

**Sundaram Asset Management Singapore Pte. Ltd.**  
**Registration Number: 201111900M**

**Annual Report**  
Year ended 31 March 2024

*KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (2005) and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.*

*The symbol "\$", wherever appearing, denotes Singapore Dollars unless otherwise specified*

## Contents

Directors' Report	-	i
Auditors' Report	-	ii
Statement of financial position & Statement of comprehensive income	-	iii
Statement of changes in equity	-	iv
Statement of cash flows	-	v
Notes to the financial statements	-	vi - xvi

## Directors Report

### Directors' statement

We are pleased to submit this annual report to the member of the Company together with the audited financial statements for the financial year ended 31 March 2024.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS30 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has on the date of this statement, authorised these financial statements for issue.

### Directors

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

Sunil Subramaniam  
Anish Mathew

### Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ('the Act'), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants or share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
<b>Mr.Sunil Subramaniam</b>		
Sundaram Finance Ltd		
- ordinary shares	5,200	5,200
- options to subscribe for ordinary shares at INR 10 per share	1,250	1,854
<b>Sundaram Finance Holdings Ltd</b>		
- ordinary shares	2,750	2,750

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

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.

### Share options

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

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

### Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors

\_\_\_\_\_  
**Anish Mathew**  
Chief Executive Officer

\_\_\_\_\_  
**Sunil Subramaniam**  
Director

3 May 2024



**KPMG LLP**  
16 Raffles Quay #22-00  
Hong Leong Building  
Singapore 048581

Telephone +65 6213 3388  
Fax +65 6225 0984  
Internet www.kpmg.com.sg

## Independent auditors' report

Member of the Company  
Sundaram Asset Management Singapore Pte. Ltd.

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Sundaram Asset Management Singapore Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2024, the statement of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages FS1 to FS30.

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 2024 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 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority 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 contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained Directors' statement prior to the date of this auditors' report.

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.

#### 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.

#### Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional 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 controls.
- Obtain an understanding of internal controls 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 controls.
- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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.

**KPMG LLP**  
Public Accountants and  
Chartered Accountants

**Singapore**  
3 May 2024

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act 2005 and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

## Statement of financial position

As at 31 March 2024

	Note	2024 \$	2023 \$
<b>Non-current assets</b>			
Plant and equipment	4	1,536	7,031
Right-of-use asset	5	76,134	159,189
Contract costs	11	871,788	911,597
Trade and other receivables	6	22,510	22,510
		<u>971,968</u>	<u>1,100,327</u>
<b>Current assets</b>			
Trade and other receivables	6	1,102,457	825,333
Cash and cash equivalents	7	7,766,914	3,681,435
		<u>8,869,371</u>	<u>4,506,768</u>
<b>Total assets</b>		<u>9,841,339</u>	<u>5,607,095</u>
<b>Equity</b>			
Share capital	8	5,855,001	5,855,001
Retained earnings/(Accumulated losses)		1,938,092	(1,527,461)
<b>Total equity</b>		<u>7,793,093</u>	<u>4,327,540</u>
<b>Non-current liabilities</b>			
Loans and borrowings	9	–	78,452
<b>Current liabilities</b>			
Other payables	10	1,252,394	901,059
Current tax liabilities		717,400	218,941
Loans and borrowings	9	78,452	81,103
		<u>2,048,246</u>	<u>1,201,103</u>
<b>Total liabilities</b>		<u>2,048,246</u>	<u>1,279,555</u>
<b>Total equity and liabilities</b>		<u>9,841,339</u>	<u>5,607,095</u>

## Statement of comprehensive income

Year ended 31 March 2024

	Note	2024 \$	2023 \$
Revenue	11	9,213,676	5,275,113
Other income		119,742	329,711
		<u>9,333,418</u>	<u>5,604,824</u>
Staff costs		(1,099,624)	(1,132,984)
Depreciation expenses	14	(88,550)	(76,750)
Investor introduction expenses	12	(1,757,147)	(2,057,561)
Other distribution expenses		(1,863,009)	(457,733)
Other operating expenses		(492,142)	(395,953)
Profit from operating activities		<u>4,032,946</u>	<u>1,483,843</u>
Finance income		129,971	59,715
Finance costs		(6,497)	(1,499)
Net finance income	13	<u>123,474</u>	<u>58,216</u>
Profit before tax	14	4,156,420	1,542,059
Tax expense	15	(690,867)	(247,310)
Profit for the year, representing total comprehensive income for the year		<u>3,465,553</u>	<u>1,294,749</u>

