CENTURY PLY (SINGAPORE) PTE. LTD.

(Company Registration No. 201435887H)

Financial Statements For the Year ended March 31, 2022

Century Ply (Singapore) Pte. Ltd.

(Incorporated in the Republic of Singapore)

Directors

Kavitha Pandian
Sajjan Bhajanka
Sanjay Agarwal
Ratan Rajkhowa

Secretary

Raja Muhammad Shah Bin Abdullah

Registered Office

291 Choa Chu Kang Avenue 3
#05-204
Singapore 680291

Auditors

Natarajan & Swaminathan
Chartered Accountants of Singapore
1 North Bridge Road
#19-04/05 High Street Centre
Singapore 179094

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The directors present this statement to the members together with the audited financial statements of the Company for the financial year ended March 31, 2022.

1 Directors

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

Kavitha Pandian
Sajjan Bhajanka
Sanjay Agarwal
Ratan Rajkhowa

2 Arrangements to enable directors to acquire shares and debentures

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

3 Directors' interest in shares and debentures

The directors holding office at the end of the financial year had no interests in shares, debentures, warrants or share options of the Company as recorded in the Register of Directors' Shareholding kept by the Company under Section 164 of the Singapore Companies Act.

4 Share options

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued shares of the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

5 Auditors

The auditors, Natarajan & Swaminathan, have expressed their willingness to accept re-appointment.

6 Directors' opinion

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at March 31, 2022 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Financial Reporting Standards in Singapore; and

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

On behalf of the board of directors

Sajjan Bhajanka

Kavitha Pandian

Date: May 10, 2022

NATARAJAN & SWAMINATHAN
CHARTERED ACCOUNTANTS OF SINGAPORE

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INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF CENTURY PLY (SINGAPORE) PTE. LTD.
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CENTURY PLY (SINGAPORE) PTE. LTD.**(the "Company"), which comprise the statement of financial position of the Company as at March 31, 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore (FRS) so as to give a true and fair view of the financial position of the Company as at March 31, 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditors' 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 SSA 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 SSA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements *(Cont'd)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

Natarajan & Swaminathan

Natarajan & Swaminathan
Public Accountants and Chartered Accountants Singapore

Date: May 10, 2022

Century Ply (Singapore) Pte. Ltd.

Statement of Financial Position *As at March 31, 2022*

	Note	2022	2021
		US$	US$
Assets			
Non-current assets			
Plant and equipment	3	204,018	296,241
Investments in subsidiaries	4	-	328,644
Total non-current assets		204,018	624,885
Current assets			
Other receivables	5	-	4,860,233
Cash at bank	6	8,809	11,390
Total current assets		8,809	4,871,623
Total assets		**212,827**	**5,496,508**
Equity and liabilities			
Equity			
Share capital	7	11,685,929	11,652,929
Accumulated losses		(11,478,871)	(6,161,157)
Total equity		207,058	5,491,772
Current liabilities			
Accrued expenses	9	5,769	4,736
Total current liabilities		5,769	4,736
Total liabilities		5,769	4,736
Total equity and liabilities		**212,827**	**5,496,508**

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

Century Ply (Singapore) Pte. Ltd.

Statement of Comprehensive Income

For the financial year ended March 31, 2022

	Note	2022	2021
		US$	US$
Revenue		-	-
Other income	10	-	879,862
Impairment loss on investment in subsidiary	4	(328,644)	-
Administrative expenses		(16,426)	(12,871)
Other operating expenses		(4,972,644)	(205,244)
(Loss)/Profit before income tax	11	(5,317,714)	661,747
Income tax expense	12	-	15,144
(Loss)/Profit after income tax		(5,317,714)	676,891
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		**(5,317,714)**	**676,891**

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

Century Ply (Singapore) Pte. Ltd.

Statement of Changes in Equity *For the financial year ended March 31, 2022*

	Note	Share capital	Accumulated profits/losses	Total
		US$	US$	US$
Balance as at 01.04.2020		**11,590,929**	**(6,838,048)**	**4,752,881**
Issue of shares	7	62,000	-	62,000
Total comprehensive income for the year		-	676,891	676,891
Balance as at 31.03.2021		**11,652,929**	**(6,161,157)**	**5,491,772**
Issue of shares	7	33,000	-	33,000
Total comprehensive loss for the year		-	(5,317,714)	(5,317,714)
Balance as at 31.03.2022		**11,685,929**	**(11,478,871)**	**207,058**

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

Century Ply (Singapore) Pte. Ltd.

