

Island Landscape & Nursery Pte Limited
Registration Number: 197100747E

Annual Report
Year ended 31 March 2025

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 2025.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS29 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provision 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:

Nitin Hariyantlal Datanwala
Ness Wadia
Chin Lui Yen, Teresa
Chithra Kandaswamy
Hong Kok Meng
Goyal Vivek (Appointed on 19 April 2024)

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 infant children) in shares, debentures, warrants and share options in the Company and in related companies are as follows:

Name of directors and company in which interests are held	Holdings at beginning of the year/ date of appointment	Holdings at end of the year
Ultimate holding company The Bombay Burmah Trading Corporation Ltd		
<u>Ordinary shares fully paid</u>		
Ness Wadia	21,600	21,600

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 companies, either at the beginning of the financial year, or date of appointment if later, 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.

On behalf of the Board of Directors

HKM



Hong Kok Meng
Director

Tc



Chin Lui Yen, Teresa
Director



13 May 2025



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Independent auditors' report

Member of the Company
Island Landscape & Nursery Pte Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Island Landscape & Nursery Pte Limited ('the Company'), which comprise the statement of financial position as at 31 March 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS29.

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 2025 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 all other information 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
13 May 2025

Statement of financial position
As at 31 March 2025

	Note	2025 S\$	2024 S\$
Assets			
Property, plant and equipment	4	3,667,900	4,133,606
Non-current assets		3,667,900	4,133,606
Inventories	5	942,882	1,037,708
Trade and other receivables	6	4,894,245	2,212,719
Prepayments		124,738	161,932
Cash and cash equivalents	7	4,447,859	5,582,300
Current assets		10,409,724	8,994,659
Total assets		14,077,624	13,128,265
Equity attributable to owner of the Company			
Share capital	8	2,200,000	2,200,000
Capital reserve	8	127,809	127,809
Retained earnings		8,492,063	7,533,860
Total equity		10,819,872	9,861,669
Liabilities			
Lease liabilities	9	230,328	408,884
Deferred tax liabilities	10	142,803	142,803
Non-current liabilities		373,131	551,687
Lease liabilities	9	316,605	248,765
Trade and other payables	11	2,347,661	2,312,544
Current tax liabilities		220,355	153,600
Current liabilities		2,884,621	2,714,909
Total liabilities		3,257,752	3,266,596
Total equity and liabilities		14,077,624	13,128,265

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

Statement of profit or loss and other comprehensive income
Year ended 31 March 2025

	Note	2025	2024
		S\$	S\$
Revenue	12	12,978,586	12,519,936
Other income	13	350,344	163,311
Changes in inventories of finished goods and purchases		(1,748,901)	(1,765,190)
Maintenance costs		(4,402,088)	(4,027,739)
Other items of expense			
Salaries and employee benefits		(4,034,252)	(3,924,763)
Depreciation of property, plant and equipment		(1,030,518)	(898,514)
Foreign exchange loss		(8,756)	(1,604)
Lease expense – short-term leases and low-value leases		(1,650)	(1,460)
Interest on lease liabilities		(34,578)	(16,724)
Other operating expenses		(923,153)	(838,437)
		<u>(6,032,907)</u>	<u>(5,681,502)</u>
Profit before tax	14	1,145,034	1,208,816
Tax expense	15	(186,831)	(170,995)
Profit for the year/Total comprehensive income		<u>958,203</u>	<u>1,037,821</u>
for the year		<u>958,203</u>	<u>1,037,821</u>

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

Statement of changes in equity
Year ended 31 March 2025

	Share capital S\$	Capital reserve S\$	Retained earnings S\$	Total S\$
At 1 April 2023	2,200,000	127,809	6,496,039	8,823,848
Total comprehensive income for the year				
Profit for the year	–	–	1,037,821	1,037,821
Total comprehensive income for the year	–	–	1,037,821	1,037,821
At 31 March 2024	<u>2,200,000</u>	<u>127,809</u>	<u>7,533,860</u>	<u>9,861,669</u>
At 1 April 2024	2,200,000	127,809	7,533,860	9,861,669
Total comprehensive income for the year				
Profit for the year	–	–	958,203	958,203
Total comprehensive income for the year	–	–	958,203	958,203
At 31 March 2025	<u>2,200,000</u>	<u>127,809</u>	<u>8,492,063</u>	<u>10,819,872</u>