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

## Statement of changes in equity

Year ended 31 March 2024

	Share Capital \$	Accumulated Losses Retained earnings \$	Total \$
At 1 April 2022	5,855,001	(1,920,480)	3,934,521
<b>Total comprehensive income for the year</b>			
Profit for the year	–	1,294,749	1,294,749
<b>Transactions with owner, recognised directly in equity</b>			
<b>Distributions to owner</b>			
Dividend paid	–	(901,730)	(901,730)
At 31 March 2023	5,855,001	(1,527,461)	4,327,540
At 1 April 2023	5,855,001	(1,527,461)	4,327,540
<b>Total comprehensive income for the year</b>			
Profit for the year	–	3,465,553	3,465,553
At 31 March 2024	5,855,001	1,938,092	7,793,093

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

## Statement of cash flows

Year ended 31 March 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Profit for the year		3,465,553	1,294,749
Adjustments for:			
Depreciation	14	88,550	76,750
Amortisation of contract costs	12	952,200	1,378,584
Unrealised foreign exchange loss		49,729	17,997
Finance costs	13	6,497	1,499
Finance income	13	(129,971)	(59,715)
Tax expense		690,867	247,310
		<u>5,123,425</u>	<u>2,957,174</u>
Changes in working capital:			
Trade and other receivables		(277,124)	193,313
Contract costs		(912,391)	(627,202)
Other payables		351,335	(398,869)
Cash generated from operations		<u>4,285,245</u>	<u>2,124,416</u>
Tax paid		(192,408)	(166,709)
<b>Net cash generated from operating activities</b>		<u>4,092,837</u>	<u>1,957,707</u>
<b>Cash flows from investing activities</b>			
Interest received		129,971	59,715
Purchase of plant and equipment	4	–	(1,963)
Net cash generated from investing activities		<u>129,971</u>	<u>57,752</u>
<b>Cash flow from financing activities</b>			
Dividends paid on ordinary shares		–	(901,670)
Dividends paid on redeemable preference shares	9	–	(60)
Payment of lease liability	9	(81,103)	(64,102)
Interest paid on lease liability	9	(6,497)	(1,499)
Repayment of redeemable preference shares	9	–	(260,000)
<b>Net cash used in financing activities</b>		<u>(87,600)</u>	<u>(1,227,331)</u>
<b>Net increase in cash and cash equivalents</b>		4,135,208	788,128
Cash and cash equivalents at beginning of year		3,431,435	2,661,304
Effect of exchange rate fluctuations on cash held		(49,729)	(17,997)
<b>Cash and cash equivalents at end of year</b>	7	<u>7,516,914</u>	<u>3,431,435</u>

## Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 3 May 2024.

### 1 Domicile and activities

Sundaram Asset Management Singapore Pte. Ltd. (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is 50 Armenian Street, #02-02 Wilmer Place, Singapore 179938.

The immediate and ultimate holding companies are Sundaram Asset Management Company Limited and Sundaram Finance Limited respectively, both of which incorporated in the Republic of India.

The principal activities of the Company are those relating to the provision of fund management and related services, for which the Company holds a Capital Markets Services Licence granted by the Monetary Authority of Singapore.

### 2 Basis of preparation

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (FRS). The changes to material accounting policies are described in note 2.5.

#### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise described in the notes below.

