

**WILSON CABLES PRIVATE LIMITED**  
**(UEN: 197401983H)**  
**(Incorporated in the Republic of Singapore)**

**AUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 MARCH 2022**

**WILSON CABLES PRIVATE LIMITED**

**(UEN: 197401983H)**

**(Incorporated in the Republic of Singapore)**

**FINANCIAL STATEMENTS - 31 MARCH 2022**

	<b><u>PAGE NO</u></b>
Directors' Statement	1 - 2
Independent Auditor's Report	3 - 5
Statement of Financial Position	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9 - 10
Notes to the Financial Statements	11 - 45

## WILSON CABLES PRIVATE LIMITED

### Directors' Statement

1

The directors are pleased to present their statement to the members together with the audited financial statements of Wilson Cables Private Limited (the "Company") for the financial year ended 31 March 2022.

#### Opinion of the directors

In the opinion of the directors:

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date; 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.

#### Directors

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

Ashwin Chidambaram Muthiah  
Govind Dattatraya Panse  
Radhakrishnan Sivathanu Pillai  
Manish Nagpal

#### 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 objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

#### Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the directors of the Company who held 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:

<u>Name of Director</u>	<u>Direct interest</u>	
	<u>At</u> <u>01.04.2021</u>	<u>At</u> <u>31.03.2022</u>
Ordinary shares of Rs10 each of the holding company (Sicagen India Limited)		
Ashwin Chidambaram Muthiah	41,838	41,838

---

Share options

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

During the financial year, there were no shares issued 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 auditor

The auditors, Robert Yam & Co PAC, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors



---

Govind Dattatraya Panse  
Director



---

Manish Nagpal  
Director

19 MAY 2022

## WILSON CABLES PRIVATE LIMITED

### Independent Auditor's Report For the Financial Year Ended 31 March 2022

3

#### To the members of Wilson Cables Private Limited

#### Report on the Audit of the Financial Statements

##### *Opinion*

We have audited the financial statements of Wilson Cables Private Limited (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 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 (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

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

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

## WILSON CABLES PRIVATE LIMITED

### Independent Auditor's Report For the Financial Year Ended 31 March 2022

4

---

#### To the members of Wilson Cables Private Limited (cont'd)

##### *Responsibilities of Management and Directors for the Financial Statements*

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

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

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

##### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

# ROBERT YAM & CO PAC

Incorporated with limited liability  
UEN: 201833873N

## WILSON CABLES PRIVATE LIMITED

### Independent Auditor's Report For the Financial Year Ended 31 March 2022

5

---

#### To the members of Wilson Cables Private Limited (cont'd)

#### *Auditor's 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### Report on Other Legal and Regulatory Requirements

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



Robert Yam & Co PAC  
Public Accountants and  
Chartered Accountants  
Singapore

19 May 2022

**WILSON CABLES PRIVATE LIMITED**

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

6

	Note	2022 S\$	2021 S\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	8,341,174	8,944,122
Investment in subsidiaries	6	1,340,711	1,333,933
		<u>9,681,885</u>	<u>10,278,055</u>
<b>Current assets</b>			
Inventories	7	11,667,474	11,856,543
Trade and other receivables	8	27,432,143	13,406,733
Other current assets	9	149,244	173,061
Cash and cash equivalents	10	1,191,432	1,118,087
		<u>40,440,293</u>	<u>26,554,424</u>
<b>Total assets</b>		<u>50,122,178</u> =====	<u>36,832,479</u> =====
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	6,886,216	6,886,216
Retained earnings		13,343,146	13,208,996
<b>Total equity</b>		<u>20,229,362</u>	<u>20,095,212</u>
<b>Non-current liabilities</b>			
Deferred income tax liabilities	12	511,803	431,740
Loans and borrowings	13	42,300	558,732
Lease liabilities	22	1,467,293	1,590,761
		<u>2,021,396</u>	<u>2,581,233</u>
<b>Current liabilities</b>			
Trade and other payables	14	19,039,976	8,377,595
Loans and borrowings	13	8,654,136	5,630,236
Lease liabilities	22	177,308	148,203
		<u>27,871,420</u>	<u>14,156,034</u>
<b>Net current assets</b>		<u>12,568,873</u>	<u>12,398,390</u>
<b>Total liabilities</b>		<u>29,892,816</u>	<u>16,737,267</u>
<b>Net assets</b>		<u>20,229,362</u>	<u>20,095,212</u>
<b>Total equity and liabilities</b>		<u>50,122,178</u> =====	<u>36,832,479</u> =====

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



**WILSON CABLES PRIVATE LIMITED****Statement of Profit or Loss and Other Comprehensive Income  
For the Financial Year Ended 31 March 2022**

7

	Note	2022 S\$	2021 S\$
Revenue	15	70,256,201	34,212,779
Cost of sales		(68,923,506)	(33,131,039)
Gross profit		1,332,695	1,081,740
Other income	16	1,021,300	1,295,392
Selling and distribution costs		(1,193,080)	(1,228,839)
Administrative expenses	17	(536,851)	(510,280)
Impairment loss on financial assets	8	(76,280)	(128,429)
Other losses	19	(29,885)	(122,788)
Finance costs	20	(303,686)	(250,634)
Profit before tax		214,213	136,162
Income tax expense	21	(80,063)	-
Net profit, representing total comprehensive income for the year		134,150	136,162