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

Statement of cash flows
Year ended 31 March 2025

	Note	2025	2024
		S\$	S\$
Cash flows from operating activities			
Profit for the year		958,203	1,037,821
Adjustments for:			
Depreciation of property, plant and equipment		1,030,518	898,514
(Gain)/Loss on disposal of property, plant and equipment		(3,119)	235
Allowance for inventories write-down made		7,889	10,970
Interest on lease liabilities		34,578	16,724
Interest income on fixed deposits		(35,779)	(33,797)
Tax expense		186,831	170,995
		2,179,121	2,101,462
Changes in:			
– inventories		86,937	(120,434)
– trade and other receivables		(344,571)	37,019
– prepayments		37,194	(106,238)
– trade and other payables		41,314	101,916
		1,999,995	2,013,725
Cash generated from operating activities		1,999,995	2,013,725
Interest received		35,779	33,797
Tax paid		(120,076)	(186,835)
		1,915,698	1,860,687
Net cash from operating activities			
Cash flows from investing activities			
Changes in amounts due from/to immediate holding company		56,848	(52,984)
Purchase of property, plant and equipment		(220,430)	(417,183)
Proceeds from disposal of property, plant and equipment		9,200	–
Advances to immediate holding company		(2,700,000)	–
Repayment from immediate holding company		300,000	–
		(2,554,382)	(470,167)
Net cash used in investing activities			
Cash flows from financing activities			
Repayment of finance lease liabilities		(495,757)	(326,822)
Fixed deposit pledged		(500,314)	(313)
		(996,071)	(327,135)
Net cash used in financing activities			
Net (decrease)/increase in cash and cash equivalents		(1,634,755)	1,063,385
Cash and cash equivalents at 1 April		4,778,757	3,715,372
Cash and cash equivalents at 31 March	7	3,144,002	4,778,757

Non-cash transaction

The Company acquired property, plant and equipment with an aggregate cost of S\$570,893 (2024: S\$1,235,801) of which S\$350,463 (2024: S\$818,618) was acquired by means of leases.

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

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 13 May 2025.

1 Domicile and activities

Island Landscape & Nursery Pte Limited (the “Company”) is a company incorporated in Singapore. The address of the Company’s registered office and principal place of business is at Plot 13, PSA Nursery, 3 Joan Road, Singapore 298897.

During the financial year, the Company is a wholly-owned subsidiary of Island Horti-Tech Holdings Pte. Ltd., incorporated in Singapore. The ultimate holding company during the financial year is The Bombay Burmah Trading Corporation Limited, incorporated in India.

The Company is primarily involved in the provision of decorative plants and landscaping services.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”).

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

These financial statements are presented in Singapore dollars (“S\$”), which is the Company’s functional currency. All financial information are presented in Singapore dollars, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions about the future 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 and are consistent with the Company’s risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

There are no significant areas of critical judgements in the application of accounting policies that have significant effect on the amount recognised in the financial statements. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in note 18 – measurement of expected credit loss allowance for trade receivables: key assumptions in determining the weighted-average loss rate.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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 assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. 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 translation are recognised in profit or loss.

3.2 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade and other receivables issued 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 or minus, 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.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

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 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.

(iii) 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.

(iv) Offsetting

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

(v) 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. Fixed deposits with maturities of more than three months from the date of acquisition do not form an integral part of the Company's cash management and are not included in cash and cash equivalent in the statement of cash flows.

(vi) 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. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with FRS 12.

3.3 Property, plant and equipment

Recognition and measurement

Items of property, 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. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the 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 property, 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 property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

Nursery developments	3 to 20 years
Motor vehicles	5 years
Office equipment	5 years
Office furniture	5 years
Machinery and equipment	5 years
Computer software	9 years
Leased properties	1 to 3 years

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

3.4 Inventories

Inventories comprise plants, accessories (such as hardwares and containers) and landscape project-in-progress.

Inventories of plants are stated at the lower of cost which consists of plant cost, direct labour and attributable overheads, and net realisable value.

Inventories of accessories are stated at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Landscape project-in-progress is valued at cost, which consists of direct materials, labour and attributable overheads.

3.5 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, plant 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 right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property are carried at fair value, if any.

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 comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.6 Impairment

(i) **Non-derivative financial assets and contract assets**

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs and contract assets.

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 assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

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 180 days past due.

The Company considers a contract asset to be in default when the customer is unlikely to pay its credit obligations to the creditor and 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 365 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

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.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and contract 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 related 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 of disposal. 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 CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU (group of CGUs) on a *pro rata* basis.

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 or amortisation, if no impairment loss had been recognised.

