

VAMA TECHNOLOGIES PTE. LTD.

(Incorporated in Singapore)

Registration No: 201613944W

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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VAMA TECHNOLOGIES PTE. LTD.
(Incorporated in Singapore)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

The directors are pleased to present their statement to the members together with the audited financial statements of Vama Technologies Pte. Ltd. (the "Company") for the financial year ended 31 March 2020.

1. 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 2020 and the financial performance, changes in equity and cash flows of the Company for the year then ended;
- (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 having considered the factors presented in Note 2.2 of these financial statements.

2. Directors

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

VEGESNA ATCHYUTA RAMA RAJU
BALARAMAN RAMESH

3. Arrangements to enable directors to acquire shares or debentures

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

4. Directors' interest in shares or debentures

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

Name of the director	Direct interest		Deemed interest	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
Ordinary shares at Rupees 2 each of the ultimate holding company – Vama Industries Limited, India				
Vegesna Atchyuta Rama Raju	12,555,120	12,555,120	774,500*	774,500

None of the directors of the Company holding office at the reporting date had any interest in the shares or debentures of the Company either at the beginning or end of financial year. Mr. Vegesna Atchyuta Rama Raju, who by virtue of his interest of not less than 20% of the issued capital of the holding company, is deemed to have an interest in the whole of the share capital of the Company.

* - Shares are held by his spouse.

VAMA TECHNOLOGIES PTE. LTD.
(Incorporated in Singapore)

DIRECTORS' STATEMENT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

5. Share options

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

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

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

6. Auditor

MGI N Rajan Associates has expressed its willingness to accept re-appointment.

The Board of Directors,



VEGESNA ATCHYUTA RAMA RAJU
Director



BALARAMAN RAMESH
Director

DATE: 21.5.2020



MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

**INDEPEDENT AUDITOR'S REPORT TO THE MEMBERS OF VAMA TECHNOLOGIES PTE.
LTD.**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Vama Technologies Pte. Ltd, (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2020, 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, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Qualified Opinion

Comparability of the corresponding figures

Bad debts written off US\$ 516,813

- In the previous financial year ended 31 March 2019, in statement of profit or loss, the Company was recognised bad debts written off amounting to US\$ 516,813 related to its trade receivables. These trade receivables were due from two customers that had been long overdue since the financial year ended 31 March 2018.
- We expressed a qualified opinion on the financial statements of the Company for the financial year ended 31 March 2019 as we were unable to determine whether the bad debts should have been written off or provided for impairment in the profit or loss for the financial year ended 31 March 2018 if the Company performed impairment test on its trade receivables for the financial year ended 31 March 2018. Consequently, we were unable to determine whether any adjustments might be necessary to the profit or loss for the financial year ended 31 March 2019.
- Our auditor's report for the financial year ended 31 March 2018 contained a disclaimer of opinion for recoverability of the said amount.
- Our opinion on the current year's financial statements is also modified because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures.

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 Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

Material uncertainty relating to Going Concern

We draw attention to Note 2.2 to the financial statements with respect to the Company's ability to continue as going concern. At 31 March 2020, the Company's current liabilities exceeded the current assets by US\$ 141,973 (2019: US\$ 249,831). In addition, the Covid-19 pandemic has impacted the Company's business and operations. The Company is unable to execute their customers' current orders of US\$ 840,736 due to non-availability of productions and have nil revenue for the month of April and is expecting same for the month of May 2020.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. Nevertheless, for the reasons disclosed in Note 2.2 to the financial statements, the Directors are of the view that it is appropriate for the financial statements of the Company to be prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (set out on pages 2-3)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, the financial statements for financial years 2018 and 2019 contained a disclaimer of opinion and a qualified opinion respectively which have an impact on the Company's comparability of the current year's figures and the corresponding figures for the financial year ended 31 March 2020. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

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.

**INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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, except for the matters referred to in the Basis for Qualified Opinion paragraphs, 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.



**MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS**

Singapore

Date: 28.5.2020

VAMA TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

ASSETS	Note	2020 US\$	2019 US\$
NON-CURRENT ASSETS			
Trade and other receivables	7	161,829	37,496
		161,829	37,496
CURRENT ASSETS			
Cash and cash equivalents	6	11,042	10,476
Trade and other receivables	7	287,962	213,460
Inventories	8	-	121,903
		299,004	345,839
TOTAL ASSETS		460,833	383,335
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	440,977	396,533
Due to holding company	10	-	199,137
		440,977	595,670
NET ASSETS/(LIABILITIES)		19,856	(212,335)
CAPITAL AND RESERVES			
Share capital	11	6,000	6000
Retained Earnings		13,856	(218,335)
TOTAL EQUITY		19,856	(212,335)

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

VAMA TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	2020 US\$	2019 US\$
Revenue	12	2,059,772	2,339,904
Cost of sales		(1,826,126)	(2,194,751)
Gross profit		233,646	145,153
Other income		22,096	-
		255,742	145,153
Administrative and other expenses		(23,551)	(539,915)
Profit/(loss) before tax	4	232,191	(394,762)
Taxation	5a	-	3,794
Profit / (loss) for the year representing total comprehensive income for the year		232,191	(390,968)

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Share Capital US\$	Retained Earnings US\$	Total US\$
Balance as at 31 March 2018	6,000	172,633	178,633
Effect of adopting FRS 115 and 109	-	-	-
Balance as at 1 April 2018	6,000	172,633	178,633
(Loss) for the year representing total comprehensive income for the year	-	(390,968)	(390,968)
Balance as at 31 March 2019	6,000	(218,335)	(212,335)
Effect of adopting FRS 116	-	-	-
Balance as at 1 April 2019	6,000	(218,335)	(212,335)
Profit for the year representing total comprehensive income for the year	-	232,191	232,191
Balance as at 31 March 2020	6,000	13,856	19,856

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 US\$	2019 US\$
Cash flows from operating activities			
Profit / (loss) for the year before tax		232,191	(394,762)
Adjustment for:			
Bad debts written off		-	516,813
Operating profit before working capital changes		232,191	122,051
Changes in working capital:			
Decrease/(increase) in inventories		121,903	(121,903)
(Increase)/decrease in trade and other receivables		(198,835)	(213,009)
Increase in trade and other payables		44,444	362,583
Cash generated from operations		199,703	149,722
Tax (paid)	5b	-	(6,549)
Net cash flows from operating activities		199,703	143,173
Cash flows from financing activities			
Repayment of loan from holding company		(199,137)	(155,000)
Net cash flows from financing activities		(199,137)	(155,000)
Net increase in cash and cash equivalents		566	(11,827)
Cash and cash equivalents at the beginning of the year		10,476	22,303
Cash and cash equivalents at the end of the year	6	11,042	10,476

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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

1. GENERAL INFORMATION

Vama Technologies Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 10 Jalan Besar, # 10-03, Sim Lim Tower, Singapore 208787.

The principal activity of the Company is that of providing information technology and computer service activities (Ex. disaster recovery services).

The immediate and ultimate holding company is Vama Industries Limited, a company incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollar (US\$), which is the Company's functional currency.

2.2 Basis for going concern

At 31 March 2020, the Company's current liabilities exceeded the current assets by US\$ 141,973 (2019: US\$ 249,831). In addition, since March 2020, the outbreak of Novel Coronavirus ("COVID-19") has negatively impacted the Company's business and operations. The circumstances arising from the Covid-19 pandemic are evolving and remain fluid. The Company is unable to execute their customers' current orders of US\$ 840,736 due to non-availability of productions and have nil revenue for the month of April and is expecting same for the month of May 2020. The Company is also expecting weaker financial performance in the coming financial year ending 31 March 2021.

These factors indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as going concerns. Nevertheless, the Directors are of the view that it is appropriate for the financial statements of the Company to be prepared on a going concern basis as:

- 1) The Company have customers' orders in hand around US\$ 840,736 and are planning to execute immediately once the production starts by the manufacturer.
- 2) The Company is able to generate sufficient cash flows from their operations to meet their current and future obligations.
- 3) The immediate and ultimate holding company is undertaking to provide continuing financial support to enable the Company to continue operating as going concern in the foreseeable future and to meet its liabilities as and when they fall due.

The carrying values of the assets as recorded on the statement of financial position of the Company as at 31 March 2020 have been determined based on their continuation as going concern and recovery in the normal course of business. If the going concern assumption is not appropriate and the financial statements were presented on a realisation basis, the carrying values of assets and liabilities may be materially different from that currently recorded in the statement of financial position. If the Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Adoption of new and revised 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 its operations and effective for annual periods beginning on or after April 1, 2019. The adoption of these new/revised FRS and INT FRS, include the adoption of *FRS 116 Leases* described below, does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on the statement of financial position. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. FRS 116 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

As the Company does not have any leases and therefore the adoption of FRS 116 Leases do not have any material effect on the financial performance or position of the Company.

