

4. Administrative expenses

	<u>2021</u>	<u>2020</u>
	US\$	US\$
Bank charges	300	578
Unrealised exchange loss	-	30,408
Legal and professional fees	3,000	3,696
	<u>3,300</u>	<u>34,682</u>

5. Income tax expense

	<u>2021</u>	<u>2020</u>
	US\$	US\$
Income Tax		
- Current year	-	-

Reconciliation between the income tax expense and the product of accounting profit / (loss) multiplied by the applicable tax rate for the financial period ended 31 March 2021 and 2020 were as follows

	<u>2021</u>	<u>2020</u>
	US\$	US\$
Profit / (Loss) before income tax	28,320	(34,682)
Tax calculated at tax rate of 17% (2020: 17%)	4,814	(5,896)
Non-taxable income	(5,375)	-
Tax effect on non-deductible expenses	561	5,896
	<u>-</u>	<u>-</u>

COMPUAGE INFOCOM (S) PTE. LTD.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

6. Plant and equipment

	Computers	Furniture and fittings	Office equipment	Renovations	Total
	US\$	US\$	US\$	US\$	US\$
COST					
As at 1 April 2019, 31 March 2020 and as at 31 March 2021	8,647	6,066	12,159	15,943	42,815
ACCUMULATED DEPRECIATION					
As at 1 April 2019	8,647	6,066	12,159	15,943	42,815
Charge for the year	-	-	-	-	-
As at 31 March 2020	8,647	6,066	12,159	15,943	42,815
Charge for the year	-	-	-	-	-
As at 31 March 2021	8,647	6,066	12,159	15,943	42,815
CARRYING AMOUNT					
As at 31 March 2021	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-

COMPUAGE INFOCOM (S) PTE. LTD.NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

7. Cash and cash equivalents

	<u>2021</u>	<u>2020</u>
	US\$	US\$
Cash at bank	<u>4,134</u>	<u>4,522</u>

8. Trade receivables

	<u>2021</u>	<u>2020</u>
	US\$	US\$
Related Party	<u>141,870</u>	<u>141,870</u>

The credit period is between 0 – 30 days (2020: 0 – 30 days). No interest is charged on trade receivables.

9. Other receivables

	<u>2021</u>	<u>2020</u>
	US\$	US\$
GST receivable	544,799	599,279
Amount due from a related party	<u>124,518</u>	<u>41,830</u>
	<u>669,317</u>	<u>641,109</u>

The Inland Revenue Authority of Singapore (“IRAS”) in the financial year ended 2015 had withheld Goods and Services Tax (“GST”) - Input tax paid by the Company of approximately US\$544,799. The Company has since filed numerous appeals with IRAS requesting for a full refund. The Company has submitted all relevant documentation requested by IRAS and is reasonably certain to recover all of these dues in full. In the event of an unsuccessful appeal, the Company's best estimate of an impairment amounts to approximately US\$544,799 (2020: US\$599,280).

Amount due from a related party is unsecured, interest free, repayable on demand, and non-trade in nature.

COMPUAGE INFOCOM (S) PTE. LTD.NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**10. Other payables**

	<u>2021</u> US\$	<u>2020</u> US\$
Other payables	649,736	649,736
Accruals	<u>3,000</u>	<u>3,500</u>
	<u>652,736</u>	<u>653,236</u>

11. Share capital

	<u>2021</u> No. of ordinary shares	<u>2020</u> No. of ordinary shares	<u>2021</u> US\$	<u>2020</u> US\$
Issued and fully paid ordinary shares				
At beginning and end of the financial year	<u>150,000</u>	<u>150,000</u>	<u>100,000</u>	<u>100,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual asset.