3.7 Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution 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 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 under short-term cash bonus or profit-sharing plans 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 entitlements

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

3.8 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.9 Revenue

Goods and services sold, rental income and construction contracts

Information about the Company's accounting policies relating to goods and services sold, rental income and revenue from construction contracts is provided in note 12.

Interest income

Interest income is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. Interest income is recognised under 'other income'.

3.10 Finance costs

Finance cost is recognised in the profit and loss as it accrues 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 a business combination, or 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, if any.

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 at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable deductible temporary differences.

The measurement of deferred taxes reflects the tax consequences that would follow the manner which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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.

3.12 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The new FRSs, interpretations and amendments to FRSs are not expected to have a significant impact on the Company's financial statements.

4 Property, plant and equipment

	Nursery developments S\$	Motor vehicles S\$	Office equipment S\$	Office furniture S\$	Machinery and equipment S\$	Computer software S\$	Leased properties S\$	Total S\$
Cost								
At 1 April 2023	4,097,169	2,078,261	739,096	299,164	550,955	331,476	1,562,740	9,658,861
Additions	213,896	217,003	20,423	87,134	5,408	7,976	683,961	1,235,801
Disposals	(128,295)	(855,370)	(463,776)	(84,321)	(132,649)	(45,426)	(472,113)	(2,181,950)
At 31 March 2024	4,182,770	1,439,894	295,743	301,977	423,714	294,026	1,774,588	8,712,712
Additions	9,900	473,691	44,785	15,535	7,360	19,622	–	570,893
Disposals	–	(36,630)	–	–	–	–	–	(36,630)
At 31 March 2025	4,192,670	1,876,955	340,528	317,512	431,074	313,648	1,774,588	9,246,975
Accumulated depreciation								
At 1 April 2023	1,448,468	1,897,522	656,881	276,860	400,302	277,253	905,021	5,862,307
Charge for the year	413,415	99,049	27,957	8,824	38,956	13,599	296,714	898,514
Disposals	(128,295)	(855,135)	(463,776)	(84,321)	(132,649)	(45,426)	(472,113)	(2,181,715)
At 31 March 2024	1,733,588	1,141,436	221,062	201,363	306,609	245,426	729,622	4,579,106
Charge for the year	445,360	169,198	32,431	24,968	39,753	18,821	299,987	1,030,518
Disposals	–	(30,549)	–	–	–	–	–	(30,549)
At 31 March 2025	2,178,948	1,280,085	253,493	226,331	346,362	264,247	1,029,609	5,579,075
Carrying amounts								
At 1 April 2023	2,648,701	180,739	82,215	22,304	150,653	54,223	657,719	3,796,554
At 31 March 2024	2,449,182	298,458	74,681	100,614	117,105	48,600	1,044,966	4,133,606
At 31 March 2025	2,013,722	596,870	87,035	91,181	84,712	49,401	744,979	3,667,900

5 Inventories

	2025	2024
	S\$	S\$
Plants	424,696	398,784
Nursery hardware	520,184	624,071
Rental containers	34,330	43,292
	<u>979,210</u>	<u>1,066,147</u>
Less: Allowance for inventories write-down	(36,328)	(28,439)
	<u>942,882</u>	<u>1,037,708</u>

The write-downs are included in ‘changes in inventories of finished goods and purchase’.

6 Trade and other receivables

	2025	2024
	S\$	S\$
Trade receivables	2,621,806	2,573,027
Less: Allowance for impairment	(575,135)	(622,872)
	<u>2,046,671</u>	<u>1,950,155</u>
Deposits, including tender deposits	57,272	53,156
Amounts due from immediate holding company (non-trade)	2,336,955	–
Others	15,579	15,605
	<u>4,456,477</u>	<u>2,018,916</u>
Contract assets	437,768	193,803
	<u>4,894,245</u>	<u>2,212,719</u>

Contract assets relate to the Company’s rights to consideration for work completed but not billed at the reporting date on construction contracts with customers. The contract assets are transferred to trade receivables when the rights become unconditional. This occurs when the Company invoices the customer. The ECL on contract assets is not material.

Non-trade amounts due from immediate holding company are unsecured, non-interest bearing and are repayable on demand.

The Company’s exposure to credit risk and impairment losses related to trade and other receivables are disclosed in note 18.