2.4 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to References to Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020
Amendments to FRS 110 and FRS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

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.

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.6 Financial instruments

(i) Financial assets

Initial recognition and measurement

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

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

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.6 Financial instruments (Cont'd)

(ii) Financial liabilities (cont'd)

Subsequent measurement

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

Derecognition

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

2.7 Impairment of financial assets

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

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 receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes 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 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Provisions

General

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

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

Warranty provisions

Provisions for warranty-related costs are not recognised as the warranty costs are covered by holding company and an arrangement with a third party.

2.10 Inventory

Inventories were stated at the lower of cost and net realisable value. Cost was determined on a first-in first-out basis.

2.11 Revenue recognition

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

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

a) Sale of goods

Revenue from sale of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the transaction price, which comprises the contractual price.

b) Installation works

Installation is a quick and simple process and revenue from rendering of the installation services is recognised when the services have been performed and rendered.

Accounting for non-current retention amounts

The Company has assessed that there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entities' failure to adequately complete some or all of its obligations under the contract. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Tax

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

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

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

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

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The transactions are entered on terms agreed by the parties concerned.

2.13 Share capital

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

2.14 Related parties

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The transactions are entered on terms agreed by the parties concerned.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 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.

Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 7.

The carrying amount of the Company's trade receivables and contract assets as at 31 March 2020 was US\$ 398,879 (31 March 2019: US\$ 192,664).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

4. PROFIT/(LOSS) BEFORE TAX

	2020 US\$	2019 US\$
Profit/(loss) before tax has been arrived at after charging/(crediting):		
Bad debts written off	-	516,813
Consulting charges	102,989	116,995
Freight charges	24,412	20,579
Bad debts recovered (trade)	(22,096)	-

5. TAXATION

a) Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 March 2020 and 2019 were:

	2020 US\$	2019 US\$
Current year's income tax	-	-
Over provision in respect of prior years	-	3,794
Income tax expense recognised in profit or loss	-	3,794

Relationship between tax expense and accounting profit/(loss)

A reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial years ended 31 March 2020 and 2019 were as follows:

	2020 US\$	2019 US\$
Profit / (loss) before taxation	232,191	(394,762)
Tax @ statutory rate of 17% (2019: 17%)	39,473	(67,110)
Over provision in prior years	-	3,794
Deferred tax asset not recognised	-	67,110
Benefit from deferred tax asset not recognised previously	(39,473)	-
Income tax expense recognised in profit or loss	-	3,794

b) Movements in income tax liabilities during the financial year were as follows:

	2020 US\$	2019 US\$
Balance at the beginning of the year	-	10,343
Income tax paid	-	(6,549)
Over provision in prior years	-	(3,794)
Balance at the year end	-	-

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Company has unrecognised tax losses amounting to US\$ 162,571 (2019: US\$ 394,762) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses have no expiry date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

6. CASH AND CASH EQUIVALENTS

	2020 US\$	2019 US\$
Cash at bank	11,042	10,476
	<u>11,042</u>	<u>10,476</u>

7. TRADE AND OTHER RECEIVABLES

	2020 US\$	2019 US\$
Non-Current		
Contract assets – retention monies	142,003	37,496
Prepaid warranty cost	19,826	-
	<u>161,829</u>	<u>37,496</u>
Current		
Trade receivables	256,876	155,168
Trade advance	-	53,908
Other receivables		
Prepaid warranty cost	207,023	-
Deposit	4,384	4,384
	<u>287,962</u>	<u>213,460</u>
Total trade and other receivables	<u>449,791</u>	<u>250,956</u>

Trade receivables are generally on 30 to 60 days terms. They are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

Expected credit losses

- The Company does not have any allowance for expected credit losses on its trade receivables and contract assets as at year end because they are assessed to be recoverable.

Information regarding trade receivables that are past due is disclosed in Note 13.

Retention receivables are recognised as a contract assets. Retention sums are classified as non-current as they are expected to be received between two to three years from the reporting date.

8. INVENTORIES

	2020 US\$	2019 US\$
Statement of financial position:		
Finished goods	-	121,903
Statement of profit and loss:		
Inventories recognised as an expense in cost of sales	1,678,255	2,038,792

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

9. TRADE AND OTHER PAYABLES

	2020 US\$	2019 US\$
Trade payables:		
Due to holding company	159,047	116,995
Trade creditors	275,479	272,803
	<u>434,526</u>	<u>389,798</u>
Other payables:		
Accruals	6,451	6,735
	<u>440,977</u>	<u>396,533</u>

Trade payables are non-interest bearing and are normally settled on 30-60 days' terms.

