

**GREENLAM ASIA PACIFIC PTE. LTD.  
AND ITS SUBSIDIARIES**  
(ACRA REGISTRATION NO. 200503703Z)

(Incorporated in The Republic of Singapore)

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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**DIRECTORS' STATEMENT**

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31<sup>st</sup> March 2022 and the statement of financial position of the Company as at 31<sup>st</sup> March 2022.

We, the directors of **Greenlam Asia Pacific Pte. Ltd.**, hereby state that;

- (a) the accompanying statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 5 to 32 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31<sup>st</sup> March 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements;
- (b) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they fall due; and
- (c) management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provision of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized 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 Group's ability to continue as 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 Group or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Group's financial reporting process.

**DIRECTORS**

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

Saurabh Mittal  
Sharma Vaibhav  
Haja Nizamudeen (appointed on 14/03/2022)  
Tham Chin Kuo (resigned on 14/03/2022)

**ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was 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, other than as disclosed under "Share options" in this statement.

**DIRECTORS' INTERESTS IN SHARES OR DEBENTURES**

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

<i>[No. of ordinary shares]</i> <u>Company</u>	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31 <sup>st</sup> March 2022	At 1 <sup>st</sup> April 2021 or date of appointment if later	At 31 <sup>st</sup> March 2022	At 1 <sup>st</sup> April 2021 or date of appointment if later
Saurabh Mittal	-	-	11,645,855	3,146,534
Sharma Vaibhav	-	-	-	-
Haja Nizamudeen	-	-	-	-
Tham Chin Kuo	-	-	-	-
<i>Immediate and Ultimate Holding Company</i> Greenlam Industries Ltd.	<u>2,778,865</u>	<u>2,778,865</u>	<u>-</u>	<u>-</u>
<i>Directors having interest in immediate and ultimate holding company.</i>				
Saurabh Mittal	11,645,855	3,146,534	-	-
Sharma Vaibhav	-	-	-	-
Haja Nizamudeen	-	-	-	-
Tham Chin Kuo	-	-	-	-

The immediate & ultimate holding company of the Company is 'Greenlam Industries Ltd', a Company incorporated in India.

**DIRECTORS' STATEMENT (CONT'D)**

**DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)**

Except as disclosed in this report, no director who held office at the end of financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

- (b) The directors' interest in the ordinary shares of the Company as at ..... 23rd May 2022 ..... were the same as those as at 31<sup>st</sup> March 2022.

**SHARE OPTIONS**

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

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

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

**INDEPENDENT AUDITORS**

The Independent auditors, Stamford Associates LLP, Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the Board



.....  
**Saurabh Mittal**  
Director



.....  
**Haja Nizamudeen**  
Director

Place: Singapore.

Date: 23rd May 2022



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF GREENLAM ASIA PACIFIC PTE. LTD.

(REGISTRATION NO. 200503703Z)

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022

#### Our Opinion

In our opinion, the accompanying consolidated financial statements of **Greenlam Asia Pacific Pte. Ltd.** (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31<sup>st</sup> March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

#### What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of financial position of the Group as at 31<sup>st</sup> March 2022;
- the statement of financial position of the Company as at 31<sup>st</sup> March 2022;
- the consolidated statement of comprehensive income of the Group for the year then ended;
- the statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

#### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Group 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.

#### Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

#### Other information

Management is responsible for the other information. The other information refers to the "Directors' Statement" section on pages 1 to 2 of the annual report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the annual report which are expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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. When we read the remaining sections of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

#### 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 unauthorized use or disposition; and transactions are properly authorized 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Group's financial reporting process.



**INDEPENDENT AUDITOR’S REPORT (CONT’D)**

**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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Group’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 Group’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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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**

*The Impact of Uncertainties Due to the Outbreak of COVID-19 on Our Audit*

Uncertainties related to the effects of COVID-19 are relevant to understanding our audit of the group financial statements. Our audits assess and challenge the reasonableness of estimates made by the directors, such as expected credit losses, impairment of assets, impact of revenue and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group’s future prospects and performance. The outbreak of this virus is one of the most significant economic events for Singapore and other locations where the group operates, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the group’s future prospects and performance. However, our audit should not be expected to predict the unknowable factors and / or all possible future implications for the group and in particular in relation to COVID-19. As such, these financial statements do not include any adjustment that might result from the outcome of the uncertainty caused due to COVID-19.

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

**Other matters**

We noted that the subsidiaries namely ‘Greenlam Europe (UK) Ltd.’ and ‘Greenlam Decolan SA’ have negative net worth of GBP601,186/- and CHF10,362/- respectively as at the date of statement of financial position. However, the auditors of respective subsidiaries have not issued any ‘emphasis of matter’ in this regard considering an unconditional and irrevocable financial support provided by both the immediate holding company and ultimate holding company.

STAMFORD ASSOCIATES LLP  
Public Accountants and  
Chartered Accountants, Singapore.

Place : Singapore  
Date : 23<sup>rd</sup> May 2022

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31<sup>ST</sup> MARCH 2022**

	<u>Note</u>	<u>GROUP</u>		<u>COMPANY</u>	
		<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment in subsidiaries	5	-	-	326,987	402,115
Goodwill	6	58,926	58,926	-	-
Financial assets FVOCI	7	-	-	-	-
Right-of-use assets	8	399,619	430,356	140,870	198,362
Property, plant and equipment	9	520,675	630,978	386,794	532,982
Deferred tax asset	19	332,660	297,148	-	-
<b>Total Non - Current assets</b>		<b>1,311,880</b>	<b>1,417,408</b>	<b>854,651</b>	<b>1,133,459</b>
<b>Current assets</b>					
Cash and cash equivalents	10	794,802	917,711	155,022	202,842
Inventories	11	6,522,828	5,529,640	1,369,574	1,200,751
Trade and other receivables	12	6,437,867	6,607,756	3,285,308	3,042,768
Amount due from related parties	13	116,474	88,618	57,941	57,941
Contract asset	14	-	-	-	-
<b>Total Current Assets</b>		<b>13,871,971</b>	<b>13,143,725</b>	<b>4,867,845</b>	<b>4,504,302</b>
<b>TOTAL ASSETS</b>		<b>15,183,851</b>	<b>14,561,133</b>	<b>5,722,496</b>	<b>5,637,761</b>
<b>LIABILITIES</b>					
<b>Non - Current liabilities</b>					
Lease liability	8	(237,419)	(258,106)	(110,815)	(160,683)
Term loans [non-current]	17	(542,350)	(529,950)	-	-
Deferred tax liability	19	-	-	(5,322)	(4,593)
<b>Total Non - Current Liabilities</b>		<b>(779,769)</b>	<b>(788,056)</b>	<b>(116,137)</b>	<b>(165,276)</b>
<b>Current liabilities</b>					
Lease liability	8	(157,168)	(152,774)	(46,655)	(42,789)
Contract liability	14	-	-	-	-
Trade and other payables	15	(8,503,645)	(8,227,910)	(869,347)	(688,913)
Bank borrowings	16	(277,537)	-	(277,537)	-
Term loans [current]	17	(2,113,892)	(3,029,711)	(800,592)	(1,651,911)
Provision for taxation	18	(244,519)	(29,649)	(187,373)	(26,182)
<b>Total Current Liabilities</b>		<b>(11,296,761)</b>	<b>(11,440,044)</b>	<b>(2,181,504)</b>	<b>(2,409,795)</b>
<b>Total Liabilities</b>		<b>(12,076,530)</b>	<b>(12,228,100)</b>	<b>(2,297,641)</b>	<b>(2,575,071)</b>
<b>NET ASSETS</b>		<b>3,107,321</b>	<b>2,333,033</b>	<b>3,424,855</b>	<b>3,062,690</b>
<b>EQUITY &amp; RESERVES</b>					
<i>Capital and reserves attributable to equity holders of the Company</i>					
Share capital	4	2,778,865	2,778,865	2,778,865	2,778,865
Accumulated (losses) / profits		(65,429)	(840,498)	645,990	283,825
Currency translation reserves	20	358,156	331,135	-	-
		<b>3,071,592</b>	<b>2,269,502</b>	<b>3,424,855</b>	<b>3,062,690</b>
<b>Non-controlling interest</b>	21	35,729	63,531	-	-
<b>TOTAL EQUITY &amp; RESERVES</b>		<b>3,107,321</b>	<b>2,333,033</b>	<b>3,424,855</b>	<b>3,062,690</b>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