7 Cash and cash equivalents

	2025	2024
	S\$	S\$
Fixed deposits with banks	2,052,022	1,530,630
Cash at banks and in hand	2,395,837	4,051,670
	<u>4,447,859</u>	<u>5,582,300</u>
Fixed deposits pledged	(1,303,857)	(803,543)
Cash and cash equivalents in the statement of cash flows	<u>3,144,002</u>	<u>4,778,757</u>

The fixed deposits have short-term maturity periods and bear interest at weighted average effective rates of 0.97% (2024: 0.09%) per annum.

Fixed deposits with banks amounting to S\$1,303,857 (2024: S\$803,543) are pledged as security for banking facilities granted and credit card facilities.

The Company's exposure to credit and foreign currency risks and impairment losses related to cash and cash equivalents are disclosed in note 18.

8 Share capital

	No. of shares	
	2025	2024
Issued and fully paid ordinary shares, with no par value:		
At beginning and end of financial year	1,600,000	1,600,000

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

Capital reserve

The capital reserve relates to the surplus on disposal of a corporate club membership and is fully distributable to the member of the Company.

9 Lease liabilities

	2025	2024
	S\$	S\$
Non-current liabilities		
Lease liabilities	230,328	408,884
Current liabilities		
Lease liabilities	316,605	248,765
	546,933	657,649

Information about the Company's exposure to liquidity risk is included in note 18.

Terms and debt repayment schedule

Terms and conditions of outstanding lease liabilities are as follows:

	Nominal interest rate %	Year of maturity	----- 2025 -----		----- 2024 -----	
			Face value S\$	Carrying amount S\$	Face value S\$	Carrying amount S\$
Leased properties	2.50%	2023-2030	387,600	373,592	632,400	594,920
Motor vehicles	6.32%	2021-2026	186,537	173,341	67,963	62,729
			574,137	546,933	700,363	657,649

Reconciliation of movements of liabilities to cash flows arising from financing activities

	2025	2024
	S\$	S\$
Balance at 1 April	657,649	149,129
Changes from financing cash flows		
Payment of lease liabilities	(495,757)	(326,822)
Other changes		
New leases during the year	350,463	818,618
Interest expense during the year	34,578	16,724
Balance at 31 March	546,933	657,649

10 Deferred tax liabilities

Movements in deferred tax (assets)/liabilities of the Company during the year are as follows:

	At 1 April 2023 S\$	Recognised in profit or loss (note 15) S\$	At 31 March 2024 S\$	Recognised in profit or loss (note 15) S\$	At 31 March 2025 S\$
Property, plant and equipment	64,171	9,139	73,310	(2,164)	71,146
Provisions	(23,306)	18,898	(4,408)	–	(4,408)
Right-of-use assets	161,856	15,788	177,644	(50,998)	126,646
Lease liabilities	(59,918)	(41,218)	(101,136)	37,625	(63,511)
Others	–	(2,607)	(2,607)	15,537	12,930
	142,803	–	142,803	–	142,803

11 Trade and other payables

	2025	2024
	S\$	S\$
Trade payables	1,117,143	906,702
Amounts due to immediate holding company (non-trade)	–	6,197
Accrued operating expenses	678,480	746,227
Deferred grant income	47,931	71,671
	1,843,554	1,730,797
Accrued employee benefits	504,107	581,747
	2,347,661	2,312,544

Amounts due to immediate holding company are unsecured, non-interest bearing and are repayable on demand. The amounts are expected to be settled in cash.

The Company's exposure to foreign currency and liquidity risks related to trade and other payables is disclosed in note 18.

12 Revenue

	2025	2024
	S\$	S\$
Sales of goods and services	5,504,008	5,519,381
Revenue from construction contracts	1,236,339	1,005,639
Rental income from decorative plants	6,238,239	5,994,916
	12,978,586	12,519,936

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Sales of goods and services and rental income

Nature of goods or services	The Company sells decorative plants and provides landscaping or rental services.
When revenue is recognised	Revenue from selling of decorative plants and provision of landscaping or rental services are recognised when goods are delivered or services is performed to the customer and all criteria for acceptance have been satisfied. Rental income arising from the rental of decorative plants is recognised as 'revenue' on a straight-line basis over the term of the lease.
Significant payment terms	Invoices are issued on a monthly basis and are generally payable within 90 days.