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

**WILSON CABLES PRIVATE LIMITED****Statement of Changes in Equity  
For the Financial Year Ended 31 March 2022****8**

---

	Share capital S\$	Retained earnings S\$	Total S\$
Balance at 1 April 2020	6,886,216	13,072,834	19,959,050
Net profit, representing total comprehensive income for the year	-	136,162	136,162
Balance at 31 March 2021	6,886,216	13,208,996	20,095,212
Net profit, representing total comprehensive income for the year	-	134,150	134,150
Balance at 31 March 2022	6,886,216 =====	13,343,146 =====	20,229,362 =====

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

**WILSON CABLES PRIVATE LIMITED****Statement of Cash Flows  
For the Financial Year Ended 31 March 2022**

9

	Note	2022 S\$	2021 S\$
<b>Cash flow from operating activities:</b>			
Profit before taxation		214,213	136,162
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	5	735,302	750,845
Interest income	16	-	(785)
Finance costs	20	303,686	250,634
Loss on disposal of property, plant and equipment	19	29,885	27,152
		<u>1,283,086</u>	<u>1,164,008</u>
Operating surplus before working capital changes			
<b>Changes in working capital:</b>			
Trade and other receivables		(14,025,410)	5,315,264
Other current assets		23,817	(81,796)
Inventories		189,069	3,670,180
Trade and other payables		10,662,381	(4,507,248)
		<u>(1,867,057)</u>	<u>5,560,408</u>
Cash (used in)/from operations			
Interest received		-	785
		<u>(1,867,057)</u>	<u>5,561,193</u>
<b>Net cash (used in)/from operating activities</b>			
		<u>(1,867,057)</u>	<u>5,561,193</u>
<b>Cash flows from investing activities:</b>			
Quasi equity loan to subsidiary		(6,778)	-
Purchase of property, plant and equipment		(86,714)	(27,933)
Proceeds from disposal of property, plant and equipment		2,524	10,862
		<u>(90,968)</u>	<u>(17,071)</u>
<b>Net cash used in investing activities</b>			
		<u>(90,968)</u>	<u>(17,071)</u>
<b>Cash flows from financing activities:</b>			
Interest paid		(303,686)	(250,634)
Lease payment		(172,412)	(165,083)
Net proceeds/(repayments) from bank borrowings		2,507,468	(3,803,812)
		<u>2,031,370</u>	<u>(4,219,529)</u>
<b>Net cash from/(used in) financing activities</b>			
		<u>2,031,370</u>	<u>(4,219,529)</u>
Net increase in cash and cash equivalents		73,345	1,324,593
Cash and cash equivalents at the beginning of year		918,087	(406,506)
		<u>991,432</u>	<u>918,087</u>
<b>Cash and cash equivalents at the end of year</b>	10	<u>991,432</u>	<u>918,087</u>
		=====	=====

**WILSON CABLES PRIVATE LIMITED****Statement of Cash Flows (cont'd)  
For the Financial Year Ended 31 March 2022****10**Reconciliation of liabilities arising from financing activities:

(in S\$)	1 April 2021	Cash flows	Non-cash changes	31 March 2022
			Lease addition	
Lease liabilities	1,738,964	(172,412)	78,049	1,644,601
Borrowings	6,188,968	2,507,468	-	8,696,436

(in S\$)	1 April 2020	Cash flows	Non-cash changes	31 March 2021
			Bank overdraft	
Lease liabilities	1,904,047	(165,083)	-	1,738,964
Borrowings	10,813,607	(3,803,812)	(820,827)	6,188,968

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

---

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

**1. General information**

Wilson Cables Private Limited (the “Company”) is a limited liability private company incorporated and domiciled in Singapore. The address of its registered office and principal place of business is located at 142 Gul Circle, Jurong Industrial Estate, Singapore 629602.

The principal activities of the Company are those relating to manufacture and sale of cables, wires and other related products and general wholesale trade.

The Company’s immediate holding company is Sicagen India Limited, a company incorporated in India and the ultimate holding company is AM International Holdings Private Limited, a company incorporated in Singapore.

The financial statements for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 19 May 2022.

**2. Basis of preparation**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore (“SFRSs”) and the related interpretations to SFRS (“INT SFRS”) as issued by the Accounting Standards Council in Singapore. They are in compliance with the provisions of the Companies Act 1967.

**2.2 Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

**2.3 Functional and presentation currency**

These financial statements are presented in Singapore dollars, which is the Company’s functional currency.

**2. Basis of preparation (cont'd)**

**2.4 Basis of presentation**

Consolidated financial statements have not been presented as the Company is a wholly owned subsidiary. The address of the parent company presenting the group financial statements is Adayar House, Chennai - 600085, Tamilnadu, India.

**3. Significant accounting policies**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised standards that are relevant to the Company and are effective for annual periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial statements, unless otherwise indicated.