10. DUE TO HOLDING COMPANY

This non-trade amount was unsecured, interest-free and was repayable on demand.

11. SHARE CAPITAL

The Company's share capital comprises fully paid-up 8,680 (2019: 8,680) ordinary shares amounting to a total of US\$ 6,000 (2019: US\$ 6,000). The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

The ordinary shares are denominated in Singapore Dollars and are converted to United States Dollars at historical rates.

12. REVENUE

	2020 US\$	2019 US\$
Disaggregation of revenue		
Sale of computer servers and installation charges	2,059,772	2,339,904
	<u>2,059,772</u>	<u>2,339,904</u>
<u>Timing of transfer of good or service</u>		
Product transferred at a point in time	2,059,772	2,339,904
Product transferred at over time	-	-
	<u>2,059,772</u>	<u>2,339,904</u>

Information about trade receivables and contract assets from contracts with customers is disclosed at Note 7.

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed 10% of contract amount at the reporting date due to warranty period. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Company invoices the customer after the completion of warranty period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

13. FINANCIAL RISK MANAGEMENT

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

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and 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 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 risks.

a) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The financial statements have been prepared on a going concern basis as the holding company has given an undertaking that it will provide continuing financial support to the Company to enable them to continue their operations (Note 2.2). The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

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

	Carrying amount	Contractual cash flows	One year or less	After one year to five years
31 March 2020	US\$	US\$	US\$	US\$
<u>Financial assets</u>				
Trade receivables	256,876	256,876	256,876	-
Contract assets – retention monies	142,003	142,003	-	142,003
Deposit	4,384	4,384	4,384	-
Cash and cash equivalents	11,042	11,042	11,042	-
Total undiscounted financial assets	414,305	414,305	272,302	142,003
<u>Financial liabilities</u>				
Trade payables - third parties	275,479	275,479	275,479	-
Trade payables - holding company	159,047	159,047	159,047	-
Accruals	6,451	6,451	6,451	-
Total undiscounted financial liabilities	440,977	440,977	440,977	-
Total net undiscounted financial assets/(liabilities)	(26,672)	(26,672)	(168,675)	142,003

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

13. FINANCIAL RISK MANAGEMENT (Cont'd)

a) Liquidity risk (Cont'd)

31 March 2019	Carrying amount US\$	Contractual cash flows US\$	One year or less US\$	After one year to five years US\$
Financial assets				
Trade receivables	155,168	155,168	155,168	-
Contract assets – retention monies	37,496	37,496	-	37,496
Deposit	4,384	4,384	4,384	-
Cash and cash equivalents	10,476	10,476	10,476	-
Total undiscounted financial assets	207,524	207,524	170,028	37,496
Financial liabilities				
Trade payables - third parties	272,803	272,803	272,803	-
Trade payables - holding company	116,995	116,995	116,995	-
Accruals	6,735	6,735	6,735	-
Other payables - holding company	199,137	199,137	199,137	-
Total undiscounted financial liabilities	595,670	595,670	595,670	
Total net undiscounted financial assets/(liabilities)	(388,146)	(388,146)	(425,642)	37,496

b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For cash and cash equivalents, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

13. FINANCIAL RISK MANAGEMENT (Cont'd)

b) Credit risk (Continued)

- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is past due beyond the credit period and based on the history of the payments received in making contractual payment.

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

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

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

13. FINANCIAL RISK MANAGEMENT (Cont'd)

b) Credit risk (Continued)

	Note	Category	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
31 March 2020						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	256,876	-	256,876
Contract assets – retention monies	7	Note 1	Lifetime ECL (simplified)	142,003	-	142,003
Deposit	7	I	12-month ECL	4,384	-	4,384
				403,263	-	403,263
31 March 2019						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	155,168	-	155,168
Contract assets – retention monies	7	Note 1	Lifetime ECL (simplified)	37,496	-	37,496
Deposit	7	I	12-month ECL	4,384	-	4,384
				197,048	-	197,048

Trade receivables (Note1)

For trade receivables and contract assets, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables and contract assets is presented based on their past due status in terms of the provision matrix.

The Company believes that all receivables are collectible based on the historical payment behavior and credit worthiness of customers.

