

ASM DIGITAL TECHNOLOGIES PTE. LTD.
(Formerly known as ADVANCED SYNERGIC PTE LTD)
(Incorporated in the Republic of Singapore)
(Reg No: 199706310D)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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**ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)**

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

The directors are pleased to present their statement to the member together with the audited financial statements of ASM DIGITAL TECHNOLOGIES PTE. LTD. (the "Company") for the financial year ended 31 March 2024.

1. Opinion of the directors

In our opinion,

- (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 2024 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, having regard to the letter of undertaking of financial support from the holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

RABINDRA SRIKANTAN
VENKATARAMAIYER SIVARAMAKRISHNAN
PALLIPAKKAM BHANULAKSHMI SRIDHARAN (alternate director to VENKATARAMAIYER SIVARAMAKRISHNAN w.e.f. 28.02.2023)

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object 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.

4. Directors' interest in shares or debenture

According to the Register of Directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967(the "Act"), the directors of the Company who held office at the end of the financial year had no interest in the shares or debentures of the Company or its related corporations, except as stated below:

	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Name of directors				
Shares in immediate and ultimate holding company				
ASM Technologies Limited, India Shares				
Rs:10 each				
Rabindra Srikantan	4,207,354	4,699,570	1,299,448*	1,451,468*

*Held by director's immediate family members

Mr. Rabindra Srikantan, who by virtue of his interest is not less than 20% of the issued capital of the holding company is deemed to have an interest in the whole share capital of the Company.

**ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)**

**DIRECTORS' STATEMENT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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 options at the end of the financial year.

6. Auditor

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

The Board of Directors



RABINDRA SRIKANTAN
Director



PALLIPAKKAM BHANULAKSHMI SRIDHARAN
Director

Date: 31/05/2024

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASM DIGITAL TECHNOLOGIES
PTE LTD**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ASM DIGITAL TECHNOLOGIES PTE LTD (the "Company"), which comprise the statement of financial position as at 31 March 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Material Uncertainty Related to Going Concern

We draw attention to note 2.1 which describes going concern basis. We wish to highlight that as at 31 March 2024, the Company's current liabilities exceeded current assets by S\$ 529,951 (2023: S\$ 567,970) and the Company's total liabilities exceeded total assets by S\$ 529,951 (2023: S\$ 567,968). These conditions indicate the existence of material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. Nevertheless, for the reasons disclosed in Note 2.1 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 going concern basis. Our opinion is not modified in respect of this matter.

ASM DIGITAL TECHNOLOGIES PTE LTD

INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Other Information

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

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.

ASM DIGITAL TECHNOLOGIES PTE LTD

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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

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

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

ASM DIGITAL TECHNOLOGIES PTE LTD

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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.



MGI N RAJAN ASSOCIATES

Public Accountants and
Chartered Accountants

Singapore

Date

31 MAY 2024

**ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 S\$	2023 S\$
ASSETS			
Non-current assets			
Plant and equipment	6	-	2
Investment in subsidiaries	7	-	-
		<u>-</u>	<u>2</u>
Current assets			
Cash and cash equivalents	8	37,575	15,060
Trade and other receivables	9	211,359	188,612
		<u>248,934</u>	<u>203,672</u>
Total assets		<u>248,934</u>	<u>203,674</u>
LIABILITIES			
Current liabilities			
Loans and borrowings	10	291,708	291,708
Trade and other payables	11	487,177	479,934
Provision for taxation	12	-	-
		<u>778,885</u>	<u>771,642</u>
NET ASSETS		<u>(529,951)</u>	<u>(567,968)</u>
EQUITY			
Share capital	13	1,000,000	1,000,000
Reserves		<u>(1,529,951)</u>	<u>(1,567,968)</u>
Total equity		<u>(529,951)</u>	<u>(567,968)</u>