**3.1 Property, plant and equipment**

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

Depreciation on leasehold buildings, renovation and computers is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives of 20 years, 18.9 years and 3 years, respectively.

Depreciation on other property, plant and equipment is calculated using the reducing balance method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Plant and machinery	5 to 10 years
Electrical fittings and installation	10 years
Factory equipment	10 years
Laboratory equipment	10 years
Office equipment	10 years
Furniture and fittings	10 years
Motor vehicles	5 years

From April 2020 onwards, the Company is using the straight-line method to allocate their depreciable amounts for all newly acquired assets as follows:

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

**3.1 Property, plant and equipment (cont'd)**

	<u>Useful lives</u>
Plant and machinery	5 to 10 years
Electrical fittings and installation	3 to 10 years
Laboratory equipment	3 to 10 years
Factory equipment	3 to 5 years
Office equipment	3 to 5 years
Furniture and fittings	3 to 5 years
Motor vehicles	10 years

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

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

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

**3.2 Investments in subsidiaries**

A subsidiary is an entity that is controlled by the Company and the Company 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. The existence and effect of substantive potential voting rights that the Company has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the Company controls another entity.

An investment in a subsidiary is accounted for at cost less impairment losses, if any. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

**3.3 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment test for an asset is required, the Company makes an estimate of the asset's recoverable amount.

---

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

**3.3 Impairment of non-financial assets (cont'd)**

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

**3.4 Financial instruments**

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition, the financial asset or financial liability is measured at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or financial liability.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.



---

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

**3.4 Financial instruments (cont'd)**

Classification and measurement of financial assets

**Financial asset classified as measured at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Classification and measurement of financial liabilities

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method, except for short-term balances when the effect of discounting immaterial. Reclassification of any financial liability is not permitted.

**3.5 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).

---

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

**3.5 Impairment of financial assets (cont'd)**

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

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**3.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, fixed deposits and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, these also include bank overdrafts that form an integral part of the Company's cash management.

**3.7 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**3.8 Provisions**

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

---

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

**3.8 Provisions (cont'd)**

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

**3.9 Government grants**

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

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

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

**3.10 Borrowing costs**

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

**3.11 Share capital and share issuance expenses**

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

---

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

**3.12 Leases**

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

**As lessee**

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

**Right-of-use assets**

The company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 3.3.

The Company's right-of-use assets are presented within property, plant and equipment (Note 5).

**Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease. If the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

---

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

**3.12 Leases (cont'd)**

**Lease liabilities (cont'd)**

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in the note on leases (Note 22).

**3.13 Employee benefits**

**(a) Defined contribution plans**

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

**(b) Employee leave entitlement**

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period.

**3.14 Revenue recognition**

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

---

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

**3.14 Revenue recognition (cont'd)**

Revenue from sale of goods is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Interest income is recognised using the effective interest method.

**3.15 Income taxes**

Current income tax for current and prior periods is recognised 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 at the end of the reporting period.

Deferred income tax is recognised 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 an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised 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 utilised.

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
- (b) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

---

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

**3.16 Foreign currency**

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

**3.17 Fair value estimation of financial assets and liabilities**

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event, the fair values are disclosed in the relevant notes to the financial statements

**4. Significant accounting judgments and estimates**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future period. Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

**4.1 Key sources of estimation uncertainty**

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

---

**4. Significant accounting judgments and estimates (cont'd)**

**4.1 Key sources of estimation uncertainty (cont'd)**

**(a) Net realisable value of inventories**

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value. The carrying amounts of inventories at the end of each reporting period are disclosed in Note 7 (Inventories) to the financial statements.

**(b) Impairment of loans and receivables**

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The expected lifetime losses are recognised from initial recognition of these assets. These assets are Company based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over a period of certain months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The loss allowance was determined accordingly. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note 8 (Trade and other receivables) to the financial statements.



**WILSON CABLES PRIVATE LIMITED**

**Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022**

**5. Property, plant and equipment**

	Leasehold building S\$	Plant and machinery S\$	Electrical fittings and installation S\$	Factory equipment S\$	Laboratory equipment S\$	Office equipment S\$	Furniture and fittings S\$	Motor vehicles S\$	Computers S\$	Renovation S\$	Employee accommodation S\$	Total S\$
<u>2022</u>												
<b>Cost</b>												
As at 01.04.2021	10,037,623	9,681,058	687,891	127,323	157,327	127,226	103,542	204,687	19,759	104,928	-	21,251,364
Additions	-	82,233	-	-	-	-	-	-	4,481	-	78,049	164,763
Disposals	-	(486,658)	(33,346)	(9,495)	(9,074)	(11,159)	(13,804)	-	(14,093)	-	-	(577,629)
As at 31.03.2022	10,037,623	9,276,633	654,545	117,828	148,253	116,067	89,738	204,687	10,147	104,928	78,049	20,838,498
<b>Accumulated depreciation and impairment losses</b>												
As at 01.04.2021	3,198,132	8,176,834	463,372	89,219	83,094	59,046	44,241	156,558	18,762	17,984	-	12,307,242
Charge for the year	458,471	187,074	21,393	3,507	7,126	11,884	5,284	8,791	3,456	5,552	22,764	735,302
Disposal	-	(464,855)	(32,328)	(7,711)	(8,241)	(9,441)	(8,551)	-	(14,093)	-	-	(545,220)
As at 31.03.2022	3,656,603	7,899,053	452,437	85,015	81,979	61,489	40,974	165,349	8,125	23,536	22,764	12,497,324
<b>Net book value</b>												
As at 31.03.2022	6,381,020	1,377,580	202,108	32,813	66,274	54,578	48,764	39,338	2,022	81,392	55,285	8,341,174