12. Financial instruments by category

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

	<u>2021</u> US\$	<u>2020</u> US\$
Financial assets measured at amortised cost		
Cash and cash equivalents	4,134	4,522
Trade receivables	141,870	141,870
Other receivables	<u>124,518</u>	<u>41,830</u>
	<u>270,522</u>	<u>188,222</u>
Financial liabilities measured at amortised cost		
Other payables	<u>652,736</u>	<u>653,236</u>

13. Financial risk management

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

The directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and 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 have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from deposit and amount due from shareholder. For other financial assets (including cash and cash equivalents), 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 on-going 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 on-going 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 or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk grading 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:

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. Financial risk management – continued

Credit risk – continued

- 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 company and changes in the operating results of the debtor.

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

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

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

- There is a disappearance of an active market for that financial asset because of financial difficulty

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

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

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. Financial Risk Management - continued

Credit Risk - continued

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 US\$	Loss Allowance US\$	Net Carrying Amount US\$
31 March 2021						
Trade receivables	8	Note 1	Lifetime ECL	141,870	-	141,870
Other receivables	9	I	12-month ECL	124,518	-	124,518
31 March 2020						
Trade receivables	8	Note 1	Lifetime ECL	141,870	-	141,870
Other receivables	9	I	12-month ECL	41,830	-	41,830

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	
	Days past due	
	> 90 days US\$	Total US\$
31 March 2021		
ECL rate	0%	
Estimated total gross carrying amount at default	141,870	141,870
ECL*	-	-
		<u>141,870</u>

* Based on management's assessment using the simplified approach, determined that the ECL is insignificant.

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. Financial Risk Management - continued

Credit Risk - continued

	Trade receivables	
	Days past due	
	> 90 days	Total
	US\$	US\$
31 March 2020		
ECL rate	0%	
Estimated total gross carrying amount at default	141,870	141,870
ECL*	-	-
		<u>141,870</u>

* Based on management's assessment using the simplified approach, determined that the ECL is insignificant.

Excessive risk concentration

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

Exposure to credit risk

The Company has no significant concentration of credit risk other than those balances with related party comprising 100% (2020: 100%) 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.

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 from directors. The directors are satisfied that funds are available to finance the operations of the Company.

COMPUAGE INFOCOM (S) PTE. LTD.NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**13. Financial risk management – continued****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.

	Carrying amount	2021 Contractual cash flows	One year or less
	US\$	US\$	US\$
Financial assets			
Cash and cash equivalents	4,134	4,134	4,134
Trade receivables	141,870	141,870	141,870
Other receivables	124,518	124,518	124,518
Total undiscounted financial assets	270,522	270,522	270,522
Financial liabilities			
Other payables	(652,736)	(652,736)	(652,736)
Total undiscounted financial liabilities	(382,214)	(382,214)	(382,214)

	Carrying amount	2020 Contractual cash flows	One year or less
	US\$	US\$	US\$
Financial assets			
Cash and cash equivalents	4,522	4,522	4,522
Trade receivables	141,870	141,870	141,870
Other receivables	41,830	41,830	41,830
Total undiscounted financial assets	188,222	188,222	188,222
Financial liabilities			
Other payables	(653,236)	(653,236)	(653,236)
Total undiscounted financial liabilities	(465,014)	(465,014)	(465,014)

Market Risk

Market risk is the risk that changes in market prices, such as interest rate risks 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.

COMPUAGE INFOCOM (S) PTE. LTD.NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. Financial risk management – continued*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 their cash and cash equivalents.

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.

Foreign Currency Risk

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

The Company has transactional currency exposures arising from transactions that are denominated in a currency other than the functional currencies of the Company, primarily Singapore Dollars (SGD).

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

	2021	2020
	SGD	SGD
	US\$	US\$
<u>Financial Assets</u>		
Other receivables	544,799	599,280
	<u>544,799</u>	<u>599,280</u>
Currency exposures	<u>544,799</u>	<u>599,280</u>

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

	Profit or Loss (after tax)	
	2019	2018
	US\$	US\$
Singapore Dollar	<u>45,218</u>	<u>49,740</u>

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

COMPUAGE INFOCOM (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

14. Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivable and other payable

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

Trade receivables

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

15. Capital Management

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial year ended 31 March 2021 and 31 March 2020.

16. 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 issued on the date of directors' statement.