Statement of Cash Flows *For the financial year ended March 31, 2022*

	2022	2021
	US$	US$
Cash flows from operating activities		
(Loss)/Profit before income tax	(5,317,714)	661,747
Adjustments for:		
Advance for sales written back (holding company)	-	(879,862)
Depreciation of plant and equipment	92,223	204,606
Allowance for doubtful debts - non-trade (subsidiaries)	4,878,532	-
Impairment loss on investment in subsidiary	328,644	-
Operating loss before working capital changes	(18,315)	(13,509)
Other receivables	(18,299)	26,011
Other payables and accruals	1,033	(2,654)
Net cash (used in)/from operating activities	(35,581)	9,848
Cash flows from investing activities		
Purchase of plant and equipment	-	(65,264)
Net cash used in investing activities	-	(65,264)
Cash flows from financing activities		
Proceeds from issue of shares	33,000	62,000
Net cash from financing activities	33,000	62,000
Net (decrease)/increase in cash and cash equivalents	(2,581)	6,584
Cash and cash equivalents brought forward	11,390	4,806
Cash and cash equivalents carried forward	**8,809**	**11,390**
Cash and cash equivalents comprise:		
Cash at bank	8,809	11,390
	8,809	**11,390**

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

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

1 Corporate information

The Company (Registration No. 201435887H) is a private limited Company incorporated and domiciled in Singapore.

The registered office and principal place of business is at 291 Choa Chu Kang Avenue 3, #05-204 Singapore 680291.

The principal activities of the Company are to engage in timber trading, manufacturing and trading in plywood and all wood products and materials, and also leasing of machineries and equipments and providing related services.

There have been no significant changes in the nature of these activities during the financial year. The Company ceased to have trading activity since May 2018 and is dormant.

Holding company

The Company is a subsidiary of **"Century Plyboards (India) Ltd."**, a listed company incorporated in the Republic of India, which is also the ultimate holding company.

Subsidiaries

Refer **Note 4** to the financial statements for details of the subsidiaries and their principal activities.

2 Significant accounting policies

a) **Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRS") as required by the Singapore Companies Act, Chapter 50. These financial statements are the separate financial statements of Century Ply (Singapore) Pte. Ltd. The Company is exempted from the preparation of consolidated financial statements as the Company is a subsidiary of Century Plyboards (India) Ltd., a listed company incorporated in India, which prepares consolidated financial statements available for public use. The registered office of Century Plyboards (India) Ltd. is as follows:

P - 15/1, Taratala Road, Kolkata - 700088
India - 700001

The financial statements are expressed in United States Dollar (US$) and are prepared 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 Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year.

2 Significant accounting policies *(Cont'd)*

a) **Basis of preparation** *(Cont'd)*

These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances (refer **Note 2(b)** to the financial statements).

The Company adopted the new or revised FRS that is mandatory for application on that date. This includes the following FRS, which are relevant to the Company as a single entity:

FRS 109/FRS 39/ FRS 107/ FRS 104/FRS 116	(Amendments)	:	Interest Rate Benchmark Reform - Phase 2
FRS 116	(Amendments)	:	Covid-19 Related Rent Concessions beyond June 30, 2021

The adoption of these does not result in any significant changes to the Company's accounting policies or have any significant impact on the financial statements.

b) **Critical judgements in applying the entity's accounting policies**

In the process of applying the entity's accounting policies, management is of opinion that there are no critical judgements (other than those involving estimates) that have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Depreciation

The Company depreciates the plant and equipment over their estimated useful lives, after taking into account their estimated residual values, if any, using the straight-line method. The estimated useful life reflects the directors' estimate of the periods that the Company intends to derive future economic benefits from the use of the Company's plant and equipment. The residual values reflect the directors' estimated amount that the Company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the assets were already of the age in the condition expected at the end of its useful life.