**WILSON CABLES PRIVATE LIMITED**

**Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022**

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

	Leasehold building	Plant and machinery	Electrical fittings and installation	Factory equipment	Laboratory equipment	Office equipment	Furniture and fittings	Motor vehicles	Computers	Renovation	Employee accommodation	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Cost</b>												
As at 01.04.2020	10,037,623	9,966,395	729,781	217,193	350,739	140,912	196,441	204,687	449,637	104,928	47,408	22,445,744
Additions	-	22,133	2,300	-	-	-	-	-	3,500	-	-	27,933
Disposals	-	(307,470)	(44,190)	(89,870)	(193,412)	(13,686)	(92,899)	-	(433,378)	-	(47,408)	(1,222,313)
As at 31.03.2021	10,037,623	9,681,058	687,891	127,323	157,327	127,226	103,542	204,687	19,759	104,928	-	21,251,364
<b>Accumulated depreciation and impairment losses</b>												
As at 01.04.2020	2,739,660	8,256,685	482,064	169,857	263,054	59,171	128,310	145,803	445,733	12,432	37,927	12,740,696
Charge for the year	458,472	205,320	23,646	4,201	8,155	12,598	6,258	10,755	6,407	5,552	9,481	750,845
Disposal	-	(285,171)	(42,338)	(84,839)	(188,115)	(12,723)	(90,327)	-	(433,378)	-	(47,408)	(1,184,299)
As at 31.03.2021	3,198,132	8,176,834	463,372	89,219	83,094	59,046	44,241	156,558	18,762	17,984	-	12,307,242
<b>Net book value</b>												
As at 31.03.2021	6,839,491	1,504,224	224,519	38,104	74,233	68,180	59,301	48,129	997	86,944	-	8,944,122

9

5. Property, plant and equipment (cont'd)

(a) The leasehold building with a carrying amount of S\$6,381,020 (2021: S\$6,839,491) is mortgaged to secure the Company's bank loans (Note 13).

(b) During the financial year, the Company acquired property, plant and equipment with an aggregate cost of S\$86,714 (2021: S\$27,933) by cash of S\$86,714 (2021: S\$27,933). There were acquisitions of certain assets under right-of-use assets relating to property, plant and equipment with a total cost of S\$78,049 (2021: S\$Nil) acquired by means of finance leases related to right-of-use assets.

(c)	2022 S\$	2021 S\$
Allocation of depreciation expense:		
- cost of sales	712,301	721,241
- selling and distribution expenses	8,790	10,755
- administrative and establishment expenses	14,211	18,849
	<u>735,302</u>	<u>750,845</u>
	=====	=====

(d) Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 22.

6. Investment in subsidiaries

	2022 S\$	2021 S\$
Unquoted shares, at cost	10,000	10,000
Quasi-equity loan receivable	1,330,711	1,323,933
	<u>1,340,711</u>	<u>1,333,933</u>
	=====	=====
Movements during the year:		
At beginning of the year	1,333,933	1,333,933
Quasi-equity loan advanced	6,778	-
	<u>1,340,711</u>	<u>1,333,933</u>
	=====	=====
At the end of the year	1,340,711	1,333,933
	=====	=====

## 6. Investment in subsidiaries (cont'd)

The Company has the following subsidiaries as at the end of the reporting year:

	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Cost of investment</u>		<u>Proportion of ownership interest held by the Company</u>	
			2022	2021	2022	2021
			S\$	S\$	%	%
<i>Held by the Company</i>						
Wilson Far East Private Limited	General wholesale trade including importers and exporter	Singapore	10,000	10,000	100	100
Wilson Cables Singapore (MMR) Limited	Manufacture and sale of cables, wires and other related products and general wholesale trade	Myanmar	-*	-*	80	80

\* Designation of quasi-equity loan receivable

The Company had designated the other receivables from Wilson Cables Singapore (MMR) Limited as quasi-equity loan receivable. The cost of investment of USD120,000 is unpaid as at the date of report.

## 7. Inventories

	2022	2021
	S\$	S\$
Raw materials	2,173,490	2,126,795
Parts and supplies	493,459	410,446
Work-in-progress	650,520	943,695
Finished goods and trading stock	8,350,005	7,899,114
Goods in transit	-	476,493
	<u>11,667,474</u>	<u>11,856,543</u>
	=====	=====

**WILSON CABLES PRIVATE LIMITED****Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022****27****8. Trade and other receivables**

	2022 S\$	2021 S\$
Trade receivables:		
Related party	57,000	75,000
Non-related parties	27,019,785	13,232,026
GST receivables	181,139	49,095
Less: Allowance for impairment of receivables	(171,308)	(95,028)
	<u>27,086,616</u>	<u>13,261,093</u>
Non-trade receivables:		
Refundable deposits	286,091	144,780
Sundry receivables	59,436	860
	<u>27,432,143</u>	<u>13,406,733</u>
	=====	=====

Trade receivables are non-interest bearing and are generally on 30 to 180 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Sundry receivables and amounts due from subsidiary are non-trade related, unsecured, non-interest bearing and repayable on 180 days' terms.

