

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

MSSL (S) PTE. LTD.
(Incorporated in Singapore)

Company Registration Number: 200402350M

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

MSSL (S) PTE. LTD.

(INCORPORATED IN SINGAPORE)

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

DIRECTORS

VIVEK CHAAND SEHGAL
MITAL PANKAJ
GARG BHARAT KUMAR
DHRUV MEHRA

REGISTERED OFFICE

178 PAYA LEBAR ROAD
#04-08/09
PAYA LEBAR 178
SINGAPORE 409030

SECRETARY

NG LI LI (HUANG LILI)

AUDITOR

REANDA ADEPT PAC
138 CECIL STREET
#06-01 CECIL COURT
SINGAPORE 069538

INDEX	PAGE
DIRECTORS' STATEMENT	1
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10

MSSL (S) PTE. LTD.

DIRECTORS' STATEMENT

The directors are please to present their statement to the members together with the audited financial statements of MSSL (S) PTE. LTD. ("the Company") for the financial year ended 31 March 2023.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) The accompany 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 2023 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

DIRECTORS

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

VIVEK CHAAND SEHGAL
MITAL PANKAJ
GARG BHARAT KUMAR
DHRUV MEHRA

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 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.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors who held office at the end of the financial year had according to the register of directors' shareholding required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares of the Company and related corporation as stated below:

	Direct interest		Deemed interest	
	At beginning of the financial year	At end of the financial year	At beginning of the financial year	At end of the financial year
	Number of ordinary shares		Number of ordinary shares	
The company				
VIVEK CHAAND SEHGAL	1	1	20,554,699	20,554,699
Immediate and ultimate holding company				
- Samvardhana Motherson International Limited (India)				
VIVEK CHAAND SEHGAL	73,165,402	73,165,402	-	-
MITAL PANKAJ	99,273	99,273	-	-
GARG BHARAT KUMAR	53,000	53,000	-	-
DHRUV MEHRA	100,198	100,198	-	-

MSSL (S) PTE. LTD.

DIRECTORS' STATEMENT (CONT'D)

OPTIONS

Share options

During the financial year, there were: -

- (i) no options granted by the company to any person to take up unissued shares of the company.
- (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 option.

AUDITOR

REANDA ADEPT PAC have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



MITAL PANKAJ
Director

Singapore

4 July 2023



MEHRA DHYUV
Director

MSSL (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

TO THE MEMBERS OF MSSL (S) PTE. LTD.

Report on the Audit of the Financial Statements

We have audited the financial statements of MSSL (S) PTE. LTD. (the "Company"), which comprise the statement of financial position as at 31 March 2023, statement of 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 Singapore Financial Reporting Standard for Small Entities ("SFRS for SE") so as to give a true and fair view of the financial position of the company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages 1 to 2].

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.

MSSL (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

TO THE MEMBERS OF MSSL (S) PTE. LTD. (CONT'D)

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

MSSL (S) PTE. LTD.

INDEPENDENT AUDITOR'S REPORT (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

TO THE MEMBERS OF MSSL (S) PTE. LTD. (CONT'D)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

Reanda Adept PAC

REANDA ADEPT PAC
Public Accountants and
Chartered Accountants

Singapore

4 July 2023

MSSL (S) PTE. LTD.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	2023 S\$	2022 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	4	905,449	985,696
Investment in subsidiaries	5	17,385,160	17,385,160
		<u>18,290,609</u>	<u>18,370,856</u>
Current assets			
Other receivables	6	26,452	24,121
Amount due from a fellow subsidiary (trade)	8	1,330,000	1,219,320
Amount due from a subsidiary	8	3,390,864	2,103,315
Cash and cash equivalents	7	1,782,325	506,804
		<u>6,529,641</u>	<u>3,853,560</u>
Total assets		<u>24,820,250</u>	<u>22,224,416</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the company			
Share capital	9	20,554,700	20,554,700
Retained earnings		4,253,815	1,657,315
Total equity		<u>24,808,515</u>	<u>22,212,015</u>
Current liabilities			
Other payables		10,737	7,001
Provision for taxation		998	5,400
		<u>11,735</u>	<u>12,401</u>
Net current assets		<u>6,517,906</u>	<u>3,841,159</u>
Total liabilities		<u>11,735</u>	<u>12,401</u>
Net assets		<u>24,808,515</u>	<u>22,212,015</u>
Total equity and liabilities		<u>24,820,250</u>	<u>22,224,416</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

MSSL (S) PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S\$	2022 S\$
Income			
Service revenue		1,646,000	1,616,000
Other income	10	205,710	162,872
Dividend income		2,708,521	-
		<u>4,560,231</u>	<u>1,778,872</u>
Items of expense			
Depreciation and amortisation expense		(87,047)	(71,738)
Employee benefits expense	11	(1,508,839)	(1,481,339)
Other operating expenses	12	<u>(367,845)</u>	<u>(108,422)</u>
Profit before tax		2,596,500	117,373
Income tax expense	13	-	(347)
Profit for the financial year, representing total comprehensive income		<u>2,596,500</u>	<u>117,026</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