	<u>Note</u>	<u>GROUP</u>		<u>COMPANY</u>	
		<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Revenue	22	50,154,671	38,394,841	21,920,431	18,847,474
Cost of revenue	23	(39,944,544)	(30,741,501)	(17,384,602)	(15,113,365)
Gross profit		10,210,127	7,653,340	4,535,829	3,734,109
Other income	24	923,450	785,900	25,769	245,632
		11,133,577	8,439,240	4,561,598	3,979,741
<u>Less:</u>					
Depreciation	8 / 9	(408,024)	(374,245)	(212,640)	(219,919)
Employee benefits expenses	25	(6,198,614)	(4,903,829)	(2,135,261)	(2,139,317)
Administrative expenses	26	(3,092,078)	(2,660,663)	(1,134,134)	(1,302,863)
		(9,698,716)	(7,938,737)	(3,482,035)	(3,662,099)
Profit from operations		1,434,861	500,503	1,079,563	317,642
Finance costs	27	(64,422)	(98,340)	(36,294)	(62,162)
Profit before tax		1,370,439	402,163	1,043,269	255,480
Income tax expense	18	(256,996)	(34,969)	(188,417)	(29,786)
Deferred tax	19	51,493	(58,188)	(729)	(2,472)
Profit after tax		1,164,936	309,006	854,123	223,222
Profit / (loss) from discontinued operations		-	-	-	-
<b>Total Income</b>		<b>1,164,936</b>	<b>309,006</b>	<b>854,123</b>	<b>223,222</b>
<u>Other comprehensive income:</u>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Impairment loss on investments	5	-	-	(75,128)	-
Currency translation difference		26,182	23,579	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Other comprehensive income/(loss), net of tax		26,182	23,579	(75,128)	-
<b>Total Comprehensive income</b>		<b>1,191,118</b>	<b>332,585</b>	<b>778,995</b>	<b>223,222</b>
<u>Profit attributable to:</u>					
Equity holders of the Company		1,191,899	319,148	778,995	223,222
Non-controlling interest		(26,963)	(10,142)	-	-
		<b>1,164,936</b>	<b>309,006</b>	<b>778,995</b>	<b>223,222</b>
<u>Total Comprehensive Income attributable to:</u>					
Equity holders of the Company		1,218,920	342,919	778,995	223,222
Non-controlling interest		(27,802)	(10,334)	-	-
		<b>1,191,118</b>	<b>332,585</b>	<b>778,995</b>	<b>223,222</b>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

<b>COMPANY</b>	Attributable to equity holders of the Company		
	<b>Share Capital</b> US\$	<b>Accumulated Profits</b> US\$	<b>Total Equity</b> US\$
Balance as at 31 <sup>st</sup> March 2020	2,778,865	60,603	2,839,468
Total comprehensive income	-	223,222	223,222
Balance as at 31 <sup>st</sup> March 2021	2,778,865	283,825	3,062,690
Total comprehensive income	-	778,995	778,995
Dividend paid during the year		(416,830)	(416,830)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>2,778,865</b>	<b>645,990</b>	<b>3,424,855</b>

<b>GROUP</b>	Attributable to equity holders of the Company					<b>Total Equity &amp; reserves</b> US\$
	<b>Share Capital</b> US\$	<b>Accumulated (Losses) / Profits</b> US\$	<b>Translation Reserve</b> US\$	<b>Total</b> US\$	<b>Non-controlling interests</b> US\$	
Balance as at 31 <sup>st</sup> March 2020	2,778,865	(1,159,646)	307,364	1,926,583	14,421	1,941,004
On acquisition of subsidiaries	-	-	-	-	59,444	59,444
Currency translation difference	-	-	23,771	23,771	(192)	23,579
Total comprehensive income	-	319,148	-	319,148	(10,142)	309,006
Balance as at 31 <sup>st</sup> March 2021	2,778,865	(840,498)	331,135	2,269,502	63,531	2,333,033
Currency translation difference	-	-	27,021	27,021	(839)	26,182
Total comprehensive income	-	1,191,899	-	1,191,899	(26,963)	1,164,936
Dividend paid during the year	-	(416,830)	-	(416,830)	-	(416,830)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>2,778,865</b>	<b>(65,429)</b>	<b>358,156</b>	<b>3,071,592</b>	<b>35,729</b>	<b>3,107,321</b>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

	<u>Note</u>	<u>GROUP</u>		<u>COMPANY</u>	
		<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
<i>Cash flows from operating activities</i>					
Profit before tax		1,370,439	402,163	1,043,269	255,480
Adjustments for:					
Depreciation on RoU assets	8	187,125	156,092	45,296	45,419
Depreciation on fixed assets	9	220,899	218,153	167,344	174,500
Translation difference:					
On RoU assets / Lease liability [net]	8	10,687	(10,095)	10,978	(10,443)
On fixed assets	9	3,220	(5,189)	-	-
On consolidation of foreign subsidiaries		34,229	23,579	-	-
On acquisition of new subsidiary		-	(35,080)	-	-
Interest income	24	(557)	(430)	(4)	(24,653)
Interest paid	27	64,422	98,340	36,294	62,162
		<u>520,025</u>	<u>445,370</u>	<u>259,908</u>	<u>246,985</u>
		1,890,464	847,533	1,303,177	502,465
Change in working capital:					
Inventories	11	(993,188)	(1,108,056)	(168,823)	(7,687)
Trade and other receivables	12	169,889	452,767	(242,540)	675,710
Amount due from related parties	13	(27,856)	(88,618)	-	658,514
Contract liability / Contract asset	14	-	(1,762)	-	(1,762)
Trade and other payables	15	275,735	2,045,072	180,434	317,716
		<u>(575,420)</u>	<u>1,299,403</u>	<u>(230,929)</u>	<u>1,642,491</u>
Cash from operations		<u>1,315,044</u>	<u>2,146,936</u>	<u>1,072,248</u>	<u>2,144,956</u>
Tax paid	18	(34,191)	(106,271)	(27,226)	(106,271)
Net cash flows from operating activities		<u>1,280,853</u>	<u>2,040,665</u>	<u>1,045,022</u>	<u>2,038,685</u>
<i>Cash flows from investing activities</i>					
Investment in subsidiary	5	-	-	-	(170,821)
Additions to fixed assets	9	(113,817)	(36,302)	(21,156)	(16,980)
Share of NCI on acquisition of subsidiaries		-	59,444	-	-
Net cash flows from investing activities		<u>(113,817)</u>	<u>23,142</u>	<u>(21,156)</u>	<u>(187,801)</u>
		<u>1,167,036</u>	<u>2,063,807</u>	<u>1,023,866</u>	<u>1,850,884</u>
<i>Cash flows from financing activities</i>					
Dividend paid		(416,830)	-	(416,830)	-
Proceeds from borrowings	16	277,537	(337,148)	277,537	(337,148)
Proceeds / (repayment) of term loan	17	(903,419)	(1,204,517)	(851,319)	(1,352,917)
Repayment of lease liability [ex. interest]	8	(183,368)	(178,589)	(44,784)	(39,343)
Interest received	24	557	430	4	24,653
Interest expenses	27	(64,422)	(98,340)	(36,294)	(62,162)
Net cash flows from financing activities		<u>(1,289,945)</u>	<u>(1,818,164)</u>	<u>(1,071,686)</u>	<u>(1,766,917)</u>
Net increase / (decrease) in cash		<u>(122,909)</u>	<u>245,643</u>	<u>(47,820)</u>	<u>83,967</u>
Cash & cash equivalents at beginning of the year		917,711	672,068	202,842	118,875
<b>Cash &amp; cash equivalents at the end of year</b>	<b>10</b>	<b><u>794,802</u></b>	<b><u>917,711</u></b>	<b><u>155,022</u></b>	<b><u>202,842</u></b>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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**1. General information**

Greenlam Asia Pacific Pte. Ltd., (the “Company”) is a company incorporated and domiciled in Singapore. The registered office and principal place of business is situated at 11 Sungei Kadut Crescent, Singapore 728683.

The principal activities of the Group and Company is the business of wholesale of decorative laminates, sawn timber, plywood and related products. There have been no significant changes in the nature of these activities during the financial year.

The immediate & ultimate holding company of the Company is ‘Greenlam Industries Ltd.’, a Company incorporated in India.

**2. Significant Accounting Policies**

**2.1 Basis of preparation**

These financial statements are prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

*Interpretations and amendments to published standards effective in 2021-22*

On 1<sup>st</sup> April 2021, the Group adopted the new or amended FRS and Interpretations of FRS (“INT FRS”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended Standards and Interpretations (issued up to 30 September 2021) that are not yet applicable, but may be early adopted for the current financial year.