#### 2.3 Functional and presentation currency

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

#### 2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements made in applying the entity's accounting policies and no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

#### 2.5 Changes in material accounting policies

##### New accounting standards and amendments

The Company has applied the following FRS and amendments to FRSs for the first time for the annual period beginning on 1 April 2023:

- FRS 117: Insurance Contracts
- Amendments to FRS 12: Deferred tax related to

Assets and Liabilities arising from a Single Transaction

- Amendments to FRS 12: International Tax Reform – Pillar Two Model Rules
- Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to FRS 8: Definition of Accounting Estimates

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements. Management reviewed the accounting policies and made updates to the information disclosed in note 3 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

### 3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

#### 3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

#### 3.2 Plant and equipment

##### Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in profit or loss.

##### Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied



within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

#### **Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture and fittings	3 years
Office equipment	3 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

### 3.3 Financial instruments

#### **Recognition and initial measurement**

##### **Non-derivative financial assets and financial liabilities**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### **Classification and subsequent measurement**

##### **Non-derivative financial assets**

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

##### **Financial assets 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 FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets: Business model assessment**

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

#### **Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In

making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

**Non-derivative financial assets: Subsequent measurement and gains and losses**

**Financial assets at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised redeemable preference shares, lease liability and other payables.

**Derecognition**

**Financial assets**

The Company derecognises a financial asset 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 either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**Offsetting**

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

**Share capital**

**Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**Redeemable preference shares**

The Company's redeemable preference shares are classified as financial liabilities, because they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

3.4 **Leases**

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

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Company recognises a right-of-use asset and a lease

liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability is fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets and lease liabilities in the statement of financial position.

### 3.5 Impairment

#### **Non-derivative financial asset**

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at

amortised cost and contract assets (as defined in FRS115). Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

#### **Simplified approach**

The Company applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

#### **General approach**

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

#### **Measurement of ECLs**

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

#### **Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

#### **Presentation of allowance for ECLs in the statement of financial position**

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

#### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **(i) Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its estimated recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current

market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

#### **3.6 Employee benefits**

##### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

##### **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

##### **Employee leave entitlement**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

#### **3.7 Revenue recognition**

Revenue from sale of services in the ordinary course of business is recognised when the Company satisfies a performance obligation by transferring control of a promised service to the customer. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following is a description of principal activities from which the Company generates its revenue.

##### **(i) Investment management fees**

Investment management fees are based on the fee rates that are applied to the value of assets under the respective funds managed by the Company. No adjustment is made to transaction prices for time value of money as the contracts do not include significant financing consideration payable to the fund.

The Company recognises fee revenue over time as such

services are rendered. The invoices raised for the services are rendered on a monthly basis and the fund is required to pay for the services within 30 days of receipt of such invoice.

**(ii) Advisory fee**

Advisory fees relate to fees paid in return for the Company's provision of services and investment advisory. No adjustment is made to transaction prices for time value of money as the contracts do not include significant financing consideration.

The Company recognises fee revenue over time as such services are rendered. The invoices raised for the services are rendered on a quarterly basis and the customers are required to pay for the services within 30 days of receipt of invoice.

**3.8 Investor introduction expenses**

Investor introduction fees directly attributable to obtaining a contract is capitalised under contract costs when incurred, if the Company expects to be able to recover these costs. The contract costs are then amortised across a period that is consistent with the pattern of revenue recognised.

The Company recognises an impairment loss in profit or loss to the extent that the carrying amount of the contract assets exceed the remaining amount of consideration that the Company expects to receive in exchange for the services to which the contract assets relates less costs that relate directly to providing such services that have not been recognised as expenses.

For investor introduction fees arising from contracts with no fixed revenue period, the Company recognised these fees as an expense when incurred.

**3.9 Other distribution expenses**

Other distribution expenses pertain to trailer fees paid to intermediaries, and are recognised on an accrual basis when services are received.

**3.10 Finance income and finance costs**

The Company's finance income and finance costs include:

- interest income;
- interest expense on lease liability; and
- dividend expense on preference shares issued classified as financial liabilities.

Interest income or expense is recognised as it accrues in profit or loss, using the effective interest method.