MSSL (S) PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Share capital S\$	Retained earnings S\$	Total S\$
Balance as at 1 April 2021	20,554,700	1,540,289	22,094,989
Loss for the year, representing total comprehensive income for the year	-	117,026	117,026
Balance as at 31 March 2022	20,554,700	1,657,315	22,212,015
Balance as at 1 April 2022	20,554,700	1,657,315	22,212,015
Profit for the year, representing total comprehensive income for the year	-	2,596,500	2,596,500
Balance as at 31 March 2023	20,554,700	4,253,815	24,808,515

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

MSSL (S) PTE. LTD.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S\$	2022 S\$
Cash flows from operating activities			
Profit before income tax		2,596,500	117,373
<u>Adjustments for:</u>			
Depreciation of property, plant & equipment		87,047	71,738
Unrealised exchange loss		173,776	31,429
Interest income		(205,710)	(46,760)
Gain on disposal of property, plant & equipment		-	116,112
Operating cash flow before working capital changes		2,651,613	289,892
<u>Changes in working capital:</u>			
Increase in other receivables		(2,331)	(8,058)
(Increase)/decrease in amount due from a fellow subsidiary (trade)		(110,680)	259,740
Increase/(decrease) in other payables		3,736	(251)
Cash generated from operating activities		2,542,338	541,323
Tax paid		(4,402)	(1,145)
Net cash generated from operating activities		2,537,936	540,178
Cash flow from investing activities			
Proceeds from disposal of property, plant & equipment		-	(116,112)
Purchase of property, plant & equipment		(6,800)	(344,340)
Net cash used in investing activities		(6,800)	(460,452)
Cash flows from financing activities			
Loan to subsidiaries		(2,694,960)	-
Repayment from a subsidiary		1,439,345	59,942
Net cash (used in)/generated from financing activities		(1,255,615)	59,942
Net increase in cash and cash equivalents		1,275,521	139,668
Cash and cash equivalents at the beginning of financial year		506,804	367,136
Cash and cash equivalents at the end of financial year	7	1,782,325	506,804

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

1. CORPORATE INFORMATION

The financial statements of MSSL (S) Pte. Ltd. (the company) for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The company is a private limited company domiciled and incorporated in the Republic of Singapore.

The registered office of the company is located at 178 PAYA LEBAR ROAD, #04-08/09, SINGAPORE 409030.

The principal activities of the company are those relating to the provision of the promotion, liaison and administrative services to the holding company and investment holding companies.

The principal activities of the subsidiaries are shown in Note 5 to the financial statements.

The immediate and ultimate holding company is Samvardhana Motherson International Limited formerly known as Motherson Sumi Systems Limited, a company incorporated in India. It owns 99.99% of the issued share capital of the company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard for Small Entities (SFRS for SE) issued by the Accounting Standards Council.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (SGD or S\$) which is also the functional currency of the company.

2.2 Foreign currency

Transactions and balances

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the date of the statement of financial position are translated to the functional currency at the exchange rates closely approximating to those ruling at the date of the statement of financial position.

Non-monetary items measured at historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Translation differences are taken to the statement of comprehensive income.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is computed on a straight-line basis so as to write off the cost or the carrying amount over their estimated useful lives of the assets as follows:

	<u>Number of years</u>
Freehold properties (strata-title units)	25 years
Computer hardware	3 years
Furniture & fittings	3 years
Office equipment	3 years
Renovation	3 years
Motor vehicle	4 years

The freehold land is not depreciated.

The carrying amount, residual value and useful lives are reviewed and adjusted as appropriate at the end of each reporting period with changes in estimates accounted for on a prospective basis.

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The carrying amount of property, plant and equipment at the end of the reporting period is disclosed in Note 4 to the financial statements.

2.4 Financial instruments

Financial assets and financial liabilities are initially measured at the transaction price. At the end of each reporting period, they are measured at amortised cost using the effective interest method. Financial instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the company shall measure the financial instrument at the present value of the future payments discounted at a market rate of interest for a similar financial instrument.

At the end of each reporting period, the company shall assess whether there is objective evidence of impairment of any financial instruments that are measured at cost or amortised cost. If there is objective evidence of impairment, the company shall recognise an impairment loss in statement of comprehensive income immediately. If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the company shall reverse the previously recognised impairment loss either directly or by adjusting an allowance account.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Consolidation

These financial statements are the separate financial statements of MSSL (S) Pte Ltd. The financial statements of the subsidiaries have not been consolidated into this financial statement of the Company. The Company is exempted from the preparation of consolidated financial statements as the company is a wholly-owned subsidiary of Samvardhana Motherson International Limited, a company incorporated in India which produces consolidated financial statements available for public use. The registered office of Samvardhana Motherson International Limited is at Unit-705, C Wing, One BKC, Bandra Kurla Complex, Bandra East, Mumbai – 400051, India.