Trade receivables that are impaired

	Collective impaired S\$	Individually impaired S\$	Total S\$
Movement in the allowance for impairment:			
Balance as at 1 April 2020	28,512	230,785	259,297
Charge for the year	-	174,739	174,739
Reversal	(19,004)	(27,306)	(46,310)
Written off	-	(292,698)	(292,698)
	<u>9,508</u>	<u>85,520</u>	<u>95,028</u>
Balance as at 31 March 2021	9,508	85,520	95,028
Charge for the year	47,115	42,007	89,122
Reversal	-	(12,842)	(12,842)
	<u>56,623</u>	<u>114,685</u>	<u>171,308</u>
Balance as at 31 March 2022	=====	=====	=====

**8. Trade and other receivables (cont'd)**

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over a period of 12 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The loss allowance was determined as follows for trade receivables:

	Gross amount		ELR		Loss allowance	
	2022	2021	2022	2021	2022	2021
	S\$	S\$			S\$	S\$
Trade receivables:						
Local sales:						
Current	1,908,518	1,350,756	0.0%	0.0%	-	-
1 to 30 days past due	1,682,387	1,499,180	0.5%	0.4%	8,052	6,515
31 to 60 days past due	870,769	965,144	0.7%	0.1%	6,210	957
61 to 90 days past due	638,796	440,647	1.2%	0.3%	7,827	1,240
Over 90 days past due	46,881	47,607	73.7%	1.7%	34,534	796
	<u>5,147,351</u>	<u>4,303,334</u>			<u>56,623</u>	<u>9,508</u>
Export sales*	21,929,434	9,003,692	0%	0%	-	-
Total	<u>27,076,785</u>	<u>13,307,026</u>			<u>56,623</u>	<u>9,508</u>
	=====	=====			=====	=====

\* Based on historical data, all export sales are mainly secured by letter of credit, advance payment and credit insurance. There have been no historical losses.

For purpose of impairment assessment, the other receivables are considered to have low credit risk and are not due. There has been no significant increase in the risk of default on the amounts due from related parties since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL). No loss allowance is deemed necessary.

**8. Trade and other receivables (cont'd)**

Trade receivables from customers that are insured by trade credit insurance underwritten by a reputable insurer in Singapore amounting to S\$6,765,000 (2021: S\$8,818,000) at the end of the reporting period.

As at 31 March 2022, trade receivables amounting to US\$1,200,000 (2021: Nil) were assigned to financial institutions as security for the Company's loans and borrowings (Note 13).

Trade and other receivables denominated in foreign currency at the end of the reporting year are as follows:

	2022 S\$	2021 S\$
United States Dollar	21,451,290 =====	8,418,604 =====

**9. Other current assets**

	2022 S\$	2021 S\$
Prepayments	149,244 =====	173,061 =====

**10. Cash and cash equivalents**

	2022 S\$	2021 S\$
Cash on hand	1,500	2,000
Cash at bank	989,932	916,087
Fixed deposits	200,000	200,000
	<u>1,191,432</u> =====	<u>1,118,087</u> =====

Fixed deposits are made for one year (2021: one year), depending on the immediate cash requirements of the Company, and earn interests at the respective short-term deposit rates. The short-term deposit rates at the end of the reporting period is 0.5% (2021: 0.5%) per annum.

10. Cash and cash equivalents (cont'd)

Fixed deposits amounting to S\$200,000 (2021: S\$200,000) are pledged in relation to the security granted for certain borrowings (Note 13).

Cash and cash equivalents denominated in foreign currency at the end of the reporting period are as follows:

	2022 S\$	2021 S\$
United States Dollars	321,668 =====	366,769 =====

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2022 S\$	2021 S\$
Cash and bank balances (as above)	1,191,432	1,118,087
Less: Pledged fixed deposits	(200,000)	(200,000)
Cash and cash equivalents per statement of cash flows	991,432 =====	918,087 =====

11. Share capital

	2022		2021	
	No. of ordinary shares	S\$	No. of ordinary shares	S\$
<u>Issued and fully paid</u>				
Beginning and end of financial year	6,886,216 =====	6,886,216 =====	6,886,216 =====	6,886,216 =====

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The Company has one class of ordinary shares which carry one vote per share without restriction. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company.