Annual periods commencing on 1 April 2021  
- FRS 116 Leases (Covid-19-Related Rent Concessions beyond 30 June 2021)

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**2.2 Leases**

*(i) When the Group is the lessee:*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

• Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets. These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within ‘Property, plant and equipment’ or as a separate line item on the statement of financial position. Right-of-use asset which meets the definition of an investment property is presented within ‘Investment properties’ and accounted for accordingly.

• Lease liability

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;

**2. Significant Accounting Policies (cont'd)**

2.2 Leases (cont'd)

(i) *When the Group is the lessee* (cont'd):

- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

• Short term and low value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

• Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2.3 Revenue recognition

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

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a contract liability. The claims are expected to be settled in the next financial year. A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

(a) Sale of goods - decorative laminates, sawn timber, plywood, etc.

Revenue from local sales is recognized when the Group has delivered the goods and accepted by the customers. Revenue from overseas sales is recognized when the Group has shipped the goods and bill of lading is issued by the carrier. These goods are sold to certain customers with volume discount and the customers also have the right to return faulty goods.

Revenue from these sales is recorded based on the contracted price less the estimated volume discount and returns at the time of sale. Past experience and projections are used to estimate the anticipated volume of sales and returns.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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**2. Significant Accounting Policies (cont'd)**

2.3 Revenue recognition (cont'd)

(b) Rendering of services

Revenue from services is recognized when the services are rendered. Where services are provided in stages, revenue is recognized using the percentage-of-completion method based on the actual service provided as a proportion of the total services to be performed.

(c) Interest income

Interest income, including income arising from finance leases and other financial instruments, is recognized using the effective interest method.

(d) Dividend income

Dividend income is recognized when the right to receive payment is established.

2.4 Government grants

Grants from the government are recognized as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions. Government grants receivable are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases. In preparing the consolidated financial statements, transactions, balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group. The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair values of the identifiable assets acquired net of the fair values of the liabilities and any contingent liabilities assumed, is recorded as goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognized. Amounts previously recognized in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard. Any retained equity interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognized in profit or loss.

**2. Significant Accounting Policies (cont'd)**

2.5 Group accounting (cont'd)

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognized within equity attributable to the equity holders of the Company.

(c) Associated companies and Joint Ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognized at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognized as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognize further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

Unrealized gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealized losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies are derecognized when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognized in profit or loss.

2.6 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognized in profit or loss.

2.7 Intangible Assets

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of:

- (i) the sum on the consideration transferred, the amount of non-controlling interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire over;
- (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognized separately as intangible assets and carried at cost less accumulated impairment losses. Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

**2. Significant Accounting Policies (cont'd)**

2.7 Intangible Assets (cont'd)

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

2.8 Property, plant and equipment

(a) Measurement

(i) Land and Buildings

Land and buildings are initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings and leasehold land are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses. Land and buildings are revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts.

When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Increases in carrying amounts arising from revaluation, including currency translation differences, are recognized in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognized in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognized in other comprehensive income. All other decreases in carrying amounts are recognized in profit or loss.

(ii) Other property, plant and equipment

All other items of other property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) Component of costs

The cost of an item of plant and equipment initially recognized includes its purchase price and any cost that is 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.

(b) Depreciation

Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Furniture & fittings	3 years	Office equipment	3 - 5 years
Computers	3 years	Renovation	15 years
Machinery & equipment	3 - 8 years	Motor vehicles	3 - 6 years
Laminates racks	8 years	Leasehold building	15 years (Remaining useful life: 03 years)

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognized in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognized in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss within "Other gains/losses – net". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

**2. Significant accounting policies (cont'd)**

2.9 Impairment of non-financial assets

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognized as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognized in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognized as an expense, a reversal of that impairment is also recognized in profit or loss.

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities. There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

Amortized cost:

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

FVPL:

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortized cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognized in profit or loss in the period in which it arises and presented in "other gains and losses".

**2. Significant accounting policies (cont'd)**

2.10 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

(i) Debt instruments (cont'd)

FVOCI:

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognized in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognized using the effective interest rate method and presented in "interest income".

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognized in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Group has elected to recognize changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income. Dividends from equity investments are recognized in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(c) Recognition & Derecognition

Regular way purchases and sales of financial assets are recognized on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognized in profit or loss if there was no election made to recognize fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognized in other comprehensive income and transferred to retained profits along with the amount previously recognized in other comprehensive income relating to that asset. Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(d) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously

2.11 Financial liabilities

Financial liabilities include trade payables, other amounts payable and interest-bearing loans. Financial liabilities are recognized on the Statement of Financial Position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method. Financial liabilities represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are represented as non-current liabilities. Gains and losses are recognized in the income and expenditures statement when the liabilities are derecognized as well as through the amortization process. The liabilities are derecognized when the obligation under the liability is discharged or cancelled or expired.

**2. Significant accounting policies (cont'd)**

2.12 Financial guarantees

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

- (a) premium received on initial recognition less the cumulative amount of income recognized in accordance with the principles of SFRS 115; and
- (b) the amount of expected loss computed using the impairment methodology under SFRS 109.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities. Borrowings are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

2.14 Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. However, goods-in-transit due to its very nature is presented at cost. The cost of finished goods and work-in-progress comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Cost also includes any gains or losses on qualifying cash flow hedges of foreign currency purchases of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.15 Income taxes

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date. Deferred income tax is recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. A deferred income tax liability is recognized on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognized as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognized directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition. The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognized for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilized.

2.16 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, which is probable of resulting in a future outflow of economic benefits that can be measured reliably.

2.17 Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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**2. Significant accounting policies (cont'd)**

2.18 Employee Compensation

Employee benefits are recognized as an expense unless the cost qualifies to be capitalized as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed at the earlier of the following dates: (a) when the Group is terminating the employment of current employees according to a detailed formal plan without possibility of withdrawing the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of FRS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.19 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional and presentation currency is United States Dollars which is the currency of primary economic environment of the Group.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognized in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognized in other comprehensive income and accumulated in the currency translation reserve. When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal. Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance cost". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains and losses". Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognized in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.20 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**2. Significant accounting policies (cont'd)**

2.21 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

2.22 Share capital & dividends

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds. Dividends to the Company's shareholders are recognized when the dividends are approved for payment.

**3. Critical accounting estimates, assumptions and judgments**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions & Key Sources of estimation uncertainty

(a) Uncertain tax positions

The Group is subject to income taxes in numerous jurisdictions. In determining the income tax liabilities, management has estimated the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions") at each tax jurisdiction. The Group has open tax assessments with tax authorities at the statement of financial position date. As management believes that the tax positions are sustainable, the Group has not recognized any additional tax liability on these uncertain tax positions.

(b) Provision for expected credit loss (ECL's) of trade receivables

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected loss rates by grouping the receivables across geographical regions in each revenue segment. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

(c) Critical judgement over the lease terms

Extension option is included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option. The Group considers other factors including its historical lease periods for similar assets, costs required to obtain replacement assets, and business disruptions. The assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

(d) Impairment of investment in subsidiaries (Refer to Note 5)

The overall impairment of investment in subsidiaries is assessed based on fair value of net assets / (liabilities) as per audited / unaudited financial statements of those subsidiaries. Where the subsidiaries were unaudited, have those financial statements would have been audited; the impairment assessment could have been assessed differently depending on variations if any between audited and unaudited financial statements of those subsidiaries.

**4. Share capital**

	<b>Group &amp; Company</b>	
	<b>Ordinary shares No's.</b>	<b>Amount US\$</b>
<b><u>As at 31 March 2022</u></b>		
Beginning of the financial year	2,778,865	2,778,865
Shares issued during the year	-	-
End of the financial year	<u>2,778,865</u>	<u>2,778,865</u>
<b><u>As at 31 March 2021</u></b>		
Beginning of the financial year	2,778,865	2,778,865
Shares issued during the year	-	-
End of the financial year	<u>2,778,865</u>	<u>2,778,865</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**4. Share capital (cont'd)**

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and a right to receive dividends as and when declared by the Company. The Company is not exposed to any externally imposed capital requirements and there are no restrictions to issue shares.