2.6 Investments in subsidiaries

Investments in subsidiaries are stated in the company's statement of financial position at cost less accumulated impairment losses.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are not subject to significant change in value.

2.8 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax for the current period and any adjustments to tax payable in respect of prior periods is recognised to be paid or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. 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.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable.

Service income

Service fees are recognised on apportionment of time basis and represent support and recovery service.

Interest income

Interest income is recognised using the effective interest method.

2.10 Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax except:-

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

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

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.12 Employee benefits

Defined contribution plans

The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund (CPF) 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.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of 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 reporting date. However, uncertainty about these assumption and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment at least on a yearly basis. Significant financial difficulties of the receivable, the probability that the receivable will enter into bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgment as to whether there is observable data indicating that there has been a significant change in the payment ability of the receivable, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the receivable operates in.

Where there is objective evidence of impairment, management makes judgment as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions are reviewed regularly to reduce any differences between the estimated loss and the actual loss experience.

The carrying amount of loans and receivables at the end of the reporting period is disclosed in Note 8 to the financial statements.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

3.1 Critical accounting estimates and assumptions (cont'd)

(b) Investments in subsidiaries

At the date of the statement of financial position, the carrying amount of the company's investment in subsidiaries was S\$17,385,160 (2023: S\$17,385,160) after taking into account accumulated impairment losses of S\$234,616 (2023: S\$234,616), as it was determined by the management that the cost of the investment is impaired (see Note 5).

Management has made a judgement that the decline in the carrying value of these investments is significant and prolonged and has considered the long-term duration of the decline and the significant magnitude by which the recoverable amount is below cost. Other factors taken into consideration in determining the impairment loss include the future profitability of the subsidiaries, financial health of and near-term business outlook of the subsidiaries.

3.2 Judgments made in applying accounting policies

In the process of applying the company's accounting policies, management is not aware of any judgement that has a significant effect on the amounts recognised in the financial statements.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold Properties S\$	Computer Hardware S\$	Furniture & Fittings S\$	Office Equipment S\$	Renovation S\$	Motor vehicles S\$	Total \$
Cost							
As at 1 April 2021	1,426,185	3,270	14,336	3,338	115,350	474,800	2,037,279
Additions						344,340	344,340
Disposals						(474,800)	(474,800)
As at 31 March 2022 and 1 April 2022	1,426,185	3,270	14,336	3,338	115,350	344,340	1,906,819
Additions	-	-	-	6,800	-	-	6,800
As at 31 March 2023	1,426,185	3,270	14,336	10,138	115,350	344,340	1,913,619
Accumulated Depreciation							
As at 1 April 2021	713,091	3,270	14,336	3,338	115,350	474,800	1,324,185
Depreciation charge	-	-	-	-	-	71,738	71,738
Disposals	-	-	-	-	-	(474,800)	(474,800)
As at 31 March 2022 and 1 April 2022	713,091	3,270	14,336	3,338	115,350	71,738	921,123
Depreciation charge	-	-	-	962	-	86,085	87,047
As at 31 March 2023	713,091	3,270	14,336	4,300	115,350	157,823	1,008,170
Carrying amounts							
As at 31 March 2022	713,094	-	-	-	-	272,602	985,696
As at 31 March 2023	713,094	-	-	5,838	-	186,517	905,449

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

5. INVESTMENT IN SUBSIDIARY

	2023 S\$	2022 S\$
Ordinary shares, at cost	17,619,776	17,619,776
Less: Allowance for impairment	(234,616)	(234,616)
Unquoted equity shares, at cost	<u>17,385,160</u>	<u>17,385,160</u>

Details of the subsidiaries are as follows: -

Name and country of incorporation	Principal activities	Proportion (%) of ownership interest	
		2023	2022
Held by the company			
MSSL Japan Limited (Japan)	Manufacturing of and trading with wire harness for automobiles, machine and parts of electric machines	100	100
MSSL Korea WH Limited (Korea)	Engineering	100	100
MSSL Mexico S.A. DE C.V (Mexico)	Manufacturing of and trading with wire harness for automobiles, machine and parts of electric machines	99.99	99.99
MSSL WH System (Thailand) Co. Ltd. (Thailand)	Manufacturing of and trading with wire harness for automobiles, machine and parts of electric machines	100	100

6. OTHER RECEIVABLES

	2023 S\$	2022 S\$
Deposits	8,269	6,169
GST receivable	621	390
Other receivables	<u>17,562</u>	<u>17,562</u>
	<u>26,452</u>	<u>24,121</u>