**3.11 Tax**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax is the expected tax payable or receivable on the

taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale and the Company has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

**3.12 New accounting standards and interpretations not adopted**

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2023 and early application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

**4 Plant and equipment**

	Furniture and fittings	Office equipment	Computer equipment	Total
	\$	\$	\$	\$
<b>Cost</b>				
At 1 April 2022	103,420	12,133	35,315	150,868
Additions	–	–	1,963	1,963
At 31 March 2023	103,420	12,133	37,278	152,831
Additions	–	–	–	–
At 31 March 2024	103,420	12,133	37,278	152,831
<b>Accumulated depreciation</b>				
At 1 April 2022	103,420	10,651	24,318	138,389
Depreciation for the year	–	735	6,676	7,411
At 31 March 2023	103,420	11,386	30,994	145,800
Depreciation for the year	–	537	4,958	5,495
At 31 March 2024	103,420	11,923	35,952	151,295
<b>Carrying amounts</b>				
At 1 April 2022	–	1,482	10,997	12,479
At 31 March 2023	–	747	6,284	7,031
At 31 March 2024	–	210	1,326	1,536

**5 Right-of-use asset****Leases as lessee (FRS 116)**

The Company leases its office premise for a period of 2 years. Lease payments are renegotiated every two years to reflect market rentals.

Information about lease for which the Company is a lessee is presented below.

	Leased premise
	\$
<b>Cost</b>	
At 1 April 2022	283,945
Additions	166,111
Disposal	(259,945)
At 31 March 2023 and 2024	190,111
<b>Accumulated depreciation</b>	
At 1 April 2022	210,179
Depreciation for the year	69,339
Disposal	(248,596)
At March 2023	30,922
Depreciation for the year	83,055
At March 2024	113,977
<b>Carrying amounts</b>	
At 1 April 2022	73,766
At 31 March 2023	159,189
At 31 March 2024	76,134

**6 Trade and other receivables**

	2024	2023
	\$	\$
<b>Non-current</b>		
Security deposits	22,510	22,510
<b>Current</b>		
Trade receivables	658,615	476,402
Trade amounts due from related parties	348,354	288,648
Other receivables	27,381	3,299
GST receivables	5,667	4,174
Prepayments	62,440	52,810
Total trade and other receivables	1,102,457	825,333

**Credit and market risks, and impairment losses**

The Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 17..

**7 Cash and cash equivalents**

	2024	2023
	\$	\$
Cash at bank	1,185,664	3,422,975
Fixed deposits	6,581,250	258,460
<b>Cash and cash equivalents in the statement of financial position</b>	7,766,914	3,681,435
Less: Deposits pledged	(250,000)	(250,000)
<b>Cash and cash equivalents in the statement of cash flows</b>	7,516,914	3,431,435

The effective interest rate relating to fixed deposits at the reporting date is 3.54% (2023: 3.98%) per annum.

Fixed deposits amounting to \$250,000 (2023: \$250,000) are pledged with bank for a revolving credit facility granted to the Company. No drawdowns have been made by the Company in respect of the facility as at 31 March 2024.

**8 Share capital**

	2024	2023
	Number of shares	Number of shares

**Issued and fully paid ordinary shares**

At 1 April and 31 March	5,855,001	5,855,001
-------------------------	-----------	-----------

All issued shares are fully paid, with no par value.

**Ordinary shares**

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

**Dividend**

The following exempt (one-tier) dividends were declared and paid by the Company:

**For the year ended 31 March**

	2024	2023
	\$	\$

**Paid by the Company to owner of the Company**

Interim dividend of Nil cents per qualifying ordinary share (2023: 0.15 cents)	–	901,670
--	---	---------

**Capital management**

The Company defines “capital” to be share capital and accumulated profits. The immediate holding company ensures that the Company has adequate capital in order to meet its obligations and to sustain the operations of the Company.

The Company is subject to externally imposed minimum base capital requirements under Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations. The Company has complied with the base capital and financial resources requirements.