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

ASM DIGITAL 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 2024

	Note	2024	2023
		S\$	S\$
Revenue:	4		
Consultancy charges		5,775	-
Support services		685,454	321,675
Sale of goods		1,700,584	461,577
		<u>2,391,813</u>	<u>783,252</u>
Cost of services			
Purchase of materials		(1,663,164)	(447,072)
Technical consultancy charges		(651,179)	(305,395)
		<u>(2,314,343)</u>	<u>(752,467)</u>
Gross profit		<u>77,470</u>	<u>30,785</u>
Other income			
Exchange gain		-	18,564
Miscellaneous income		12,441	3,165
		<u>12,441</u>	<u>21,729</u>
Less: Expenses			
Administrative and other operating expenses		(51,894)	(46,787)
Profit/(Loss) before tax	5	<u>38,017</u>	<u>5,727</u>
Income tax expense	12	<u>-</u>	<u>-</u>
Profit/(Loss) for the year, representing total comprehensive income for the year		<u>38,017</u>	<u>5,727</u>

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

**ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Share capital	Reserves	Total
	S\$	S\$	S\$
At 31 March 2022	1,000,000	(1,573,695)	(573,695)
(Loss) for the year, representing total comprehensive income for the year	-	5,727	5,727
At 31 March 2023	<u>1,000,000</u>	<u>(1,567,968)</u>	<u>(567,968)</u>
Profit for the year, representing total comprehensive income for the year	-	38,017	38,017
At 31 March 2024	<u>1,000,000</u>	<u>(1,529,951)</u>	<u>(529,951)</u>

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

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 S\$	2023 S\$
Cash flows from operating activities			
Profit/(Loss) before tax		38,017	5,727
Adjustment for			
Depreciation		3	
Exchange gain		3,175	(18,564)
		41,195	(12,837)
Changes in working capital:			
Trade and other receivables		(22,748)	(185,185)
Trade and other payables		7,243	200,698
Cash generated from operations		25,690	2,676
Income tax (paid)		-	-
Net cash generated from operating activities		25,690	2,676
Cash flows from financing activities			
Repayment of loans and borrowings		-	-
Lease liabilities		-	-
Net cash (used in) financing activities		17,464	-
Net increase/ (decrease) in cash and cash equivalents		25,690	2,676
Effect of exchange rate changes on cash and cash equivalent		(3,175)	-
Cash and cash equivalents at beginning of the year		15,060	12,384
Cash and cash equivalents at end of the year	8	37,575	15,060

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

**ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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

1. General

ASM DIGITAL TECHNOLOGIES PTE. LTD.(formerly known as Advance Synergic Pte Ltd ("the Company")) is incorporated as a private limited liability Company and domiciled in Singapore.

The Company's registered office & principal place of business is located at 2 Venture Drive, #24-01 Vision Exchange, Singapore - 608526.

The principal activities of the Company are to carry on the business of developing software and provide services according to the requirements of the clients.

The immediate and ultimate holding company is ASM Technologies Limited, which is 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 Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S\$), which is the Company's functional currency.

Going concern

The Company's current liabilities exceeded its current assets by S\$ 529,951 (2023: S\$ 567,970) and the total liabilities exceeds total assets by S\$ 529,951 (2023: S\$ 567,968). These conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of its holding company to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

If the Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realized 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. No such adjustments have been made to these financial statements.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning after 1 April 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. Summary of significant accounting policies (Continued)

2.3 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 FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01-Jan-2025
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	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.

2.4 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 recognized 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 recognized is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from rendering of the consultancy services is recognized when the services have been performed and rendered.

2. Summary of significant accounting policies (Continued)

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

2.6 Plant and Equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Computers & accessories	1 year
Office Equipment	3 years

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

2.7 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.7 Impairment of non-financial assets(Continued)

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

2.8 Financial instruments

a) 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

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.

Investment in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognized in profit or loss when the Company's right to receive payment is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognized in profit or loss.

2. Summary of significant accounting policies (Continued)

2.8 Financial instruments (Continued)

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (and, where applicable, any cumulative gain or loss that has been recognised in other comprehensive income) is recognised in profit or loss.

b) 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 fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss 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.

De recognition

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.

2.9 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, 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

2. Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets

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.

2.10 Cash and cash equivalents

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

2.11 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.

2.12 Employee benefits

a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

b) 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.

2. Summary of significant accounting policies (Continued)

2.13 Taxes

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.

c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. Summary of significant accounting policies (Continued)

2.14 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.