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

7. CASH AND CASH EQUIVALENTS

	2023 S\$	2022 S\$
Cash and bank balances	1,782,325	506,804

Cash and cash equivalents are denominated in the following currencies:

	2023 S\$	2022 S\$
Singapore Dollar	694,234	31,614
United States Dollar	1,088,091	475,190
	1,782,325	506,804

8. AMOUNT DUE FROM A FELLOW SUBSIDIARY AND SUBSIDIARY

(a) Loan to subsidiaries (non-trade)

	2023 S\$	2022 S\$
Loan #1	-	683,293
Loan #2	584,727	1,420,022
Loan #3	2,806,137	-
Loan #4	1,010,784	1,010,784
Total liabilities	4,401,648	3,114,099
Less: Accumulated impairment losses	(1,010,784)	(1,010,784)
	3,390,864	2,103,315

Loan #1 is unsecured, interest charged at a fixed rate of 3% to 4.8% for the loan denominated in Thai Baht and with repayment term of 84 months from 30 June 2022. The loan has been fully settled on 31 March 2023.

Loan #2 is unsecured, interest charged at a floating rate of 3 months Libor + 1.5% on a 360-day basis for the loan denominated in United States Dollars and is to be repaid by 31 March 2024.

Loan #3 is unsecured, interest charged at a fluctuating rate of 1.8% above SOFR on a 360-day basis for the loan denominated in United States Dollars and is to be repaid by 25 July 2025.

Loan #4 is unsecured and interest-free and has been fully provided in the prior year.

(b) Amount due from a fellow subsidiary

The amount due from a fellow subsidiary is unsecured, interest-free and is repayable on demand.

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

9. SHARE CAPITAL

	No. of ordinary shares Issued share capital	Amount Share capital S\$
At 1 April 2022/31 March 2023	20,554,700	20,554,700

10. OTHER INCOME

	2023 S\$	2022 S\$
Gain on disposal of property, plant & equipment	-	116,112
Interest income	205,710	46,760
	<u>205,710</u>	<u>162,872</u>

11. EMPLOYEE BENEFITS EXPENSE

	2023 S\$	2022 S\$
Salaries and bonus	<u>1,508,839</u>	<u>1,481,339</u>

12. OTHER OPERATING EXPENSES

	2023 S\$	2022 S\$
Other operating expenses include the following significant items: -		
Foreign exchange loss	204,932	19,352
Professional expenses	8,563	4,303
Withholding tax expense	25,907	9,028
Travel expenses	<u>72,339</u>	<u>16,878</u>

MSSL (S) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

13. INCOME TAX EXPENSE

(a) Major components of income tax expense

	2023 S\$	2022 S\$
Current year's tax expense	-	5,400
Over provision in prior year	-	(5,053)
	<u>-</u>	<u>347</u>

(b) Reconciliation between tax expense and accounting profit

	2023 S\$	2022 S\$
Profit before tax	<u>2,596,500</u>	<u>117,373</u>
Tax benefit at the applicable tax rate of 17% (2022: 17%)	441,405	19,953
Tax effect of expenses that are not deductible in determining taxable profit	57,936	29,334
Tax effect of income that are not chargeable in determining taxable profit	(499,341)	(43,887)
Over provision in respect of prior years	-	(5,053)
	<u>-</u>	<u>347</u>

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties at terms agreed between the parties, are as follows: -

	2023 S\$	2022 S\$
Subsidiaries		
Loan disbursement	2,760,000	-
Interest charged	(205,710)	(46,760)
Dividend income	(2,708,521)	-
Fellow subsidiary		
Consultancy fees	<u>(1,646,000)</u>	<u>(1,616,000)</u>

Compensation of key management personnel

	2023 S\$	2022 S\$
Short-term employee benefits	1,508,839	1,481,339
Other short-term benefits	-	-
	<u>1,508,839</u>	<u>1,481,339</u>

MSSL (S) PTE. LTD.





ANNEX A

OPERATING EXPENSES

	2023 S\$	2022 S\$
OTHER OPERATING EXPENSES		
Auditors' remuneration - current year	7,230	7,127
Bank charges	6,421	3,195
Electricity charges	5,249	5,081
Foreign exchange	204,932	19,352
Insurance	2,953	15,497
Office expenses	3,006	1,579
Petrol, diesel and toll	10,133	7,551
Postage & courier fee	630	431
Printing and stationery	1,785	-
Professional expenses	8,563	4,303
Property tax	14,370	16,691
Season parking	-	18
Telephone charges	1,700	1,691
Training expenses	-	-
Travel expenses	72,339	16,878
Withholding tax expense	25,907	9,028
Total other operating expenses	<u>367,845</u>	<u>108,422</u>

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