**5. Investment in subsidiaries**

	<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$
<i>Equity investment – At cost #</i>	958,701	958,701
<u>Movements in investments:</u>		
Beginning of the financial year	402,115	231,294
Additions / (disposals) during the year*	-	170,821
Impairment (loss) recognized	(75,128)	-
End of the financial year	<b>326,987</b>	<b>402,115</b>

*Details of investments in subsidiaries held by the Company:*

<u>Name of the subsidiary</u>	<u>Principal Activities</u>	<u>Country</u>	<u>Cost of investment</u>		<u>Equity holding</u>	
			<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			US\$	US\$	%	%
Greenlam Asia Pacific (Thailand) Company Limited (GAPT)*	Wholesale of sawn timber, plywood, decorative laminates and related products	Thailand	57,872	57,872	97.5	97.5
Greenlam Holding Company Limited -Thailand (GHT)*	Investment holdings	Thailand	15,394	15,394	99	99
PT Greenlam Asia Pacific - Indonesia **	Cutting of laminate sheets, making catalogues and cutting of laminates into samples	Indonesia	247,500	247,500	99	99
Greenlam Europe (UK) Ltd <sup>+</sup>	Wholesale of decorative laminates	United Kingdom	265,358	265,358	100	100
Greenlam Decolan SA <sup>++</sup>	Wholesale of decorative laminates	Switzerland	201,756	201,756	100	100
PT Greenlam Indo Pacific <sup>#</sup>	Wholesale of decorative laminates	Indonesia	120,645	120,645	67	67
Greenlam Rus LLC <sup>**</sup>	Agent to generate sales	Russia	25,085	25,085	99	99
Greenlam Poland LLC <sup>**</sup>	Agent to generate sales	Poland	25,091	25,091	99	99
<b>TOTAL</b>			<b>958,701</b>	<b>958,701</b>		

\*Audited by Luck CPA Co. Ltd., Bangkok, Thailand.

+Audited by CURO Professional Services Limited, Bromsgrove, U.K.

++ Audited by CAPIFID SA, Chiasso, Switzerland.

# Audited by KAP Sarjen Dan Rekan, Jakarta, Indonesia.

\*\*Not required to be audited under the laws of the country of incorporation (*refer below*).

\*\*The Indonesian subsidiary was mainly incorporated to produce sales and marketing catalogues at low costs. It is only a cost center and not generating revenue from third parties. The Indonesian subsidiaries along with newly incorporated Russia & Poland subsidiaries did not audit their financial statements as they are not required to do so as per local regulations. The unaudited financials of these subsidiaries do not have any material impact on the Group and holding Company in Singapore.

Further, the investments in subsidiaries are tested for impairment based on the net assets position of the subsidiaries' audited / unaudited financial statements and presented at fair value as at the date of statement of financial position. Please also refer to Note 3.1 (d).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**6. Goodwill**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
Beginning of financial year	58,926	58,926
Movements during the year	-	-
End of the financial year	<b>58,926</b>	<b>58,926</b>

Goodwill is attributed to Thailand subsidiary's acquisition. The respective CGU is profitable as at the date of its financial statements and hence not impaired and represents its fair value as on the statement of financial position date.

**7. Financial Assets FVOCI**

	<b>Group &amp; Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<i>Investments (ordinary equity shares) at cost</i>	4,078	4,078
<b>Movements in investments:</b>		
Balance at the beginning	-	-
Additions during the year	-	-
Fair value loss recognized during the year through OCI	-	-
Balance at the end of the year	-	-

Financial Assets FVOCI represents ordinary shares allotted in the name of the Company by way of a schemes of arrangement of a Singapore listed entity namely 'Winmark Investment Holdings Limited'; approximates its fair value as at the statement of financial position date and is denominated in Singapore dollars. However, the investment is fully impaired during the previous financial years.

**8. Right-of use assets / Lease liability**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Right-of-use assets</b>				
<i>(on adoption of SFRS 116)</i>				
Balance B/f	430,356	494,825	198,362	228,184
Recognised / (derecognized) during the year	165,605	60,414	-	(7,599)
Depreciation charge	(187,125)	(156,092)	(45,296)	(45,419)
Forex adjustments gain / (loss)	(9,217)	31,209	(12,196)	23,196
	<b>399,619</b>	<b>430,356</b>	<b>140,870</b>	<b>198,362</b>

Right-of-use of assets acquired under leasing arrangements of the same class of assets are presented in line with SFRS 116.

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Lease liability</b>				
<i>(on adoption of SFRS 116)</i>				
Balance B/f	410,880	507,941	203,472	237,661
Recognised / (derecognized) during the year	165,605	60,414	-	(7,599)
Interest expense	19,504	18,947	7,153	8,413
Repayment of principle & interest	(202,872)	(197,536)	(51,937)	(47,756)
Forex adjustments gain/(loss)	1,470	21,114	(1,218)	12,753
	<b>394,587</b>	<b>410,880</b>	<b>157,470</b>	<b>203,472</b>
<b>Represented by:</b>				
Current	157,168	152,774	46,655	42,789
Non-current	237,419	258,106	110,815	160,683
Total	<b>394,587</b>	<b>410,880</b>	<b>157,470</b>	<b>203,472</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**9. Property, plant and equipment**

<b>Group</b>	<b>Computers</b>	<b>Leasehold Building</b>	<b>Machineries</b>	<b>Renovation</b>	<b>Furniture &amp; Fittings</b>	<b>Laminate Racks</b>	<b>Office Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Cost</b>									
Balance as at 1 <sup>st</sup> April 2020	125,731	1,043,017	72,381	376,465	86,991	38,225	94,677	51,632	1,889,119
On acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Additions	13,967	-	-	-	3,723	-	17,526	1,086	36,302
Reclassifications	(267)	-	2,736	-	(2,469)	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March 2021	139,431	1,043,017	75,117	376,465	88,245	38,225	112,203	52,718	1,925,421
Additions	18,244	-	-	-	62,400	-	10,364	22,809	113,817
Reclassifications	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March 2022	157,675	1,043,017	75,117	376,465	150,645	38,225	122,567	75,527	2,039,238
<b>Accumulated depreciation</b>									
Balance as at 1 <sup>st</sup> April 2020	73,706	564,000	70,284	202,321	25,960	38,176	72,916	34,117	1,081,480
On acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Depreciation charge	23,945	112,800	1,851	41,008	20,467	49	13,452	4,581	218,153
Reclassifications	(89)	-	1,340	-	(1,251)	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
	97,562	676,800	73,475	243,329	45,176	38,225	86,368	38,698	1,299,633
Translation difference	(1,853)	-	(161)	-	(2,519)	-	(632)	(24)	(5,189)
Balance as at 31 <sup>st</sup> March 2021	95,709	676,800	73,314	243,329	42,657	38,225	85,736	38,674	1,294,444
Depreciation charge	20,714	112,800	1,078	41,009	25,253	-	11,959	8,086	220,899
Reclassifications	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
	116,423	789,600	74,392	284,338	67,910	38,225	97,695	46,760	1,515,343
Translation difference	1,822	-	(14)	-	1,267	-	147	(2)	3,220
Balance as at 31 <sup>st</sup> March 2022	118,245	789,600	74,378	284,338	69,177	38,225	97,842	46,758	1,518,563
<b>Net book value</b>									
As at 31 <sup>st</sup> March 2022	39,430	253,417	739	92,127	81,468	-	24,725	28,769	520,675
As at 31 <sup>st</sup> March 2021	43,722	366,217	1,803	133,137	45,588	-	26,467	14,044	630,978

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**9. Property, plant and equipment (cont'd)**

<u>Company</u>	<u>Computers</u> US\$	<u>Leasehold Building</u> US\$	<u>Machineries</u> US\$	<u>Renovation</u> US\$	<u>Furniture &amp; Fittings</u> US\$	<u>Laminate Racks</u> US\$	<u>Office Equipment</u> US\$	<u>Motor Vehicles</u> US\$	<u>Total</u> US\$
<b><u>Cost</u></b>									
Balance as at 1 <sup>st</sup> April 2020	114,079	1,043,017	32,110	379,192	25,031	43,373	68,887	44,662	1,750,351
Additions	5,880	-	-	-	-	-	11,100	-	16,980
Reclassifications	(267)	-	-	-	267	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March 2021	119,693	1,043,017	32,110	379,192	25,297	43,373	79,987	44,662	1,767,331
Additions	5,351	-	-	-	-	-	760	15,045	21,156
Reclassifications	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(5,148)	-	-	(5,148)
Balance as at 31 <sup>st</sup> March 2022	125,044	1,043,017	32,110	379,192	25,297	38,225	80,747	59,707	1,783,339
<b><u>Accumulated depreciation</u></b>									
Balance as at 1 <sup>st</sup> April 2020	101,424	564,000	31,344	205,047	22,718	43,324	64,052	27,940	1,059,849
Depreciation charge	10,394	112,800	368	41,009	2,064	49	4,038	3,778	174,500
Reclassifications	(89)	-	-	-	89	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March 2021	111,729	676,800	31,712	246,056	24,871	43,373	68,090	31,718	1,234,349
Depreciation charge	4,934	112,800	368	41,009	426	-	3,411	4,396	167,344
Reclassifications	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(5,148)	-	-	(5,148)
Balance as at 31 <sup>st</sup> March 2022	116,663	789,600	32,080	287,065	25,297	38,225	71,501	36,114	1,396,545
<b><u>Net book value</u></b>									
As at 31 <sup>st</sup> March 2022	<b>8,381</b>	<b>253,417</b>	<b>30</b>	<b>92,127</b>	<b>-</b>	<b>-</b>	<b>9,246</b>	<b>23,593</b>	<b>386,794</b>
As at 31 <sup>st</sup> March 2021	<b>7,964</b>	<b>366,217</b>	<b>398</b>	<b>133,136</b>	<b>426</b>	<b>-</b>	<b>11,897</b>	<b>12,944</b>	<b>532,982</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**10. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Cash in hand	5,461	3,432	2,507	948
Cash at bank	789,341	914,279	152,515	201,894
Cash & cash equivalents per SOCF	<u>794,802</u>	<u>917,711</u>	<u>155,022</u>	<u>202,842</u>