**WILSON CABLES PRIVATE LIMITED**

**Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022**

**31**

**12. Deferred income tax liabilities**

	Accelerated tax depreciation S\$	Tax losses S\$	Other temporary differences S\$	Total S\$
<b><u>2022</u></b>				
At 01.04.2021	557,377	(107,617)	(18,020)	431,740
(Credited)/charged to profit or loss	184,920	(102,817)	(2,040)	80,063
At 31.03.2022	<u>742,297</u> =====	<u>(210,434)</u> =====	<u>(20,060)</u> =====	<u>511,803</u> =====
<b><u>2021</u></b>				
At 01.04.2020	779,134	(332,434)	(14,960)	431,740
(Credited)/charged to profit or loss	(221,757)	224,817	(3,060)	-
At 31.03.2021	<u>557,377</u> =====	<u>(107,617)</u> =====	<u>(18,020)</u> =====	<u>431,740</u> =====

**13. Loans and borrowings**

	2022 S\$	2021 S\$
<b>Current:</b>		
Term loan	511,854	507,603
Trust receipts/import financing	7,142,282	4,122,633
Revolving credit facility	1,000,000	1,000,000
	<u>8,654,136</u>	<u>5,630,236</u>
<b>Non-current:</b>		
Term loan	42,300	558,732
Total borrowings	<u>8,696,436</u> =====	<u>6,188,968</u> =====

**13. Loans and borrowings (cont'd)**

The term loan bears interest at 1% (2021: 1%) above the Bank's cost of funds for interest period of 1 month, which is 1.5% (2021: 1.5%) per annum at the end of the reporting year, and is repayable over 60 (2021: 60) monthly instalments from the date of the first disbursement.

Trust receipt/import financing facility bears interest at the Bank's 2.25% (2021: 2.25%) above the Bank's cost of funds, which is 2.55% to 2.8% (2021: 2.5%) per annum at the end of the reporting year, and for maximum tenor of 150 days inclusive of suppliers' credit.

Revolving credit facility bears interest at 2.5% (2021: 2.5%) above the Bank's cost of funds for interest period of 1 month, which is 3% (2021: 3%) per annum at the end of the reporting year.

The term loans, trust receipt/import financing facility, revolving credit facility and trade financing facility are secured by a first legal mortgage over the property at 142 Gul Circle, Jurong Industrial Estate, Singapore 629602, fixed deposits of S\$200,000

Trade financing facility bears interest at 8.5% to 9.2% per annum for tenor of 90 to 120 days from the date of financing. The trade financing facility is secured by pledge amount of US\$100,000, assignment of trade receivables of US\$1,200,000 of selected customers and corporate guarantee from the related company.

**14. Trade and other payables**

	2022 S\$	2021 S\$
Trade payables:		
Holding company	-	17,675
Non-related parties	18,555,641	8,029,535
	<u>18,555,641</u>	<u>8,047,210</u>
Other payables:		
Accrued expenses	484,335	330,385
	<u>19,039,976</u>	<u>8,377,595</u>
	=====	=====

Trade payables are non-interest bearing and are normally settled on 30 to 180 days' terms.

Other payables are unsecured, non-interest bearing and is repayable on demand.

**14. Trade and other payables (cont'd)**

Trade and other payables denominated in foreign currencies at the end of the reporting year are as follows:

	2022 S\$	2021 S\$
United States Dollar	18,051,804	7,397,680
Euro	183	-
Indian Rupee	2,712	17,675
	=====	=====

**15. Revenue**

	2022 S\$	2021 S\$
<u>Sale of goods</u>		
Sale of cables and wires	36,000,963	22,298,684
Sale of trading goods	34,255,238	11,914,095
	-----	-----
	70,256,201	34,212,779
	=====	=====

The revenue is recognised based on point in time. All the fixed price contracts are less than 12 months and comprised of 40% (2021: 45%) local sales and 60% (2021: 55%) export sales.

**16. Other income**

	2022 S\$	2021 S\$
Sale of scrap	686,626	685,393
Interest income	-	785
Government grant income	85,824	575,346
Sundry income	1,329	33,868
Exchange gain	247,521	-
	-----	-----
	1,021,300	1,295,392
	=====	=====

**WILSON CABLES PRIVATE LIMITED**

**Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022**

**34**

**17. Administrative costs**

The following items have been included in arriving at administrative expenses.

	2022 S\$	2021 S\$
Depreciation of property, plant and equipment	14,211	18,849
Employee benefit expenses (Note 18)	382,159	360,474
Transport and travelling	580	1,826
	=====	=====

**18. Employee benefits expense**

	2022 S\$	2021 S\$
Salaries, bonuses and allowances (including directors)	3,145,724	3,115,826
Central Provident Fund contributions	240,660	231,664
	-----	-----
	3,386,384	3,347,490
	=====	=====
Allocation of employee benefits expense:		
- Cost of sales	2,230,636	2,137,870
- Selling and distribution expenses	773,589	849,146
- Administrative expenses	382,159	360,474
	-----	-----
	3,386,384	3,347,490
	=====	=====

**19. Profit before tax**

	2022 S\$	2021 S\$
Raw materials and consumables used	64,711,371	25,585,144
Changes in inventories of finished goods and work in progress	82,716	(3,466,549)
Loss on disposal of property, plant and equipment (Note)	(29,885)	(27,152)
Foreign exchange loss (Note)	-	(95,636)
	=====	=====
Note:		
Presented in statement of profit or loss and other comprehensive income as:		
Other losses	(29,885)	(122,788)
	-----	-----
	(29,885)	(122,788)
	=====	=====