2.15 Leases

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

As Lessee

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

Right-of-use assets

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

Right-of-use assets

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

Lease liabilities

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

2. Summary of significant accounting policies (Continued)

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

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of storage space (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of the storage space that is considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.16 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

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

2.17 Related party

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Charity if that person:
- (i) has control or joint control of the charity;
 - (ii) has significant influence over the charity; or
 - (iii) is a member of the key management personnel of the charity or of a parent of the charity

2. Summary of significant accounting policies (Continued)

2.17 Related party(Continued)

(b) An entity is related to a charity if any of the following conditions applies:

- (i) The entity and the charity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint Venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the charity or an entity related to the charity. If the charity is itself such a plan, the sponsoring employers are also related to the charity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the charity or to the parent of the charity.

2.18 Investments in subsidiaries

A subsidiary is a company, in which the company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. Investments in the subsidiaries are stated in the financial statements of the Company at cost less impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Investment in subsidiary is carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investment in subsidiary the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

The consolidation for the subsidiary has not been done by the Company as the Company is a wholly owned subsidiary of its ultimate holding Company, ASM Technologies Ltd, a company incorporated in India which publishes consolidated financial statements.

The ultimate holding company produces the consolidated financial statements that are available to the general public. The website address for accessing the consolidated financial statement is <https://www.asmltd.com/>

2. Summary of significant accounting policies (Continued)

2.19 Revenue

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 recognized when the Company satisfied 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 recognized is the amount allocated to the satisfied performance obligation.

(a) Sale of machinery and parts

Revenue 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) Software development services rendered

Revenue from the services rendered is recognized when all the following conditions have been satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the services
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the services rendered;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognized by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognized only to the extent of the expenses recognized that are recoverable.

Service revenue is recognized by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by surveys of work performed.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, 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 Judgements 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.

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3. Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty

Provision for expected credit losses of trade and other receivables

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 16.

The carrying amount of the Company's trade and other receivables is disclosed in Note 9.

4. Service income

	2024	2023
	S\$	S\$
Disaggregation of revenue :		
Timing of transfer of goods or services		
Support services – over time (Export Sales)	685,454	321,675
Support services – over time (Consultancy Charges)	5,775	-
Sale of goods – at a point in time	1,700,584	461,577
	2,391,813	783,252

5. Profit/(Loss) before tax

Profit/(Loss) before tax has been arrived after charging:

	2024	2023
	S\$	S\$
Rent – short term	8,898	8,312
Professional fees	10,800	15,300
Staff salaries & bonus	12,000	12,053
Employer Central Provident Fund	2,040	2,040
Others	440	190
Exchange (gain)/loss non-trade	3,175	(18,564)

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6. Plant and equipment

Cost	Computers & accessories S\$	Office Equipment S\$	Total S\$
At 1st April 2022	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2023 and 1 April 2023	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2024	87,595	2,062	89,657
Accumulated depreciation			
At 1st April 2022	87,594	2,061	89,655
Depreciation charge for the year	-	-	-
At 31 March 2023	87,594	2,061	89,655
Depreciation charge for the year	1	1	2
At 31 March 2024	87,595	2,062	89,657
Net carrying amount:			
At 31 March 2023	1	1	2
At 31 March 2024	-	-	-

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7. Investment in subsidiaries

	2024	2023
	S\$	S\$
Unquoted shares at cost	-	145,050
Impairment provision on investment	-	(145,050)
	<u>-</u>	<u>-</u>

Particulars of the Subsidiary are as follows:

Subsidiary	Principal Activities	Country of Incorporation	Effective Percentage of equity held		Cost of Investment	
			2024	2023	2024	2023
			%	%	S\$	S\$
ESR Associates, Inc	Software consulting	United States of America	-	100	-	145,050

Subsidiary's accounts are unaudited as there is no requirement for audit in the country of incorporation.

Impairment provision on investment

	2024	2023
	S\$	S\$
Beginning of financial year	145,050	145,050
Current year provision	(145,050)	-
End of financial year	<u>-</u>	<u>145,050</u>

The subsidiary company was dissolved effective 31 March 2023, hence the investment has been written off.