The cash and cash equivalents approximate its fair value as on the statement of financial position date and are denominated in the following currencies: -

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
United States Dollars	2,547	46,516	2,547	46,516
SGD & Others	792,255	871,195	152,475	156,326
	<u>794,802</u>	<u>917,711</u>	<u>155,022</u>	<u>202,842</u>

**11. Inventories**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Finished goods [at cost]	5,185,854	3,885,151	1,262,446	1,062,106
Goods-in-transit [at cost]	1,336,974	1,644,489	107,128	138,645
	<u>6,522,828</u>	<u>5,529,640</u>	<u>1,369,574</u>	<u>1,200,751</u>

Inventories are valued at lower of the weighted average cost and net realizable value and approximate its fair value as on the date of statement of financial position.

**12. Trade and other receivables**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
<i>Trade receivables:</i>				
- Third parties	5,522,885	5,043,637	1,601,458	1,521,141
- Related parties (subsidiaries)	-	-	1,265,487	849,097
	<u>5,522,885</u>	<u>5,043,637</u>	<u>2,866,945</u>	<u>2,370,238</u>
Less: - Provision for doubtful debts				
Beginning of the year	-	-	-	-
Current year provision	-	-	-	-
Reversal of provision / written back	-	-	-	-
Balance at the end of the year	-	-	-	-
	<u>5,522,885</u>	<u>5,043,637</u>	<u>2,866,945</u>	<u>2,370,238</u>
<i>Other receivables:</i>				
<i>Deposits:</i>				
- Rental	69,432	66,840	12,167	10,793
- Others	3,600	459,630	2,026	3,368
Prepayments	372,402	318,985	142,478	109,397
<i>Advances:</i>				
- Staff advances	-	5,688	-	3,285
- Advance to vendors	327,433	602,965	259,789	542,442
- Other advances	56,503	59,129	-	-
GST / VAT receivables	44,158	29,449	1,903	3,245
Other debtors	41,454	21,433	-	-
	<u>914,982</u>	<u>1,564,119</u>	<u>418,863</u>	<u>672,530</u>
<b>Total trade &amp; other receivables</b>	<u>6,437,867</u>	<u>6,607,756</u>	<u>3,285,308</u>	<u>3,042,768</u>

The credit period of trade receivables is 30 - 360 days. The trade and other receivables approximate its fair value as on balance sheet date and are denominated in following currencies: -

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
United States Dollars	2,781,944	2,855,757	2,892,851	2,548,054
SGD & Others	3,656,423	3,751,999	392,957	494,714
	<u>6,438,367</u>	<u>6,607,756</u>	<u>3,285,808</u>	<u>3,042,768</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**13. Amount due from related parties**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
<i>Non-trade advances:</i>				
Ultimate holding company [GIL]	58,533	30,677	-	-
Shareholder of a subsidiary [PT GIP]	57,941	57,941	57,941	57,941
	<u>116,474</u>	<u>88,618</u>	<u>57,941</u>	<u>57,941</u>

The non-trade advances due from related parties are unsecured, interest-free and repayable on demand; approximates its fair value as at the date of statement of financial position and denominated in following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
United States Dollars	57,941	57,941	57,941	57,941
SGD & Others	58,533	30,677	-	-
	<u>116,474</u>	<u>88,618</u>	<u>57,941</u>	<u>57,941</u>

**14. Contract liability / Contract asset**

	<u>Group &amp; Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$
<i>Contract liability</i>		
Balance at the beginning	-	1,762
Add: Unsatisfied performance obligation on revenue recognized in current period	-	-
Less: Previous period's revenue recognized in current period from performance obligation satisfied	-	(1,762)
Balance at the end of the year	<u>-</u>	<u>-</u>

The Company recognizes the contract liability and contract asset on unfulfilled performance obligation based on the terms and conditions of the contracts entered in to with a customer / supplier on case-to-case basis.

**Contract asset**

There are no unfulfilled performance obligations exists with respect to contract asset as at the date of statement of financial statement.

**15. Trade and other payables**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
<i>Trade payables</i>				
-Third parties	52,360	327,368	-	-
-Related parties	6,594,007	7,077,163	584,597	466,417
	6,646,367	7,404,531	584,597	466,417
<i>Other payables:</i>				
Accruals	967,090	459,220	119,113	159,084
Advance received from customers	169,359	34,482	89,942	24,647
GST payable	244,900	100,966	-	-
Other creditors	446,608	223,313	56,913	38,765
Payable to staff	29,321	5,398	18,782	-
	1,857,278	823,379	284,750	222,496
<b>Total trade &amp; other payables</b>	<u>8,503,645</u>	<u>8,227,910</u>	<u>869,347</u>	<u>688,913</u>

The average credit period of trade creditors is 30 - 180 days. The trade and other payables approximate its fair value as at the date of statement financial position and are denominated in following currencies: -

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
United States Dollars	612,398	413,241	600,565	410,646
SGD & Others	7,891,247	7,814,669	268,782	278,267
	<u>8,503,645</u>	<u>8,227,910</u>	<u>869,347</u>	<u>688,913</u>

**16. Bank borrowings**

	<u>Group &amp; Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$
Bank overdraft	<u>277,537</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**16. Bank borrowings (cont'd)**

The rate of interest on bank overdraft is 'Prime lending rate minus 1.65%'; approximate its fair value as at the statement of financial position date and are denominated in United States dollars.

**17. Term loans**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Long-term working capital loan	542,350	529,950	-	-
Short-term money market facility	2,113,892	3,029,711	800,592	1,651,911
	<u>2,656,242</u>	<u>3,559,661</u>	<u>800,592</u>	<u>1,651,911</u>
<i>Represented by:</i>				
Payable within one year	2,113,892	3,029,711	800,592	1,651,911
Payable after one year	542,350	529,950	-	-
	<u>2,656,242</u>	<u>3,559,661</u>	<u>800,592</u>	<u>1,651,911</u>

The long-term working capital loan represents financial assistance approved by Switzerland Government to all the business entities operating in Switzerland due to COVID-19 outbreak. This loan is fully secured by Government guarantee, interest-free and not repayable until the end of 5 years from the date of loan received.

The short-term money market facility bears an interest rate of 'LIBOR+1.50%' p.a. The short-term money market term loan is secured against corporate guarantee given by the ultimate holding company 'Greenlam Industries Ltd.', a listed entity in India and also a first exclusive charge on all assets and accounts of the Company *excluding* the Property at 11, Sungei Kadut Crescent. Credit Facilities for the short-term working capital requirements of the business in UK was taken with Citibank against the SBLC given by the ultimate holding company in India for an amount of GBP 1,000,000/-.