**9 Loans and borrowings**

	2024	2023
	\$	\$
<b>Non-current</b>		
Lease liability	-	78,452
<b>Current</b>		
Lease liability	78,452	81,103

**Terms and debt repayment schedule**

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal Interest rate %	Year of maturity	2024		2023	
			Face value \$	Carrying amount \$	Face value \$	Carrying amount \$
Lease liability	5.63	2024 - 2025	80,300	78,452	167,900	159,555

**Market and liquidity risks**

Information about the Company’s exposure to interest rate, currency and liquidity risks is included in note 17 to the financial statements.

**Reconciliation of movement of liabilities to cash flows arising from financing activities**

	Redeemable preference shares	Lease liability	Total
	\$	\$	\$
<b>Balance at 1 April 2022</b>	260,000	68,895	328,895
<b>Changes from financing cash flows</b>			
Dividend paid	(60)	-	(60)
Payments of lease liability	-	(64,102)	(64,102)
Payments of redeemable preference shares	(260,000)	-	(260,000)
Interest paid	-	(1,499)	(1,499)
<b>Total changes from financing cash flows</b>	(260,060)	(65,601)	(325,661)
<b>Other changes</b>			
<b>Liability-related</b>			
Dividend expense	60	-	60
New lease	-	166,110	166,110
Interest expense	-	1,499	1,499
Others	-	(11,348)	(11,348)
<b>Total liability-related other changes</b>	60	156,261	156,321
<b>Balance at 31 March 2023</b>	-	159,555	159,555
<b>Balance at 1 April 2023</b>	-	159,555	159,555
<b>Changes from financing cash flows</b>			
Payments of lease liability	-	(81,103)	(81,103)

Interest paid	-	(6,497)	(6,497)
<b>Total changes from financing cash flows</b>	-	(87,600)	(87,600)
<b>Other changes</b>			
<b>Liability-related</b>			
Interest expense	-	6,497	6,497
<b>Total liability-related other changes</b>	-	6,497	6,497
<b>Balance at 31 March 2024</b>	-	78,452	78,452

**10 Other payables**

	2024	2023
	\$	\$
Non-trade amount due to immediate holding company	5,000	5,000
Accrued expenses	1,145,781	812,663
GST payables	77,613	59,396
Provision for reinstatement cost	24,000	24,000
	1,252,394	901,059

The non-trade amount due to immediate holding company is unsecured, interest-free and repayable on demand.

The provision of \$24,000 (2023: \$24,000) pertains to the Company’s obligation to reinstate its office premise to its original condition when the lease has ended.

**Market and liquidity risks**

The Company’s exposures to currency and liquidity risk related to other payables are disclosed in note 17.

**11 Revenue**

	2024	2023
	\$	\$
Investment management fees	5,488,448	5,408,613
Services and investment advisory fees	130,947	100,288
Management fee rebate	(100,999)	(233,788)
Performance fee	3,695,280	-
	9,213,676	5,275,113

The Company incurs investor introduction expenses. Such expenses may be considered as incremental costs and are capitalised as contract costs as the Company expects to recover these costs. These costs are amortised consistently with the pattern of revenue being recognised for the related contract.

During the year, contract costs totalling \$952,200 (2023: \$1,378,584) were amortised to profit or loss. There was no impairment loss recognised on contract costs.

**Contract balances**

The following table provides information about receivables and contract costs from contracts with customers.

	Note	2024	2023
		\$	\$
Trade receivables	6	1,006,969	765,050
Contract costs		871,788	911,597

12 Investor introduction expenses	Note	2024	2023
		\$	\$
Amortisation of contract costs	11	952,200	1,378,584
Investor introduction expenses not capitalised		804,947	696,842
Clawback of investor introduction expense		–	(17,865)
		<u>1,757,147</u>	<u>2,057,561</u>

13 Net finance income/(costs)	2024	2023
	\$	\$
Interest income	129,971	59,715
<b>Finance income</b>	<u>129,971</u>	<u>59,715</u>
Interest expense on lease liability	(6,497)	(1,499)
<b>Finance costs</b>	<u>(6,497)</u>	<u>(1,499)</u>
<b>Net finance income/(costs) recognised in profit or loss</b>	<u>123,474</u>	<u>58,216</u>