Investment in subsidiaries

Investment in subsidiaries are stated at cost less impairment loss, if any. In determining if there is any impairment, the management evaluates the market and economic environment in which the entities operates, the economic performance, the forecasted results, the net assets values, and the operating cash flow of these entities. The evaluation of these factors involves a significant degree of management judgment.

2 Significant accounting policies *(Cont'd)*

b) **Critical judgements in applying the entity's accounting policies** *(Cont'd)*

Provision for expected credit losses of other receivables

The Company uses a provision matrix to calculate Expected Credit Losses (ECLs) for other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

c) **Foreign currency transactions**

(i) Functional currency

The functional and measurement currency of the Company is the United States Dollar, being the currency in which the Company mainly transacts its sales and purchases.

(ii) Transactions and balances

Foreign currency transactions are translated into the respective functional currencies using the exchange rates prevailing at the dates of transactions. Foreign currency monetary assets and liabilities are translated into the respective functional currencies at the exchange rates prevailing at the statements of financial position date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of foreign currency denominated assets and liabilities are recognised in the profit or loss.

Currency translation differences on non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items are measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

d) **Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the profit or loss. When assets are sold or retired, their cost and accumulated depreciation and impairment loss are removed from the financial statements and any gain or loss resulting from their disposal is included in the profit or loss.

2 Significant accounting policies *(Cont'd)*

e) **Depreciation of plant and equipment**

Plant and equipment are calculated on a straight-line method to write off the cost of the plant and equipment over their estimated useful lives at the following annual rates:

Office equipment	-	5 years
Machinery & equipment	-	5 years
Computers & peripherals	-	3 years

Fully depreciated assets still in use are retained in the financial statements.

f) **Investment in subsidiaries**

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

Investments in the subsidiaries are carried at cost less accumulated impairment losses, if any. On disposal of investments in subsidiaries, the differences between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

g) **Impairment of non-financial assets**

At each statement of financial position date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2 Significant accounting policies *(Cont'd)*

h) Financial instruments

Financial instruments comprise financial assets and financial liabilities. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially 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 FVPL are expensed in profit or loss.

Trade receivables do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined per the Company's revenue recognition policy.

Financial assets that are classified and measured at amortised cost or fair value through OCI, are financial assets that give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:-

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses ("FVOCI")
- Financial assets elected at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss ("FVPL")

The Company's relevant financial assets category are financial assets at amortised cost.

2 Significant accounting policies *(Cont'd)*

h) Financial instruments *(Cont'd)*

(i) Financial assets *(Cont'd)*

***Subsequent measurement** (Cont'd)*

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:-

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. For short-term receivables the nominal cost approximates the fair value.

The Company's financial assets at amortised cost includes other receivable and cash and bank balances.

Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has entered into a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2 Significant accounting policies *(Cont'd)*

h) Financial instruments *(Cont'd)*

(i) Financial assets *(Cont'd)*

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade and other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company makes judgmental assessment for financial asset in default when contractual payments are past due. The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For short term payables the nominal costs approximate the fair value.

The Company's financial liabilities include accrued expenses.

2 Significant accounting policies *(Cont'd)*

h) **Financial instruments** *(Cont'd)*

(ii) **Financial liabilities** *(Cont'd)*

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

Derecognition

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

i) **Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank.

j) **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre- tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) **Employee benefits**

Retirement benefit costs

As required by law, the Company makes contributions to the Central Provident Fund (CPF), a defined contribution plan regulated and managed by the Government of Singapore. CPF contributions are recognised as expense in the same year to which the contribution relates.

Employee entitlements to annual leave are recognised when they accrue to the employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by the employees up to the statement of financial position date.

2 Significant accounting policies *(Cont'd)*

k) Employee benefits *(Cont'd)*

A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Key management personnel

Directors and certain managers that have the authority and responsibility for planning, directing and controlling the activities of the Company are considered key management personnel.

l) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using statutory tax rate at the statement of financial position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset, realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt, within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on net basis.