Revenue from construction contracts

Nature of goods or services	The Company provides design consultation and landscaping related services.
When revenue is recognised	Revenue from construction contracts is recognised based on the percentage of completion by reference to surveys of work performed. The construction contracts qualify for over time revenue recognition. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Significant payment terms	Invoices are issued on a monthly basis and are generally payable within 90 days.
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13 Other income

	2025	2024
	S\$	S\$
Interest on fixed deposits	35,779	33,797
Sundry income	4,191	356
Management fees	96,000	96,000
Government grant	166,762	33,158
Recovery of previously written-off bad debts	44,493	–
Gain on disposal of property, plant and equipment	3,119	–
	350,344	163,311

14 Profit before tax

The following items have been included in arriving at profit before tax:

	2025	2024
	S\$	S\$
(Gain)/Loss on disposal of property, plant and equipment	(3,119)	235
Recovery of previously written-off bad debts	(44,493)	–
Allowance for inventories write-down made	7,889	10,970
Contributions to defined contribution plans included in staff costs	283,907	305,114
	283,907	305,114

15 Tax expense

	2025	2024
	S\$	S\$
Current tax expense		
Current year	220,356	170,995
Changes in estimates related to prior year	(33,525)	–
	186,831	170,995

Reconciliation of effective tax rate

	2025	2024
	S\$	S\$
Profit before tax	1,145,034	1,208,816
Tax using the Singapore tax rate of 17% (2024: 17%)	194,656	205,499
Non-deductible expenses	75,710	–
Tax exempt income and tax incentives	(34,425)	(34,426)
Changes in estimates related to prior year	(33,525)	–
Others	(15,585)	(78)
	186,831	170,995

16 Significant related party transactions

Key management personnel compensation

The key management personnel compensation are as follows:

	2025	2024
	S\$	S\$
Salary and other benefits	184,724	175,303
Contributions to defined contribution plans	17,647	15,887
	202,371	191,190

Other than disclosed above, five (2024: four) of the directors did not earn any directors' fees or other remuneration in respect of their appointments as directors of the Company during the current and prior years. These directors are not paid directly by the Company but received remuneration from the Company's related company in respect of their services in the larger group which includes the Company. No apportionment has been made for the services provided by these directors to the Company are incidental to their responsibility to the larger group.

Related party transactions

Other than those disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out in the normal course of business based on terms agreed between the parties:

	2025	2024
	S\$	S\$
Commission fee – immediate holding company	176,014	169,701

	2025	2024
	S\$	S\$
Rental fee/(income)		
– immediate holding company	<u>(60,000)</u>	<u>(60,000)</u>
Expenses recharged to		
– immediate holding company	<u>(69,607)</u>	<u>(220,940)</u>

17 Leases

Leases as lessee (FRS 116)

The Company leases office and land. The leased properties typically run for a period of 12 months to 10 years. In addition, the Company also entered into hire purchase agreements for the acquisition of motor vehicles for a repayment period of 3 to 5 years.

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

Right-of-use assets

	Motor vehicles		Leased properties	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Balance at 1 April	181,145	103,769	1,044,966	657,719
Addition during the year	350,463	134,657	–	683,961
Depreciation charge for the year	(73,698)	(57,281)	(299,987)	(296,714)
Transfer to property, plant and equipment	(57,709)	–	–	–
Balance at 31 March	<u>400,201</u>	<u>181,145</u>	<u>744,979</u>	<u>1,044,966</u>

Amounts recognised in profit or loss

	2025	2024
	S\$	S\$
Leases under FRS 116		
Interest on lease liabilities	34,578	16,724
Lease expense – short-term leases and low-value leases	<u>1,650</u>	<u>1,460</u>

Amounts recognised in statement of cash flows

	2025	2024
	S\$	S\$
Total cash outflow for leases	<u>(495,757)</u>	<u>(326,822)</u>

18 Financial risk management

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

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

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.

The carrying amounts of financial assets represent the Company's 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 has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available financial statements, credit agency information, industry information, and in some cases bank references. Sale limits are established for each customer, which represents the maximum open amount without requiring approval from the Board; these limits are reviewed quarterly. Customers failing to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

The Company limits its exposure to credit risk from trade receivables by establishing maximum payment periods of 180 days.

The Company does not require collateral in respect of trade receivables. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Exposure to credit risk

Expected credit loss assessment for trade receivables

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:

	Weighted average loss rate %	Gross carrying amount S\$	ECLs S\$	Credit impaired
31 March 2025				
Not past due	—*	869,014	—*	<i>No</i>
Past due 0-180 days	5.10	1,240,899	(63,242)	<i>Yes</i>
Past due 181-365 days	100	22,554	(22,554)	<i>Yes</i>
More than 365 days	100	489,339	(489,339)	<i>Yes</i>
		<u>2,621,806</u>	<u>(575,135)</u>	
31 March 2024				
Not past due	—*	1,003,917	—*	<i>No</i>
Past due 0-180 days	4.07	986,411	(40,174)	<i>Yes</i>
Past due 181-365 days	100	24,128	(24,128)	<i>Yes</i>
More than 365 days	100	558,571	(558,570)	<i>Yes</i>
		<u>2,573,027</u>	<u>(622,872)</u>	