14 Profit for the year  
The following items have been included in arriving at profit for the year:

	Note	2024	2023
		\$	\$
Salaries, bonuses and other costs	1,027,084		1,078,978
Contribution to a defined contribution plans	54,194		54,006
Depreciation expenses			
- plant and equipment	4	5,495	7,411
- right-of-use asset	5	83,055	69,339
Legal and professional fees		127,005	149,465
Subscription and licence fees		149,060	99,617
Foreign exchange (loss)/gain, net	(28,468)		20,200
Audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited		36,800	30,000
Non-audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited		12,700	8,200

15 Tax expense	2023	2022
	\$	\$
<b>Current tax expense</b>		
Current year	668,833	247,310
Change in estimates related to prior years	22,034	–
	<u>690,867</u>	<u>247,310</u>
<b>Reconciliation of effective tax rate</b>		
Profit before tax	4,156,420	1,542,059
Tax using the Singapore tax		

rate of 17% (2023: 17%)	706,591	262,150
Non-deductible expenses	4,137	4,866
Tax-exempt income	(39,520)	–
Changes in estimates related to prior years	22,034	–
Others	(2,375)	(19,706)
	<u>690,867</u>	<u>247,310</u>

## 16 Related parties

### Identification of related parties

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

### Key management personnel compensation

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Directors of the Company are considered as key management personnel of the Company.

The compensation details of key management personnel are as follows.

	2024	2023
	\$	\$
Remuneration and short-term employee benefits	591,816	675,621
Contribution to a defined contribution plan	22,600	25,199
	<u>614,416</u>	<u>700,820</u>

### Other related party transactions

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

	2024	2023
	\$	\$

### Transaction with

#### Sundaram India Funds

Investment management fee income	2,937,787	3,133,426
----------------------------------	-----------	-----------

#### Transaction with immediate holding company

Investment advisory expenses	(20,000)	(20,000)
------------------------------	----------	----------

#### Transaction with related parties

Investment advisory income	76,906	99,075
----------------------------	--------	--------

## 17 Financial instruments

### Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk



This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

#### Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and debt investments. The carrying amount of financial assets in the statement of financial position represents the Company's respective maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of its financial assets.

#### Trade receivables

The Company's credit risk exposure arising from trade receivables pertains largely to the trade receivables from funds where the Company is the fund manager or investment advisor. The counterparties have good history of prompt payments, where none of the receivables have been written off or are credit-impaired at the reporting date.

Exposure to credit risk

The exposure to credit risk for trade receivables at the reporting date by type of counterparty was:

	2024	2023
	\$	\$
Third parties	658,615	476,402
Related parties	348,354	288,648
	<u>1,006,969</u>	<u>765,050</u>

#### Expected credit loss assessment

The Company uses an allowance matrix to measure the ECLs of trade receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 March:

	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
	%	\$	\$	
<b>2024</b>				
Current (not past due)	-	570,669	-	No
1 - 30 days past due	-	223,121	-	No
31 - 60 days past due	-	213,179	-	No
		<u>1,006,969</u>	-	

#### 2023

Neither past due nor impaired - 765,050 - No

Loss rates are based on actual credit loss experience over the past three years.

The amount of the allowance on trade receivables is negligible as the profile of customers historically and going forward are not expected to differ significantly and therefore any forward-looking adjustments are not likely to be material.

#### Cash and cash equivalents

The Company held cash and cash equivalents of \$7,766,914 at 31 March 2024 (2023: \$3,681,435). The cash and cash equivalents are held with a bank which is rated A3 (2023: A3), based on Moody's ratings.

Loss allowances on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The amount of the allowance on cash and cash equivalents is negligible.

#### Other receivables and deposits

Loss allowances on other receivables and deposits have been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is negligible.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the company's operations and to mitigate the effects of fluctuations in cash flow.