The term loans approximate its fair value as at the statement of financial position date and are denominated in following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
United States Dollars	800,592	1,651,911	800,592	1,651,911
SGD & Others	1,855,650	1,907,750	-	-
	<u>2,656,242</u>	<u>3,559,661</u>	<u>800,592</u>	<u>1,651,911</u>

**18. Income tax**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Balance at the beginning	29,649	102,761	26,182	102,667
Current tax expense	244,519	29,649	187,373	26,182
Forex adjustments	3,498	11,116	-	-
Prior year under provision	1,044	3,604	1,044	3,604
Income tax (paid)	(34,191)	(106,271)	(27,226)	(106,271)
Balance as at 31 <sup>st</sup> March	<u>244,519</u>	<u>29,649</u>	<u>187,373</u>	<u>26,182</u>

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable rate are as follows: -

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Profit before tax	1,370,438	402,163	1,043,269	255,480
Tax calculated at 17% (2021: 17%)	232,974	68,368	177,356	43,432
<u>Effects of:</u>				
- expenses not deductible	69,364	63,622	28,545	37,386
- income not subject to tax	(2,626)	(31,814)	(2,626)	(31,814)
- capital allowances	(2,984)	(4,229)	(2,984)	(4,229)
- tax (benefit) of foreign subsidiaries'	(27,858)	(45,989)	-	-
- prior year under provision	1,044	3,604	1,044	3,604
- tax exemptions & rebates	(12,918)	(18,593)	(12,918)	(18,593)
Tax expense	<u>256,996</u>	<u>34,969</u>	<u>188,417</u>	<u>29,786</u>

The above tax computation is subject to the approval of Inland Revenue Authority of Singapore (IRAS).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**19. Deferred tax asset / (liability)**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
Balance at the beginning	297,148	322,067	(4,593)	(2,121)
Current year (charge) / reversal	51,493	(58,188)	(729)	(2,472)
Forex adjustments	(15,981)	33,269	-	-
Balance at 31 <sup>st</sup> March	<u>332,660</u>	<u>297,148</u>	<u>(5,322)</u>	<u>(4,593)</u>

**20. Currency translation reserve**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
Balance at the beginning	331,135	307,364	-	-
Translation differences arised:				
- on year end balances	6,339	(45,781)	-	-
- from transactions during the year	20,682	69,552	-	-
	<u>358,156</u>	<u>331,135</u>	<u>-</u>	<u>-</u>

**21. Non-controlling interest**

<i>Subsidiary [% shareholding]</i>	NCI %	As at 01/04/2021 US\$	Share of capital/ accum. profit / (loss) US\$	Translation difference US\$	As at 31/03/2022 US\$
Greenlam Asia Pacific (Thailand) Co. Ltd. (97.5%)	2.5%	12,107	1,603	(734)	12,976
Greenlam Holding Company Limited (99%)	1%	120	(6)	(8)	106
PT Greenlam Asia Pacific – Indonesia (99%)	1%	1,613	68	18	1,699
PT Greenlam Indo Pacific – Indonesia (67%)	33%	49,314	(28,939)	(96)	20,279
Grenlam Rus LLC (99%)	1%	309	69	(16)	362
Greenlam Poland LLC (99%)	1%	68	242	(3)	307
		<u>63,531</u>	<u>(26,963)</u>	<u>(839)</u>	<u>35,729</u>

**22. Revenue**

	<u>Group</u>		<u>Company</u>	
<i>Recognised at a point in time</i>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
Sale of goods	<u>50,154,671</u>	<u>38,394,841</u>	<u>21,920,431</u>	<u>18,847,474</u>

Sale of goods revenue represents the invoiced value net of discounts during the financial year and is recognized when the entity has transferred the control over goods upon satisfaction of performance obligations to the buyer. The revenue is recognized upon successful satisfaction of performance obligation as per 'FRS 115 – Revenue from contracts with customers.'

**23. Cost of revenue**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
Purchase of goods & other direct costs [includes change in inventory, purchases, freight & other incidental costs]	<u>39,944,544</u>	<u>30,741,501</u>	<u>17,384,602</u>	<u>15,113,365</u>

**24. Other income**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
Miscellaneous income	387,315	493,997	-	188
Commission on sales	36,028	8,932	-	-
Reimbursement of expenses	307,833	61,750	-	-
Government grants	25,765	220,791	25,765	220,791
Foreign Exchange gain	165,935	-	-	-
Interest income	574	430	4	24,653
	<u>923,450</u>	<u>785,900</u>	<u>25,769</u>	<u>245,632</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**25. Employee benefit expenses**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
<i>Staff Cost</i>				
- Salaries, bonus & allowances	3,228,309	2,858,427	1,391,832	1,586,377
- Contribution to defined plans	387,699	190,322	114,332	117,284
- Termination & other benefits	119,624	342,032	93,300	95,829
	<u>3,735,632</u>	<u>3,390,781</u>	<u>1,599,464</u>	<u>1,799,490</u>
<i>Key Management Personnel</i>				
- Salaries, bonus, fee & allowances	2,220,998	1,459,591	524,967	339,827
- Contribution to defined plans	241,984	53,457	10,830	-
- Termination & other benefits	-	-	-	-
	<u>2,462,982</u>	<u>1,513,048</u>	<u>535,797</u>	<u>339,827</u>
	<b><u>6,198,614</u></b>	<b><u>4,903,829</u></b>	<b><u>2,135,261</u></b>	<b><u>2,139,317</u></b>

**26. Admin & other operating expenses**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Rates & taxes	380,758	60,926	27,003	18,856
Insurance charges	30,767	29,274	5,405	6,069
Printing & stationery	23,084	19,858	9,362	6,587
Postage & telephone	115,610	109,622	54,258	46,928
Travelling expenses	138,990	29,922	47,938	3,754
Conveyance	132,901	115,309	26,630	25,976
Electricity charges	41,459	36,713	12,765	12,144
Legal & professional fees	320,355	298,801	36,208	43,848
Vehicle expenses	119,983	89,269	29,230	21,536
Commission	488,681	309,469	80,636	75,667
Membership fee	817	840	664	680
Bank charges	101,066	95,036	74,891	73,663
Auditors' remuneration	60,376	56,529	32,377	33,384
Sales promotion expenses	655,623	778,023	382,393	704,177
Repairs & maintenance	76,286	83,471	41,369	38,496
General expenses	109,188	79,613	24,691	13,826
Rebates & claims	138,973	89,465	133,329	88,786
Guest house & shared services cost	55,129	212,001	43,419	44,548
License fee	1,516	36	37	36
Unrealised forex loss / (gain)	3,298	98,096	(220)	(6,853)
Realised forex loss / (gain)	44,967	22,605	19,498	4,970
Consultancy fee	52,251	45,785	52,251	45,785
	<b><u>3,092,078</u></b>	<b><u>2,660,663</u></b>	<b><u>1,134,134</u></b>	<b><u>1,302,863</u></b>

**27. Finance expenses**

	<u>Group</u>		<u>Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$	<u>2022</u> US\$	<u>2021</u> US\$
Interest on loans / bank borrowings	44,918	79,393	29,141	53,749
Interest on lease liability [note 8]	19,504	18,947	7,153	8,413
	<b><u>64,422</u></b>	<b><u>98,340</u></b>	<b><u>36,294</u></b>	<b><u>62,162</u></b>

**28. Contingencies & commitments**

28.1 Contingent liabilities

The Group is exposed to the following outstanding commitments and contingent liabilities with financial institutions as at the Statement of Financial Position date :-

	<u>Group &amp; Company</u>	
	<u>2022</u> US\$	<u>2021</u> US\$
Letter of Credits	<u>151,788</u>	<u>71,996</u>

The Company has also issued an unconditional and irrevocable financial support to one of its subsidiaries namely 'Greenlam Europe UK Ltd.'

28.2 Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognized in the financial statements, are none.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**29. Significant related party transactions**

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

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	US\$	US\$	US\$	US\$
<b>I. Holding company:</b>				
<i>Greenlam Industries Ltd.</i>				
- purchases & other direct costs	40,042,457	30,782,767	18,076,207	15,035,874
- trade payables	6,594,007	7,077,163	418,312	294,345
- Corp. Guarantee Commission Paid	63,014	63,084	49,398	50,000
<b>II. Subsidiary companies:</b>				
<i>Greenlam Asia Pacific (Thailand) Co.</i>				
- sales	-	-	6,392,321	7,378,738
- purchases	-	-	-	-
- trade receivables	-	-	729,993	748,568
<i>PT Greenlam Asia Pacific, Indonesia</i>				
- trade payables	-	-	166,284	146,981
- sales promotion expenses	-	-	196,967	161,080
<i>Greenlam Europe (UK) Ltd.</i>				
- trade related receivables	-	-	-	-
<i>Pt. Greenlam Indo Pacific</i>				
- Sales	-	-	551,534	99,736
-Trade Receivable	-	-	493,335	99,736
-Non-trade Receivable	-	-	-	793
<i>Greenlam Russia</i>				
-Commission & Reimbursement of expenses	151,122	-	-	-
-Trade Receivable	-	-	-	-
-Non Trade Receivable	26,324	-	-	-
<i>Greenlam Poland</i>				
-Commission & Reimbursement of expenses	192,739	-	-	-
-Trade Receivable	-	-	-	-
-Non-Trade Receivable	32,209	-	42,160	-
<i>Greenlam Decolan SA</i>				
-Interest Received	-	-	-	24,644
- trade related receivables	-	-	-	-
- non-trade loan receivable	-	-	-	-
<b>III. Key Management Personnel</b>	<b>2,462,982</b>	<b>1,513,048</b>	<b>535,797</b>	<b>339,827</b>

**30. Financial risk management**

*Financial risk factors*

The Group & Company's activities expose it to market risk (including currency risk, interest rate risk, etc.), credit risk and liquidity risk. The Group & Company's overall risk management strategy seeks to minimize any adverse effects from the unpredictability of financial markets on the Group & Company's financial performance. The management continuously monitors the Group & Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

30.1 Market risk

(a) Currency risk

The Company has limited exposure to foreign currency risk as part of its normal business. The functional currency of the Company is in US Dollars. As such the Company's sales and purchase transacted in identical currencies are hedged naturally.