* *weighted average rates are insignificant*

Loss rates are based on actual credit loss experience over the past years with management considered the economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Movements in allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025 S\$	2024 S\$
Balance at 1 April	622,872	634,416
Written off	(47,737)	(11,544)
Balance at 31 March	<u>575,135</u>	<u>622,872</u>

Non-trade amount due from immediate holding company

Impairment on non-trade amounts due from immediate holding company have been measured on the 12-months expected loss basis and reflects the short-term maturities of the exposure. Amounts due from immediate holding company are considered to have low credit risk and there has been no significant increase in the risk of default since initial recognition. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

Cash and bank balances are placed with banks and financial institutions which are regulated. Impairment 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.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. 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 flows.

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments:

	Carrying amounts S\$	Cash flows		
		Contractual cash flows S\$	Within 1 year S\$	2-5 years S\$
2025				
Trade and other payables*	1,843,554	(1,843,554)	(1,843,554)	–
Lease liabilities	546,933	(574,137)	(338,292)	(235,845)
	<u>2,390,487</u>	<u>(2,417,691)</u>	<u>(2,181,846)</u>	<u>(235,845)</u>
2024				
Trade and other payables*	1,730,797	(1,730,797)	(1,730,797)	–
Lease liabilities	657,649	(700,363)	(275,609)	(424,754)
	<u>2,388,446</u>	<u>(2,431,160)</u>	<u>(2,006,406)</u>	<u>(424,754)</u>

* Excludes accrued employee benefits

Interest rate risk

Interest rate risk is the potential changes in the value of assets and liabilities as a result of movements in interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's fixed deposits with financial institutions.

Sensitivity analysis

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by S\$20,520 (2024: S\$15,306). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Foreign currency risk

The Company incurs foreign currency risk on sales and purchases that are denominated in currencies other than Singapore dollars. The currencies giving rise to this risk are primarily Ringgit Malaysia (“MYR”) and United States dollars (“USD”).

The Company’s exposures to foreign currencies are as follows:

	MYR	USD
	S\$	S\$
2025		
Cash and cash equivalents	–	1,149,708
Trade and other payables	(1,337)	–
	(1,337)	1,149,708
2024		
Cash and cash equivalents	–	1,093,794
Trade and other payables	(1,345)	–
	(1,345)	1,093,794

Sensitivity analysis

A 10% strengthening of Singapore dollar as indicated below, against MYR and USD at 31 March would have increased/(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 as indicated below:

	2025	2024
	Profit or loss	Profit or loss
	S\$	S\$
MYR	134	135
USD	(114,971)	(109,379)

A 10% weakening of Singapore dollar against the above currencies at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Capital management

The primary objective of the Company’s capital management is to ensure that it maintains a healthy capital base to support its business and maximise shareholders value. The Company has determined that it is in a sound capital position given its capital and resources available. The Company monitors the capital requirements to ensure that it is able to support its existing business.

The Company defined “capital” as including all components of equity. The capital structure of the Company consists of equity attributable to owner of the Company, comprising share capital, capital reserve and retained earnings.

There are no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

Estimation of fair value

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 trade and other payables) are assumed to approximate their fair values. The carrying values of financial assets and liabilities approximate to their fair values due to the short period to maturity. Further, the fair value disclosure of lease liabilities is not required.

Financial instruments by category

	Note	Financial assets at amortised cost S\$	Financial liabilities at amortised cost S\$	Total S\$
2025				
Assets				
Trade and other receivables*	6	4,456,477	–	4,456,477
Cash and cash equivalents	7	4,447,859	–	4,447,859
		8,904,336	–	8,904,336
Liabilities				
Lease liabilities	9	–	546,933	546,933
Trade and other payables**	11	–	1,843,544	1,843,544
		–	2,390,477	2,390,477
2024				
Assets				
Trade and other receivables*	6	2,018,916	–	2,018,916
Cash and cash equivalents	7	5,582,300	–	5,582,300
		7,601,216	–	7,601,216
Liabilities				
Lease liabilities	9	–	657,649	657,649
Trade and other payables**	11	–	1,730,797	1,730,797
		–	2,388,446	2,388,446

* Excludes contract assets

** Excludes accrued employee benefits