Summarised below is the information about the credit risk exposure on the Company's trade receivables and contract assets using provision matrix:

31 March 2020	Contract assets US\$	Trade receivables		
		Not past due US\$	< 30 days US\$	Total US\$
ECL rate	0.0%	0.0%	0.0%	
Estimated total gross carrying amount at default ECL	142,003	215,420	41,456	256,876
	-	-	-	-
	142,003			256,876

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH
2020 (Continued)

13. FINANCIAL RISK MANAGEMENT (Cont'd)

b) Credit risk (Continued)

31 March 2019	Contract assets US\$	Trade receivables		Total US\$
		Not past due US\$	< 30 days US\$	
ECL rate	0.0%	0.0%	0.0%	
Estimated total gross carrying amount at default ECL	37,496 -	155,168 -	- -	155,168 -
	<u>37,496</u>			<u>155,168</u>

Excessive risk concentration

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

Exposure to credit risk

The Company has no significant concentration of credit risk other than the balances with one customer comprising 76% (2019: 100%) and 100% (2019: 47%) of trade receivables and contract assets respectively. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

i) 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 does not have any loans or debt obligations which are affected by changes in interest rates. The Company adopts a conservative approach in interest risk management by avoiding interest bearing borrowings and relying on its non-interest bearing creditors.

ii) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. The Company does not have any significant foreign currency denominated financial instruments. Management does not expect changes in foreign exchange rates to have significant impact on the Company's profit or loss before tax from its operations as all of the financial assets and financial liabilities are denominated in United States Dollar.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

14. FAIR VALUE OF ASSETS AND LIABILITIES

Assets and liabilities approximate their fair values at the reporting date as follows:

Cash and cash equivalents, deposit, amount due to holding company and accruals

The carrying amounts of these balances (including amount due to holding company) approximate their fair values due to either they are short-term in nature or they are repayable on demand.

Trade receivables, contract assets and trade payables

The carrying amounts of these receivables and payables (including trade payables to holding company) approximate their fair values as they are subject to normal trade credit terms and there is no significant financing component included.

15. FINANCIAL INSTRUMENTS BY CATEGORY

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

	2020 US\$	2019 US\$
<u>Financial assets measured at amortised cost</u>		
Trade and other receivables and contract assets (Note 7)	403,263	197,048
Cash and cash equivalents (Note 6)	11,042	10,476
	414,305	207,524
<u>Financial liabilities measured at amortised cost</u>		
Trade and other payables (Note 9)	440,977	396,533
Amount due to holding company (Note 10)	-	199,137
	440,977	595,670

16. CAPITAL MANAGEMENT

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2020 and 31 March 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020
(Continued)

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant related parties trading transactions during the financial year ended 31 March 2020 and 2019 and were at terms and rates agreed between the parties:

	2020	2019
	US\$	US\$
Consulting charges paid to holding company	(102,989)	(116,995)
Repayment of loan to holding company	(199,137)	(155,000)

18. EVENT AFTER REPORTING PERIOD

The outbreak of Novel Coronavirus ("COVID-19") has negatively impacted the Company's business and operations in coming financial year 2021. Refer to Note 2.2 for more information on the impact of the outbreak.

19. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2020 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the Directors' Statement.

VAMA TECHNOLOGIES PTE. LTD.
(Incorporated in the Republic of Singapore)

(This does not form part of audited financial statements)

**DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	2020	2019
	US\$	US\$
Revenue		
Sales	2,059,772	2,339,904
Less: Cost of sales		
Opening stocks	(121,903)	-
Purchases	(1,556,352)	(2,160,695)
Warranty charges	(6,950)	-
Closing stocks	-	121,903
	(1,685,205)	(2,038,792)
Less: Direct expenses		
Consulting charges	(102,989)	(116,995)
Custom clearing charges	(13,520)	(9,350)
Fees and taxes	-	(9,035)
Freight Charges	(24,412)	(20,579)
Gross profit	233,646	145,153
Other income		
Bad debts recovered (trade)	22,096	-
	22,096	-
Less: Expenditure		
Audit Fees	(7,825)	(8,271)
Bank charges	(7,149)	(6,562)
Bad debts written off (trade)	-	(516,813)
Insurance	(988)	(560)
Professional charges	(5,185)	(6,428)
Secretarial fees	(1,866)	(732)
Taxation fees	(538)	(549)
	(23,551)	(539,915)
Profit / (loss) before tax	232,191	(394,762)