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Carrying amount	Contractual cash flows	Within 1 year	1 - 2 years
	\$	\$	\$	\$
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Other payables*	1,150,781	(1,150,781)	(1,150,781)	-
Loans and borrowings	78,452	(80,300)	(80,300)	-
	<u>1,229,233</u>	<u>(1,231,081)</u>	<u>(1,231,081)</u>	<u>-</u>

#### 2023

#### Non-derivative financial liabilities

Other payables*	817,663	(817,663)	(817,663)	-
Loans and borrowings	159,555	(167,900)	(87,600)	(80,300)
	<u>977,218</u>	<u>(985,563)</u>	<u>(905,263)</u>	<u>(80,300)</u>

\* excludes provision for reinstatement cost and GST payables

#### Market risk

Market risk is the risk that changes in market prices, such as

foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Currency risk

The Company has transactional currency exposures arising from income and expenses, assets and liabilities that are denominated in a currency other than the functional currency of the Company. The foreign currency in which these transactions is mainly denominated in United States Dollar ("USD").

The Company does not enter into any derivatives to eliminate the foreign currency exposures and it relies mainly on the natural hedge of its receivables and payables.

The summary of quantitative data about the Company's exposure to USD is as follows:

	2024	2023
	\$	\$
Trade and other receivables	1,009,663	765,050
Cash and cash equivalents	961,708	297,330
Other payables	(810,338)	(508,610)
	<u>1,161,033</u>	<u>553,770</u>

#### Sensitivity analysis

A 5% (2023: 5%) strengthening of Singapore dollar against the following currency at the reporting date would have decreased profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis for 2023.

	Profit or loss	
	2024	2023
	\$	\$
USD	<u>(58,052)</u>	<u>(27,689)</u>

A 5% (2023: 5%) weakening of Singapore dollar against the above currency at 31 March would have had the equal but opposite effect on the above currency to the amount shown above, on the basis that all other variables remain constant.

#### Interest rate risk

The carrying amounts of financial assets and financial liabilities, which are not measured at fair value are as follows:

	2024	2023
	\$	\$

#### Fixed rate instrument

Fixed deposits	<u>6,581,250</u>	<u>258,460</u>
----------------	------------------	----------------

#### Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Accounting classifications and fair values

The carrying amounts of financial assets and financial liabilities, which are not measured at fair value are as follows:

Note	Carrying amount			
	Amortised cost	Other financial liabilities	Total	
	\$	\$	\$	
<b>31 March 2024</b>				
<b>Financial assets not measured at fair value</b>				
Trade and other receivables*	6	1,056,860	-	1,056,860
Cash and cash equivalents	7	7,766,914	-	7,766,914
		<u>8,823,774</u>	<u>-</u>	<u>8,823,774</u>
<b>Financial liabilities not measured at fair value</b>				
Other payables**	10	-	(1,150,781)	(1,150,781)
<b>31 March 2023</b>				
<b>Financial assets not measured at fair value</b>				
Trade and other receivables*	6	790,859	-	790,859
Cash and cash equivalents	7	3,681,435	-	3,681,435
		<u>4,472,294</u>	<u>-</u>	<u>4,472,294</u>
<b>Financial liabilities not measured at fair value</b>				
Other payables**	10	-	(817,663)	(817,663)

\* excludes prepayments and GST receivables

\*\* excludes provision for reinstatement cost and GST payables

#### Measurement of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year including trade and other receivables, cash and cash equivalents and other payables are assumed to approximate their fair values because of the short period of maturity.

#### 18 Interest in unconsolidated structured entities

The Company acts as a fund manager for 5 (2023: 5) investment funds and manages its assets to earn fee income based on the fund's asset size. These investment funds provide the investors with a variety of investment opportunities through managed investment strategies and have been designed so that voting or similar rights are not the dominant factor in deciding how the investing activities should be conducted. The investment fund is financed through the issue of units to investors and the Company did not provide any financial support and has no intention of providing financial or other support.

The Company earned a total fee income of \$5,237,500 (2023: \$5,124,056) from the investment funds for the year ended 31 March 2024. As at 31 March 2024, the Company's maximum exposure to loss as a result of acting as the fund manager of the investment fund is equivalent to the carrying amount of fee income receivable from the investment funds of \$920,367 (2023: \$718,555).