**WILSON CABLES PRIVATE LIMITED****Notes to the Financial Statements  
For the Financial Year Ended 31 March 2022****35**

<b>20. Finance costs</b>	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
Interest expense on:		
- Bank loans	42,033	67,526
- Interest on bank overdraft	385	26,095
- Import financing	101,098	121,984
- Trade finance	160,170	35,029
	<hr/>	<hr/>
Total finance costs	303,686	250,634
	=====	=====
<b>21. Income taxes</b>	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
Current income tax:		
- Over provision in respect of previous years	-	-
	<hr/>	<hr/>
Deferred income tax:		
- Origination and reversal of temporary differences	(41,428)	(41,511)
- Under provision in respect of prior years	121,491	41,511
	<hr/>	<hr/>
	80,063	-
	<hr/>	<hr/>
Income tax expense recognised in profit or loss	80,063	-
	=====	=====
<u>Reconciliation of effective tax rate</u>		
Profit before tax	214,213	136,162
	=====	=====
Tax at Singapore tax rate of 17% (2021: 17%)	36,416	23,148
Effects of:		
- expenses not deductible for tax purposes	16,339	16,210
- non-taxable income	-	(77,696)
- under provision in respect of prior years	121,491	41,511
- tax incentives	(93,269)	-
- others	(914)	(3,173)
	<hr/>	<hr/>
Income tax expense recognised in profit or loss	80,063	-
	=====	=====

**22. Leases- where the Company is a lessee**

The Company leases office premises and office equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

**(a) Carrying amounts of right-of-use assets classified within property, plant and equipment**

	Leasehold buildings S\$	Office equipment S\$	Employee accommodation S\$	Total S\$
At 1 April 2020	1,920,290	16,036	9,481	1,945,807
Depreciation	(116,382)	(6,414)	(9,481)	(132,277)
At 31 March 2021	1,803,908	9,622	-	1,813,530
Additions	-	-	78,049	78,049
Depreciation	(116,381)	(6,415)	(22,764)	(145,560)
At 31 March 2022	1,687,527	3,207	55,285	1,746,019

**(b) Lease liabilities**

The carrying amounts of lease liabilities are as follows and the maturity analysis of lease liabilities is disclosed in Note 26(d).

	2022 S\$	2021 S\$
Current	177,308	148,203
Non-current	1,467,293	1,590,761
	1,644,601	1,738,964

**(c) Amounts recognised in profit or loss**

	2022 S\$	2021 S\$
Depreciation of right-of-use assets	145,560	132,277
Interest expense on lease liabilities	25,860	17,789
Total amount recognised in profit or loss	171,420	150,066

**22. Leases– where the Company is a lessee (cont'd)**

**(d) Total cash outflow**

The Company had total cash outflows for leases of S\$172,412 (2021: S\$165,083) in 2022.

**23. Related party transactions**

**(a) Sale and purchase of goods and services**

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

	2022 S\$	2021 S\$
Share of expenses to subsidiaries	-	12,840
Share of expenses to holding company	300,000	300,000
Reimbursement of expenses	71,653	80,277
	=====	=====

**(b) Compensation of key management personnel**

	2022 S\$	2021 S\$
Directors' fees	300,000	300,000
Salaries, bonuses and allowances	343,640	326,290
Central Provident Fund contributions	20,610	20,389
	-----	-----
	664,250	646,679
	=====	=====
Comprise amounts paid to:		
Directors	513,235	499,698
Other key management personnel	151,015	146,981
	-----	-----
	664,250	646,679
	=====	=====

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly.

Related companies are subsidiaries and associates of Sicagen India Limited and its subsidiaries.

**24. Commitments**

As at the end of the year, the Company is party to 7 (2021: 1) forward foreign exchange contracts. The contract/notional amount is US\$1,815,635 (2021: US\$231,862). Forward foreign exchange contracts are used to hedge foreign currency risk arising from the Company's purchases denominated in USD. The fair value at year end, is not material.

**25. Categories of financial assets and liabilities**

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	2022 S\$	2021 S\$
<u>Financial assets</u>		
Financial assets at amortised cost:		
- Trade and other receivables	27,432,143	13,406,733
- Cash and cash equivalents	1,191,432	1,118,087
	<u>28,623,575</u>	<u>14,524,820</u>
	=====	=====
<u>Financial liabilities</u>		
Financial liabilities at amortised cost:		
- Loans and borrowings	8,696,436	6,188,968
- Trade and other payables	19,039,976	8,377,595
- Lease liabilities	1,644,601	1,738,964
	<u>29,381,013</u>	<u>16,305,527</u>
	=====	=====

Further quantitative disclosures are included throughout these financial statements.

**26. Financial risk management**

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

The board of directors reviews and agrees policies and procedures for managing each of these risks on an informal basis. 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. All financial risk management activities are carried out following acceptable market practices and monitored by senior management staff.



---

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

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

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

**(a) Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are trade and other receivables and cash and cash equivalents. For trade and other receivables, the Company adopts the policy of dealing with customers of appropriate credit standing and history. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing only with high credit quality counterparties.