3 Plant and equipment

2022	Office equipment	Machinery & equipment	Computers & peripherals	Total
	US$	US$	US$	US$
Cost				
At April 1, 2021	803	1,903,713	1,483	1,905,999
Disposal	(803)	-	-	(803)
At March 31, 2022	-	1,903,713	1,483	1,905,196
Depreciation				
At April 1, 2021	761	1,607,514	1,483	1,609,758
Charge for the year	42	92,181	-	92,223
Disposal	(803)	-	-	(803)
At March 31, 2022	-	1,699,695	1,483	1,701,178
Net book value				
At March 31, 2022	**-**	**204,018**	**-**	**204,018**

2021	Office equipment	Machinery & equipment	Computers & peripherals	Total
	US$	US$	US$	US$
Cost				
At April 1, 2020	803	1,838,449	1,483	1,840,735
Addition	-	65,264	-	65,264
At March 31, 2021	803	1,903,713	1,483	1,905,999
Depreciation				
At April 1, 2020	703	1,402,966	1,483	1,405,152
Charge for the year	58	204,548	-	204,606
At March 31, 2021	761	1,607,514	1,483	1,609,758
Net book value				
At March 31, 2021	**42**	**296,199**	**-**	**296,241**

Machinery and equipment with a net book value of US$204,018 (2021:US$296,199) are held onsite by subsidiaries in Laos who were the Company's major supplier of goods. As such due to local Government regulations of the subsidiaries the operations have ceased. Management had provided for impairment losses of US$489,774 in financial year 2020. The machinery and equipment are still held onsite by the third parties pending commencement of operations.

4 Investment in subsidiaries

	2022	2021
	US$	US$
Unquoted equity shares, at cost	328,644	328,644
Less: Impairment loss		
- At beginning of year	-	-
- Charge for the year	328,644	-
- At end of year	328,644	-
	-	**328,644**

4 Investment in subsidiaries *(Cont'd)*

Details of subsidiaries are as follows: -

Name of subsidiaries	Country of incorporation and place of business	Principal activities	Percentage of equity held		Cost	
			2022	2021	2022	2021
			%	%	US$	US$
Century Ply Laos Co. Ltd (*)	Laos	Plywood and Veneer manufacturing	90	90	31,644	31,644
Century Huesoulin Plywood Lao Co, Ltd (*)	Laos	Plywood and Veneer manufacturing	51	51	297,000	297,000
					328,644	**328,644**

(*) Audited by other firm of auditors.

The subsidiaries have incurred losses and are in capital deficiency as per the last audited financial statements for the year ended March 31 ,2022. The subsidiaries were mainly engaged in operations to supply veneer and plywood to the Company. The subsidiaries had to cease operations as the local laws banned export of veneer.

5 Other receivables

	2022	2021
	US$	US$
Subsidiaries	10,837,487	10,819,187
Less: Allowance for doubtful debts		
- At beginning of year	5,958,954	5,958,954
- Charge for the year	4,878,533	-
- At end of year	10,837,487	5,958,954
	-	**4,860,233**

The Company has advanced to its subsidiaries in prior years in Laos to facilitate import purchase of timber related products from Laos. However due to Government regulations imposed, the export has been temporarily ceased from Laos and management has decided to impair the balances.

6 Cash at bank

The cash at bank that are not denominated in United States Dollar are as follows:-

	2022	2021
	US$	US$
Singapore Dollar	1,656	3,380

7 Share capital

	2022 No. of shares issued	2022 US$	2021 No. of shares issued	2021 US$
Ordinary shares issued and fully paid				
Balance at beginning of year	11,652,929	11,652,929	11,590,929	11,590,929
Shares issued	33,000	33,000	62,000	62,000
Balance at end of year	**11,685,929**	**11,685,929**	**11,652,929**	**11,652,929**

During the financial year, the Company had issued 33,000 shares for a total cash consideration of US$33,000 to provide for working capital.

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

8 Deferred tax liabilities

The movements in deferred tax (assets)/liabilities are as follows:-

	Accelerated tax depreciation	Total
	US$	US$
At April 1, 2020	**15,144**	**15,144**
Credit to profit or loss	(15,144)	(15,144)
At March 31, 2021	-	-
At March 31, 2022	-	-

As at end of the financial year, the Company had unutilised capital allowances and unutilized business loss of approximately US$304,500 (2021:US$304,500) and US$162,900 (2021:US$162,900) respectively available for set off against future taxable profits, subject to compliance with Section 37 of the Income Tax Act, Cap.134 and agreement by the Comptroller of Income Tax.