Due to the varying tax rates in Singapore and in the countries, those that of the overseas subsidiaries, the currency risk and its sensitivity at Group level is not feasible to disclose.

The Company's currency exposure based on the information provided by key management is as follows:

<u>Company</u>	<u>SGD &amp; Others</u>	<u>Total</u>
<u>At 31<sup>st</sup> March 2022</u>	US\$	US\$
<i>Financial assets:</i>		
Cash and cash equivalents	152,475	152,475
Trade and other receivables	392,957	392,957
Total	545,432	545,432

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**30. Financial risk management (cont'd)**

30.1 Market risk (cont'd)

(a) Currency risk (cont'd)

<u>Company</u> <u>At 31<sup>st</sup> March 2022</u> <u>Financial liabilities</u>	<u>SGD &amp; Others</u> <u>US\$</u>	<u>Total</u> <u>US\$</u>
Trade and other payables	268,782	268,782
Lease liability	157,470	157,470
Total	<u>426,252</u>	<u>426,252</u>

**Foreign currency sensitivity**

If the relevant foreign currency change against USD by 10%, with all other variables including tax rate being held constant, the effects arising from the financial asset/liability position will be as follows: -

If the foreign currency *strengthens* by 10% against the functional currency of the Company, statement of comprehensive income and other equity will increase/ (decrease) by:

<u>Company</u>  (Net of tax at 17%)	<u>Financial Assets</u>		<u>Financial liabilities</u>	
	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>
Profit / (loss)	45,217	54,036	(35,379)	(39,984)
other equity	-	-	-	-
	<u>45,217</u>	<u>54,036</u>	<u>(35,379)</u>	<u>(39,984)</u>

If the foreign currency *weakens* by 10% against the functional currency of the Company, statement of comprehensive income and other equity will increase / (decrease) at the equal amount but opposite effect.

(b) Interest rate risk

The interest rate risk exposure is mainly on financial liabilities and financial assets. These financial instruments are both at fixed rate and floating rates.

Due to the varying tax rates in Singapore and in the countries, those that of the overseas subsidiaries, the interest rate risk and its sensitivity at Group Level is not feasible to disclose.

The following table analyses the breakdown of the financial assets and liabilities (excluding derivatives) by the type of interest rate:

<u>Company</u>	<u>Financial Assets</u>		<u>Financial Liabilities</u>	
	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>
Fixed rate	-	-	-	-
Floating rate	-	-	1,078,129	1,651,911
	<u>-</u>	<u>-</u>	<u>1,078,129</u>	<u>1,651,911</u>

**Interest rate sensitivity**

The sensitivity is estimated that an *increase of 100 basis points* in interest rate at the reporting date would lead to an increase/reduction in the profit before tax by approximately: -

<u>Company</u>  (Net of tax at 17%)	<u>Financial Assets</u>		<u>Financial liabilities</u>	
	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>	<u>2022</u> <u>US\$</u>	<u>2021</u> <u>US\$</u>
Profit / (loss)	-	-	(8,948)	(13,711)
her equity	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(8,948)</u>	<u>(13,711)</u>

If the interest rate *decreases with 100 basis points* at the reporting date, it would lead to an increase / (decrease) at the equal amount but opposite effect.

30.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**30. Financial risk management (cont'd)**

30.2 Credit risk (cont'd)

For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history or obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties. Credit exposure to an individual counterparty is restricted by credit limits that are based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored by management. As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The Group and the Company uses a provision matrix to measure the 12-month expected credit losses and/or lifetime expected credit loss allowance for trade receivables and contract assets. In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group and the Company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macro-economic factors affecting the ability of the customers to settle the receivables. Trade receivables and contract 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 Group and the Company. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group and the Company.

The Group and Company's credit risk exposure in relation to trade receivables under SFRS 109 as at 31 March 2022 are set out in the provision matrix as follows:

<b>GROUP</b>	0 - 60 days	61 - 120 days	121 - 180 days	181 - 360 days	TOTAL
	US\$	US\$	US\$	US\$	US\$
Ageing for previous year 2021 (A)	4,985,633	57,860	144		5,043,637
Bad debts / provision during 2021 (B)	-	-	-	-	-
Credit loss % (C)=(B/A)	-	-	-	-	-
Ageing for current year 2022 (D)	5,501,642	15,736	5,507		5,522,885
Credit loss expected in current year {(D x C) or actual provision, whichever is higher}	-	-	-	-	-

<b>COMPANY</b>	0 - 60 days	61 - 120 days	121 - 180 days	181 - 360 days	TOTAL
	US\$	US\$	US\$	US\$	US\$
Ageing for previous year 2021 (A)	2,366,775	3,319	144	-	2,370,238
Bad debts / provision during 2021 (B)	-	-	-	-	-
Credit loss % (C)=(B/A)	-	-	-	-	-
Ageing for current year 2022 (D)	2,433,856	88,302	46,637	298,150	2,866,945
Credit loss expected in current year {(D x C) or actual provision, whichever is higher}	-	-	-	-	-

The credit risk for trade receivables based on the information provided to key management is as follows: -

	<u>Group</u>		<u>Company</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>By geographical area:</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
Singapore	760,077	863,747	760,077	863,747
Thailand	1,154,579	1,156,730	729,993	748,568
UK, Europe & Others	3,608,229	3,023,160	1,376,875	757,923
	<u>5,522,885</u>	<u>5,043,637</u>	<u>2,866,945</u>	<u>2,370,238</u>
<u>By types of customers:</u>				
Related parties	-	-	1,265,487	849,097
Non-related parties	5,522,885	5,043,637	1,601,458	1,521,141
	<u>5,522,885</u>	<u>5,043,637</u>	<u>2,866,945</u>	<u>2,370,238</u>

30.3 Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions at a short notice.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**30. Financial risk management (cont'd)**

30.3 Liquidity risk (cont'd)

At the statement of financial position date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents (Note 10). The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date (contractual and undiscounted cash flows): -

<b>31<sup>st</sup> March 2022</b>	Maturity	Maturity	Total	Applicable
<b>Financial Liabilities</b>	< 1 year	2 - 5 years		Interest Rate
<b>Group</b>	US\$	US\$	US\$	Refer #
Lease liability	157,168	237,419	394,587	Note 8
Term loan	2,113,892	542,350	2,656,242	Note 17
Bank borrowing	277,537	-	277,537	Note 16
Contract liability	-	-	-	N/a
Trade and other payables	8,503,645	-	8,503,645	N/a
	<u>11,052,242</u>	<u>779,769</u>	<u>11,832,011</u>	
<b>Company</b>				
Lease liability	46,655	110,815	157,470	Note 8
Term loan	800,592	-	800,592	Note 17
Bank Borrowing	277,537	-	277,537	Note 16
Contract liability	-	-	-	N/a
Trade and other payables	869,347	-	869,347	N/a
	<u>1,994,131</u>	<u>110,815</u>	<u>2,104,946</u>	

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

30.4 Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	US\$	US\$	US\$	US\$
Net debt	11,037,209	11,280,740	1,949,924	2,341,454
Total equity	3,107,321	2,333,033	3,424,855	3,062,690
Total capital	<u>14,144,530</u>	<u>13,613,773</u>	<u>5,374,779</u>	<u>5,404,144</u>
Gearing ratio	<u>78%</u>	<u>83%</u>	<u>36%</u>	<u>43%</u>

The Borrowers leverage ratio is calculated as total liability of the Company divided by tangible net worth of the Company.

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	US\$	US\$	US\$	US\$
Total liability	12,076,530	12,228,100	2,297,641	2,575,071
Tangible net worth	3,107,321	2,333,033	3,424,855	3,062,690
Leverage ratio (times)	<u>3.89 times</u>	<u>5.24 times</u>	<u>0.67 times</u>	<u>0.84 times</u>

30.5 Fair value measurements

The following represents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

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**30. Financial risk management (cont'd)**

30.5 Fair value measurements (cont'd)

(c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value measurements are not applicable to the Group and the Company as there are no financial assets or liabilities of the type of levels 1,2 or 3 balances exists as at the date of statement of financial position.