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

For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12-month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

## 26. Financial risk management (cont'd)

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

Credit risk concentration profile

The credit risk concentration profile of trade receivables at the end of the reporting year is as follows:

	< ————— 2022 ————— >		< ————— 2021 ————— >	
	S\$	% of total	S\$	% of total
<u>By country</u>				
Hong Kong	-	-	7,762,140	57%
Singapore	25,391,467	92%	4,533,917	34%
Myanmar	23,677	1%	191,757	1%
Cambodia	105,680	1%	424,500	3%
Indonesia	355,432	1%	330,933	3%
Seychelles	1,143,528	4%	9,189	1%
Others	57,000	1%	54,590	1%
	<u>27,076,785</u>	<u>100%</u>	<u>13,307,026</u>	<u>100%</u>
	=====	=====	=====	=====

At the end of the reporting year, approximately 75% (2021: 75%) of the Company's trade receivables were due from 1 (2021: 12) customers.

## (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to cash flows interest rate risk arises primarily from non-current loans and borrowings at variable rate. The Company has no policy to hedge against this interest rate risk.

Sensitivity analysis for interest rate risk

The Company's borrowings at variable rate on which effective hedge has not been entered into are denominated mainly in Singapore Dollar (SGD). If the SGD interest rate had been higher/lower by 1% (2021: 1%) with all other variables including tax rate being held constant, the profit after tax would have been lower/higher by S\$72,180 (2021: S\$51,368) as a result of higher/lower interest expense on these borrowings.

## 26. Financial risk management (cont'd)

## (c) Currency risk

Currency risk arises when transactions are denominated in foreign currencies. The Company incurs currency risk on transactions and balances that are denominated in a currency other than Singapore Dollar (SGD). The currency giving rise to this risk are primarily United States Dollar (USD). The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at forward and spot rates, where necessary, to address short term imbalances.

Sensitivity analysis for currency risk

The following table demonstrates the effects arising from the net financial liability/asset position to a reasonably possible change in the USD exchange rate against SGD, with all other variables including tax rate being held constant.

	2022 Profit after tax S\$	2021 Profit after tax S\$
USD/SGD – strengthened 3% (2021: 4%)	92,894	46,071
USD/SGD – weakened 3% (2021: 4%)	(92,894)	(46,071)

## (d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages its liquidity risk by maintaining an adequate level of cash and cash equivalents. The directors are satisfied that funds are available to finance the operations of the Company.

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

	1 year or less S\$	1 to 5 years S\$	Over 5 years S\$	Total S\$
<b><u>2022</u></b>				
Trade and other payables	19,039,976	-	-	19,039,976
Loans and borrowings	8,661,433	42,381	-	8,703,814
Lease liabilities	212,872	679,169	2,003,126	2,895,167
	<u>27,914,281</u>	<u>721,550</u>	<u>2,003,126</u>	<u>30,638,957</u>
	=====	=====	=====	=====

## 26. Financial risk management (cont'd)

## (d) Liquidity risk (cont'd)

	1 year or less S\$	1 to 5 years S\$	Over 5 years S\$	Total S\$
<b><u>2021</u></b>				
Trade and other payables	8,377,595	-	-	8,377,595
Loans and borrowings	5,649,208	557,281	-	6,206,489
Lease liabilities	172,792	665,969	2,168,718	3,007,479
	<u>14,199,595</u>	<u>1,223,250</u>	<u>2,168,718</u>	<u>17,591,563</u>
	=====	=====	=====	=====
			2022 S\$	2021 S\$
<u>Bank facilities:</u>				
Undrawn borrowing facilities			4,669,784	3,211,032
			=====	=====

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

## 27. Fair value of assets and liabilities

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

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

---

**27. Fair value of assets and liabilities (cont'd)**

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

There were no assets or liabilities measured at fair value at the end of the reporting period. There were no transfers between Level 1 and Level 2 during the reporting period.

The fair value of forward exchange contracts is determined using quoted forward currency rates at the end of the reporting period. These other financial assets are classified as Level 2.

The carrying amounts of trade and other receivables, cash and cash equivalents, trade and other payables, current loans and borrowings and non-current loans and borrowings at variable rates approximate their fair values due to their short-term nature.

**28. Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company 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. The Company's overall strategy remained unchanged from 2021.

The capital structure of the Company consists of its share capital and retained earnings as shown in the statement of financial position.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 March 2022 and 2021.

**29. Changes and adoption of financial reporting standards**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards does not result in changes to the Company's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

**29. Changes and adoption of financial reporting standards (cont'd)**

FRSs effective for annual period beginning on or after 1 April 2021

The following standards and interpretations are effective for the annual period beginning on or after 1 April 2021:

- Amendment to FRS 116 Leases: Covid-19-Related Rent Concessions
- Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosures, FRS 104 Insurance Contracts, FRS 116 Leases: Interest Rate Benchmark Reform – Phase 2

**30. New standards and interpretations not yet adopted**

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the Company for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

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

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendment to FRS 116 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018 - 2020	1 January 2022

**30. New standards and interpretations not yet adopted (cont'd)**

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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