8. Cash and cash equivalents

	2024	2023
	S\$	S\$
Cash at bank	<u>37,575</u>	<u>15,060</u>

Cash and cash equivalents are denominated in the following currencies:

	2024	2023
	S\$	S\$
Singapore dollars	4,913	13,791
United States dollars	32,662	1,269
	<u>37,575</u>	<u>15,060</u>

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9. Trade and Other Receivables

	2024	2023
	S\$	S\$
Trade Receivables		
Sundry debtors	154,340	121,102
Contract assets	51,270	64,179
	<u>205,610</u>	<u>185,281</u>
	2024	2023
	S\$	S\$
Other Receivables		
Deposits	2,053	2,053
Prepaid expenses	1,643	1,071
ASM Digital Technologies Co Ltd -Thailand	1,592	-
GST receivable	461	207
	<u>5,749</u>	<u>3,331</u>
Total trade and other receivables	<u>211,359</u>	<u>188,612</u>

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

Trade and other receivables are denominated in the following currencies:

	2024	2023
	S\$	S\$
Singapore dollars	5,749	3,331
United States dollars	205,610	185,281
	<u>211,359</u>	<u>188,612</u>

Past due status of trade receivables

	2024	2023
	S\$	S\$
Not due	53,310	62,068
0-30 days	54,580	59,034
31-60 days	46,450	-
	<u>154,340</u>	<u>121,102</u>

10. Loans and borrowings

	2024	2023
	S\$	S\$
Current liabilities		
Other borrowings - related party*	291,708	291,708
	<u>291,708</u>	<u>291,708</u>

* The related party borrowing is denominated in SGD, non-trade in nature, unsecured, interest free and is repayable on demand.

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11. Trade and other payables

	2024	2023
	S\$	S\$
Trade payables		
Due to holding company*	157,205	169,001
	<u>157,205</u>	<u>169,001</u>
Other payables		
Other creditors	1,218	1,052
Due to holding company*	128,296	128,296
Accrued liabilities	14,273	16,542
Due to a related company*	186,186	165,043
	<u>329,973</u>	<u>310,933</u>
Total trade and other payables	<u>487,177</u>	<u>479,934</u>

*Due to holding company and related company are unsecured, interest free and are repayable within 12 months.

Trade and other payables are denominated in the following currencies :

	2023	2023
	S\$	S\$
Singapore dollars	487,177	479,934
	<u>487,177</u>	<u>479,934</u>

12. Tax expense

	2024	2023
	S\$	S\$
Profit/(Loss) before taxation	38,017	5,727
Tax @ statutory rate of 17% (2023:@17%)	6,463	974
Non-chargeable income/Non-deductible expenses	541	(3,156)
Deferred tax asset/(liability) not recognised	7,004	2,182
Income tax expense recognized in profit or loss	-	-

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12. Tax expense(continued)

As at 31 March 2024, the Company has unutilized tax losses amounting to approximately S\$ 265,146 subject to the provisions of Singapore Income Tax and agreement with Singapore Tax Authorities. As such, no provision for income tax has been made in view of the unutilized tax losses brought forward.

13. Share capital

The Company's share capital comprises fully paid-up 1,000,000 (2023:1,000,000) ordinary shares with no par value, amounting to a total of S\$ 1,000,000 (2023: S\$ 1,000,000).

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 restriction

14. Capital management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optional capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged.

The gearing ratios at 31 March 2024 and 2023 were as follows:

	2024	2023
	S\$	S\$
Net debt	741,310	756,582
Total equity	(529,951)	(567,968)
Total capital	211,359	188,614

15. 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) 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 other financial assets (including cash at bank) the Company minimizes 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 90 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk grading 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
- 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 behavior of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

16. Financial risk management (continued)

a) Credit risk (Continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due 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 re-organisation
- 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 >90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
III	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

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15. Financial risk management (continued)

a) Credit risk (Continued)

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:

	Note	Category	12-month or lifetime ECL	Gross carrying amount (S\$)	Loss allowance (S\$)	Net carrying amount (S\$)
31-Mar-24						
Trade receivables	9	Note 1	Lifetime ECL (simplified)	205,610	-	205,610
Other receivables	9	1	12-month ECL	3,645	-	3,645
				209,255	-	209,255
31-Mar-23						
Trade receivables	9	Note 1	Lifetime ECL (simplified)	185,281	-	185,281
Other receivables	9	1	12-month ECL	2,053	-	2,053
				187,334	-	187,334

Trade receivables (Note 1)

For trade receivables, 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. The Company has not provided any lifetime expected credit losses ("ECL") for trade receivables as based on the Company's historical trend and forward looking analysis as ECL loss is not material.