**31. Subsequent Events and Going concern**

The Coronavirus Disease 2019 (“COVID-19”) pandemic has significantly impacted entities, disrupting their operations, financial, risk management and internal control systems. At the same time, the global financial markets and prices of several commodities are experiencing unprecedented volatility. The Group makes assumptions and judgements for the recognition of gains and losses, and the potential impact on going concern, amongst other key considerations in preparing these financial statements, as below;

*i) Disruption in operations: Impact of COVID-19*

There is no material uncertainty about the entity’s ability to continue as a going concern and hence the going concern assumption remains appropriate as at the date of issuance of the financial statements.

*(ii) Rent concessions*

There are no rent concessions have been granted to lessees in variety of forms, including payment holidays and deferral of lease payments.

*(iii) Impairment of financial assets*

The COVID-19 pandemic has caused and may continue to cause significant disruptions to global economies and business operations of many companies. As a result, assumptions revisited by the Group includes:

- a) groupings of receivables that share similar credit risk characteristics; and
- b) forward-looking information included in the determination of loss rates and use of multiple scenarios.

*(iv) Revenue from contracts with customers*

Management estimates the amount of price concessions using the expected value method, taking into account relevant information known and available to management (including the Group’s experience in providing price concessions for goods of dissatisfactory quality and customers’ payment patterns). In estimating the amount of price concessions from ‘prompt payment discounts’ for the financial year ended 31 March 2022, management had incorporated their recent experience that payments from certain customers were less ‘prompt’ as compared to prior years before the COVID-19 pandemic.

The management is closely monitoring the Group and Company's operations, liquidity and resources and is actively working to minimize the current and future impact of any unprecedented situation or uncertainty which might arise due to Coronavirus disease (COVID-19). According to the management’s assessment, these financial statements do not include any adjustment that might result from the outcome of any such uncertainty and the current COVID-19 pandemic situation does not pose any significant material risk to business operations and going concern status of the Group and Company as of the date of the issuance of these financial statements.

**32. New or revised accounting standards and interpretations**

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group’s accounting periods beginning on or after 1 April 2022 and which the Group has not early adopted:

**FRS 1 Presentation of Financial Statements:** Classification of Liabilities as Current or Non-current  
(Effective for annual periods beginning on or after 1 January 2023)

**FRS 16 Property, Plant and Equipment:** Proceeds before Intended Use  
(Effective for annual periods beginning on or after 1 January 2022)

**FRS 37 Provisions, Contingent Liabilities and Contingent Assets:** Onerous Contracts – Cost of Fulfilling a Contract  
(effective for annual periods beginning on or after 1 January 2022)

**33. Authorization of financial statements**

These consolidated financial statements of the Group and Company as at 31<sup>st</sup> March 2022 and for the financial year then ended were authorized and approved for issuance in accordance with a resolution of the Board of Directors of **Greenlam Asia Pacific Pte. Ltd.** on 23<sup>rd</sup> May 2022.

**Greenlam Asia Pacific Pte. Ltd.**  
**(Incorporated in The Republic of Singapore)**  
**Detailed Statement of Comprehensive Income**  
**For the period from 1st April 2021 to 31st March 2022**

Description	2022 USD	2021 USD
<b>Revenue</b>		
SALES - LAMINATES	21,920,431	18,847,474
	<b>21,920,431</b>	<b>18,847,474</b>
<b>Cost of revenue</b>		
PURCHASES - LAMINATES	17,466,781	15,018,388
CHANGE IN INVENTORY	190,287	11,112
FREIGHT - RECOVERED	10,273	19,376
LOADING & UNLOADING EXPENSES	63,501	46,996
O/W FREIGHT EXPENSE	13,884	10,951
GODOWN EXPENSES	29,350	35,861
EXPORTS HANDLING CHARGES	2,076	5,363
EXPORTS OCEAN FREIGHT	10,000	3,242
AIR FREIGHT	430	23,052
	<b>17,384,602</b>	<b>15,113,365</b>
<b>Gross (Profit)/ Loss</b>	<b>4,535,829</b>	<b>3,734,109</b>
<b>Other Income</b>		
INTEREST RECEIVED	4	24,653
MISCELLANEOUS INCOME	214	220,979
Government Grants	25,551	-
	<b>25,769</b>	<b>245,632</b>
	<b>4,561,598</b>	<b>3,979,741</b>
<b>Administrative expenses</b>		
AUDITORS REMUNERATION	32,377	33,384
BANK CHARGES	64,459	62,795
EXPORTS BANK CHARGES	-	10,869
COMMISSION EXPENSE	80,636	75,667
Consultancy Fee-HR	52,251	45,785
CONVEYANCE EXPENSES	26,630	25,976
EXPORTS BANK CHARGES	10,432	-
ELECTRIC EXPENSES	12,765	12,144
GENERAL EXPENSES	466	-
INSURANCE EXPENSES	5,405	9,803
LEGAL & PROFESSIONAL FEE	28,872	43,848
LICENCE FEES	37	44
MEMBERSHIP FEE	664	680
OFFICE EXPENSES	24,227	13,820
POSTAGE & TELEGRAMS	21,162	21,325
PRINTING & STATIONARY	9,362	6,587
RENT PAID	43,419	44,548
REPAIRS & MAINTENANCE	41,369	38,496
RATES & TAXES	27,003	18,856
REBATES & CLAIMS	133,329	88,786
FOR CURR GAIN / LOSS - REALIZED	19,499	4,969
FOR CURR GAIN / LOSS - VALUATION	-	12,608
F/Curr Gain/Loss-F/W	221	23,196
SECRETARIAL FEE	1,000	-
SALES PROMOTION EXPENSES	382,393	704,177
Trade Mark Expenses	6,335	-
TELEPHONE EXPENSES	33,096	25,602
TRAVELLING EXPENSES - FOREIGN	47,938	3,754
VEHICLE EXPENSES - HEAVY VEHICLES	29,229	21,536
	<b>1,134,134</b>	<b>1,302,863</b>

<b>Staff Costs</b>		
SALARY	1,591,409	1,641,014
CONVEYANCE ALLOWANCE	128,806	24,693
HOUSE RENT ALLOWANCE	18,702	858
CONVEYANCE REIMBURSEMENT	4,588	83,707
PROVIDENT FUND	118,504	111,776
MANDATORY PROVIDENT FUND	6,658	5,508
BONUS	160,228	173,349
STAFF WELFARE - OTHERS	32,958	18,914
INCENTIVE	9,976	8,837
WAGES - CASUAL	143	-
MEDICAL & OTHER ALLOWANCE	2,947	2,582
STAFF RECRUITMENT EXPENSES	21,828	36,102
TRAINING & DEVELOPMENT	558	-
FOREIGN WORKER LEAVY	19,905	15,120
STAFF INSURANCE EXP	15,078	13,173
MEDICAL EXPENSES	2,973	3,684
	<b>2,135,261</b>	<b>2,139,317</b>
<b>Other expenses</b>		
DEPRECIATION - FURNITURE & FIXTURES	426	2,113
DEPRECIATION - OFFICE EQUIPMENTS	3,411	4,038
DEPRECIATION - COMPUTERS	4,934	5,560
DEPRECIATION - HEAVY VEHICLE	4,396	3,778
DEP-PLANT & MACHINER	368	368
DEPRECIATION -LEASEHOLD BUILDING	153,809	153,809
DEPRECIATION -SOFTWARE	-	4,834
AMORTIZATION - RIGHT O USE - RENT	45,296	45,419
	<b>212,640</b>	<b>219,919</b>
<b>(Profit) / Loss from Operations</b>	<b>- 1,079,563</b>	<b>- 317,642</b>
<b>Finance costs</b>		
BANK INTEREST	5,278	4,723
INTEREST ON BILL DISCOUNTING	408	1,200
INTEREST PAID ON T/LOAN	23,455	47,826
INTEREST ON LEASE LIABILITY	7,153	8,413
	<b>36,294</b>	<b>62,162</b>
<b>(Profit) / Loss before tax</b>	<b>- 1,043,269</b>	<b>- 255,480</b>
<b>Taxation</b>		
Taxation	188,417	29,786
	<b>188,417</b>	<b>29,786</b>
<b>Deferred Tax</b>		
Deferred Tax	729	2,472
	<b>729</b>	<b>2,472</b>
<b>(Profit) / Loss after tax</b>	<b>- 854,123</b>	<b>- 223,222</b>