The following deferred tax (liabilities)/assets have not been recognised as the future taxable profits to utilise the temporary differences cannot be estimated with reasonable certainty.

	2022	2021
	US$	US$
Differences in depreciation	(24,222)	(8,543)
Unutilised tax losses	(27,697)	(27,697)
Unutilised capital allowances	(51,772)	(51,772)
	(103,691)	**(88,012)**

9 Accrued expenses

The accrued expenses that are not denominated in United States Dollar are as follows:-

	2022	2021
	US$	US$
Singapore Dollar	5,769	4,736

10 Other income

	2022	2021
	US$	US$
Advance for sales written back (holding company)	-	**879,862**

11 (Loss)/Profit before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the income statement, this item includes the following charges/(credits):-

	2022	2021
	US$	US$
Allowance for doubtful debts - non-trade (subsidiaries)	4,878,532	-
Depreciation of plant and equipment	92,223	204,606
Foreign exchange loss	1,146	-
Impairment loss on investment in subsidiary	328,644	-

The key management personnel comprise directors who do not receive any short-term employee benefits during the financial year.

12 Income tax expense

	2022	2021
	US$	US$
Current year	-	-
Deferred tax	-	(15,144)
	-	**(15,144)**

No provision for income tax has been made for 2022 in view of the Company's loss position.

12 Income tax expense *(Cont'd)*

In 2021, the income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% profit before income tax as a result of the following differences:

	US$
Profit before income tax	**661,747**
Tax expense at tax rate of 17%	112,497
Non-taxable income	(149,576)
Deferred tax arising in the year not recognised	37,079
Prior year over provision of deferred tax	(15,144)
Income tax credit for the financial year	**(15,144)**

13 Related party transactions

Some of the Company's transactions and arrangement are with the related party and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances with these parties are unsecured, interest free and repayable on demand unless otherwise stated.

During the financial year, the Company entered into the following transactions:

	2022	2021
	US$	US$
Related party		
Professional fees paid to director	7,761	4,337

14 Financial instruments, financial and capital risk management

(a) **Categories of financial instruments**

The following table sets out the financial instruments as at the statement of financial position date:

	2022	2021
	US$	US$
Financial assets		
Amortised cost:		
- Other receivables	-	4,860,233
- Cash at bank	8,809	11,390
Total financial assets	**8,809**	**4,871,623**
Financial assets		
Amortised cost:		
- Accrued expenses	5,769	4,736
Total financial liabilities	**5,769**	**4,736**

14 Financial instruments, financial and capital risk management *(Cont'd)*

(c) **Fair value measurements**

Fair value hierarchy

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

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) 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

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

There are no financial assets measured at fair value.

Assets and liabilities not measured at fair value

Other receivables, cash at bank and accrued expenses

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

(c) **Financial risk management**

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

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company has no significant liquidity risk as it maintains a level of cash at bank that is sufficient for working capital purpose.

14 Financial instruments, financial and capital risk management *(Cont'd)*

(c) Financial risk management *(Cont'd)*

***Liquidity risk** (Cont'd)*

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

		Cash flows		
	Carrying amount	Contractual cash flow	Less than 1 year	Within 2 to 5 years
	US$	US$	US$	US$
2022				
Financial assets				
Cash at bank	8,809	8,809	8,809	-
Total undiscounted financial assets	8,809	8,809	8,809	-
Financial liabilities				
Accrued expenses	(5,769)	(5,769)	(5,769)	-
Total undiscounted financial liabilities	(5,769)	(5,769)	(5,769)	-
Total net undiscounted financial assets	**3,040**	**3,040**	**3,040**	**-**
2021				
Financial assets				
Other receivables	4,860,233	4,860,233	4,860,233	-
Cash at bank	11,390	11,390	11,390	-
Total undiscounted financial assets	4,871,623	4,871,623	4,871,623	-
Financial liabilities				
Accrued expenses	(4,736)	(4,736)	(4,736)	-
Total undiscounted financial liabilities	(4,736)	(4,736)	(4,736)	-
Total net undiscounted financial assets	**4,866,887**	**4,866,887**	**4,866,887**	**-**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss of the Company. The Company has adopted a policy of only dealing with creditworthy counterparties.