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.

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15. Financial risk management (continued)

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

a) Credit risk (Continued)

Other receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

b) 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 expect any significant effect on the statement of profit or loss and other comprehensive income arising from the effects of reasonable possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

ii. Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from trade and other receivables, cash at bank and borrowings that are denominated in a currency other than the functional currency of the Company, primarily United States Dollar (USD)

The Company's currency exposures to the USD and INR at the reporting date are as follows:

	2024		2023	
	USD	INR	USD	INR
<u>Financial assets</u>	<i>(equivalent to SGD)</i>		<i>(equivalent to SGD)</i>	
Trade and other receivables	205,610	-	185,281	-
Net currency exposure	<u>205,610</u>	<u>-</u>	<u>185,281</u>	<u>-</u>

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15. Financial risk management (continued)

b) Market risk (Continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's profit net of tax to a reasonably possible change in USD exchange rates against the functional currency of the Company, with all other variables held constant.

	Profit or loss (after tax)	
	2024	2023
	S\$	S\$
United States Dollar	(9,888)	(7,742)

A 5% strengthening of Singapore dollar against the foreign currency denominated balances as at the reporting date would increase profit or loss by the amounts shown below. A 5% weakening of Singapore dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above.

c) 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 Company obtains continued financial support from their holding company to meet its operational requirements.

Analysis of financial instruments by remaining contractual maturities

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

	2024			
	Carrying amount	Contractual carrying amount	One year or less	One to five years
	S\$	S\$	S\$	S\$
Financial liabilities				
Trade and other payables	487,177	487,177	487,177	-
Loans and borrowings	291,708	291,708	291,708	-
Total undiscounted financial liabilities	778,885	778,885	778,885	-
	2023			
	Carrying amount	Contractual carrying amount	One year or less	One to five years
	S\$	S\$	S\$	S\$
Financial liabilities				
Trade and other payables	479,561	479,561	479,561	-
Loans and borrowings	291,708	291,708	291,708	-
Total undiscounted financial liabilities	771,269	771,269	771,269	-

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
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16. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables (including non-trade balances due to related parties)

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

Trade receivables and payables

The carrying amounts of these receivables and payables (including trade balances due from holding company) approximate their fair values as they are subject to normal trade credit terms.

17. Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	2024	2023
	S\$	S\$
Financial assets measured at amortised cost		
Trade and other receivables (note 9)	209,255	187,334
Cash and cash equivalents (note 8)	37,575	15,060
Total financial assets measured at amortised cost	246,830	202,394

Financial liabilities measured at amortised cost

Loans and borrowings (note 10)	291,708	291,708
Trade and other payables (note 11)	487,177	479,561
Total financial liabilities measured at amortized cost	778,885	771,269

18. Related party transactions

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

Nature of transaction	Nature of Relationship	Amount of transaction	
		2024	2023
		S\$	S\$
Technical consulting charges	Holding company	651,179	244,424
Advances	Related party (Branch of parent)	30,000	42,000

19. Authorization of financial statements for issue

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of directors' statement.

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

(This does not part form of audited financial statements)

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	2024	2023
	S\$	S\$
Revenue		
Consultancy charges	5,775	
Support services	685,454	321,675
Sale of goods	1,700,584	461,577
	2,391,813	783,252
Cost of services		
Purchase of materials	1,663,164	447,072
Technical consulting charges	651,179	305,395
Total cost of sales	2,314,343	752,467
Gross profit	77,470	30,785
Other income		
Exchange gain	-	18,564
Miscellaneous income	12,441	3,165
	12,441	21,729
Expenses		
Audit fee	8,000	6,500
CPF contribution	2,040	2,040
Reimbursement expenses	440	190
Staff salaries	12,000	12,053
Bank charges	1,387	200
Depreciation	3	-
Insurance paid	36	36
Exchange loss	3,175	-
Late fee, penalty and interest	-	154
Printing and stationery	-	250
Professional fee	10,800	15,300
Rent Subscription	8,898	8,312
Storage charges	2,023	335
Subscription and Membership charges	1,700	-
Skills development levy	30	30
Telephone charges	1,362	1,366
Miscellaneous expenses	-	21
Total expenses	51,894	32,504
Profit/(Loss) for the year	38,017	5,727