The Company has no significant concentration of credit risk in relation to certain external customers.

Expected credit loss ("ECL") assessment

- Other receivable
  The other receivables comprise mainly of advance to subsidiary. The Company assessed the nature of receivable, the financial position of the counterparties and the economic conditions and concluded that there has been significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company has provided impairment.

14 Financial instruments, financial and capital risk management *(Cont'd)*

(c) Financial risk management *(Cont'd)*

***Credit risk** (Cont'd)*

Cash at bank are placed with credit worthy financial institutions.

The carrying amount of the Company's cash at bank represent the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Interest rate risk

The Company has no significant exposure to market risk for changes in interest rates because it has no interest-bearing borrowings with variable interest rates from any external sources.

Foreign currency risk

As at financial year end, the carrying value of the monetary assets and liabilities denominated in currencies other than in United States Dollar are disclosed in the respective notes to the financial statements. Any fluctuations in the foreign currencies against the United States Dollar will have no or very minimal impact on the financial results of the Company.

Price risk

The Company has no significant exposure to price risk.

(d) Capital risk management

The management considers the capital of the Company to mainly consist of shareholders equity.

The management manages the capital to ensure the Company will be able to continue as a going concern while maximising the return to shareholders through optimisation of the capital.

The management's overall strategy remains unchanged from 2021.

15 New accounting standards and FRS interpretations

At the date of authorisation of these financial statements, the following FRS and INT FRS that are relevant to the Company were issued and not effective:

				Effective from annual periods beginning on or after
FRS 1	(Amendments)	:	Classification of Liabilities as Current or Non-current	January 1, 2023
FRS 1/FRS Practice Statement 2	(Amendments)	:	Disclosure of Accounting Policies	January 1, 2023
FRS 8	(Amendments)	:	Definition of Accounting Estimates	January 1, 2023
FRS 12/FRS 101	(Amendments)	:	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023

15 New accounting standards and FRS interpretations *(Cont'd)*

				Effective from annual periods beginning on or after
FRS 12/FRS 101	(Amendments)	:	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
FRS 16	(Amendments)	:	Proceeds before intended to use	January 1, 2022
FRS 37	(Amendments)	:	Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022
FRS 103	(Amendments)	:	Reference to the Conceptual Framework	January 1, 2022
Improvements to FRSs				
Annual Improvements to FRSs 2018 – 2020				January 1, 2022
FRS 101	(Amendments)	:	First-Time Adoption of Financial Reporting Standards	January 1, 2022
FRS 109	(Amendments)	:	Financial Instruments	January 1, 2022
FRS 116	(Amendments)	:	Leases	January 1, 2022

The management anticipates that the adoption of the above FRS and INT FRS does not result in any significant changes to the Company's accounting policies or have any significant impact on the financial statements of the Company.

16 Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the directors on May 10, 2022.

Century Ply (Singapore) Pte. Ltd.

The Accompanying Supplementary Detailed Income Statement

Has Been Prepared For Management Purposes Only

And Does Not Form Part Of The Audited Financial Statements

Century Ply (Singapore) Pte. Ltd.

Detailed Income Statement *For the financial year ended March 31, 2022*

	2022	2021
	US$	US$
Revenue	-	-
Other income		
Advance for sales written back (holding company)	-	879,862
Impairment loss on investment in subsidiary	(328,644)	-
Administrative expenses		
Legal and professional fees	(16,370)	(10,821)
Postage and courier charges	-	(17)
Printing and stationery	-	(2,033)
Transport	(56)	-
	(16,426)	(12,871)
Other operating expenses		
Allowance for doubtful debts - non-trade (subsidiaries)	(4,878,532)	-
Bank charges	(743)	(638)
Depreciation of plant and equipment	(92,223)	(204,606)
Foreign exchange loss	(1,146)	-
	(4,972,644)	(205,244)
(Loss)/Profit before income tax	(5,317,714)	661,747
Income tax expense:		
- Current year	-	-
- Deferred tax	-	15,144
(Loss)/Profit after income tax	(5,317,714)	676,891
Other comprehensive income	-	-
Total comprehensive (loss)/income for the year	**(5,317,714)**	**676,891**