

Director's Statement and
Unaudited Financial Statements

FOOD CITIZEN PTE. LTD.

Company Registration No.: 201916201M

30 April 2021

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

GENERAL INFORMATION

DIRECTOR

Pui Cuifen

SECRETARY

Lim Jin Xiang

REGISTERED OFFICE

100 Peck Seah Street
#08-14 PS100
Singapore 079333

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DIRECTOR'S STATEMENT

The director is pleased to present her statement to the member together with the unaudited financial statements of Food Citizen Pte. Ltd. (the "Company") for the financial year ended 30 April 2021.

1. OPINION OF THE DIRECTOR

In the opinion of the director,

- (i) The financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 April 2021 and the financial performance, changes in equity and cash flows of the Company for the year then ended; 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.

2. DIRECTOR

Pui Cuifen is the sole director of the Company in office at the date of this statement.

3. ARRANGEMENTS TO ENABLE DIRECTOR TO ACQUIRE SHARES OR DEBENTURES

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

4. DIRECTOR'S INTEREST IN SHARES OR DEBENTURES

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

Name of director	<u>No of ordinary shares</u>			
	<u>Direct interest</u>		<u>Deemed interest</u>	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Pui Cuifen	2	2	-	-

DIRECTOR'S STATEMENT


5. SHARE OPTIONS

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

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

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

The Board of Directors,



.....
Pui Cui Fen
Director

Date: 9 June 2021

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021

	<u>Note</u>	<u>2021</u> S\$	<u>2020</u> S\$
<u>ASSETS</u>			
Current assets			
Trade receivables	4	1,400	-
Cash and cash equivalents	5	7,912	2,387
Total assets		<u>9,312</u>	<u>2,387</u>
<u>LIABILITIES AND EQUITY</u>			
Current liabilities			
Amount due to director	6	<u>8,778</u>	<u>846</u>
Equity			
Share capital	7	4	4
Retained earnings		<u>530</u>	<u>1,537</u>
		534	1,541
Total liabilities and equity		<u>9,312</u>	<u>2,387</u>

See accompanying notes to the financial statements

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

		<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
Revenue income	8	6,862	7,477
Cost of services		(6,754)	-
Gross profit		<u>108</u>	<u>7,477</u>
Other income		201	1
Gross profit and other income		<u>309</u>	<u>7,478</u>
Expenses			
Administrative and other expenses	9	(1,267)	(5,941)
(Loss)/profit before tax		<u>(958)</u>	<u>1,537</u>
Income tax expense	10	(49)	-
(Loss)/profit for the year/period, representing total comprehensive (loss)/income for the year/period		<u><u>(1,007)</u></u>	<u><u>1,537</u></u>

See accompanying notes to the financial statements

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Share capital	Retained	Total equity
	S\$	earnings	S\$
	S\$	S\$	S\$
Issuance of subscriber's shares on 21 May 2019 (date of incorporation)	4	-	4
Profit for the period, representing total comprehensive income for the period	-	1,537	1,537
At 30 April 2020	<u>4</u>	<u>1,537</u>	<u>1,541</u>
At 1 May 2020	4	1,537	1,541
(Loss) for the year, representing total comprehensive (loss) for the year	-	(1,007)	(1,007)
At 30 April 2021	<u>4</u>	<u>530</u>	<u>534</u>

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	<u>Note</u>	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
Cash flows from operating activities			
(Loss)/profit before tax		(958)	1,537
Changes in working capital:			
(Increase) in trade receivables		(1,400)	-
Cash (used in)/generated from operations		(2,358)	1,537
Income tax (paid)		(49)	-
Net cash (used in)/generated from operating activities		<u>(2,407)</u>	<u>1,537</u>
Cash flows from financing activity			
Proceeds from issuance of ordinary shares		-	4
Increase in amount due to director		7,932	846
Net cash generated from financing activity		<u>7,932</u>	<u>850</u>
Net increase in cash and cash equivalents		5,525	2,387
Cash and cash equivalents at the beginning of year/on date of incorporation		2,387	-
Cash and cash equivalents at the end of year/period	5	<u>7,912</u>	<u>2,387</u>

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

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

1. CORPORATE INFORMATION

Food Citizen Pte. Ltd. (the “Company”) is a private limited liability company which is domiciled, and incorporated in Singapore.

The registered office and principal place of business of the Company is located at 100 Peck Seah Street, #08-14 PS100, Singapore 079333.

The principal activities of the Company are those of corporate training services and motivational course providers. There had been no significant changes in the nature of these activities during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (“FRS”).

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

The financial statements are presented in Singapore dollar (“S\$”), which is also the functional currency of the Company.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

2.2) ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3) STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new standards, amendments to standards and interpretations are issued but effective for annual financial period beginning on or after 1 January 2021, and which the Company has not been early adopted in preparing these financial statements. None of these are expected to have a significant impact on the Company’s financial statements in the year of initial application.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4) FINANCIAL ASSETS

Initial recognition and measurement

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

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

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

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Company only has debt instruments at amortised cost.

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

Derecognition

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

2.5) FINANCIAL LIABILITIES

Initial recognition and measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5) FINANCIAL LIABILITIES (CONT'D)

Subsequent measurement

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

Derecognition

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

2.6) IMPAIRMENT OF FINANCIAL ASSETS

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7) SHARE CAPITAL

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8) REVENUE RECOGNITION

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

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

Rendering of services

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

2.9) EMPLOYEE BENEFITS

Defined contribution plans

The Company's contributions to defined contribution plans, namely the Central Provident Fund Scheme, are recognised as employee benefits expenses in the period in which the related service is performed. The Company has no further payment obligations once the contributions have been paid.

Short-term employee benefits

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

2.10) INCOME TAX

Current income tax

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10) INCOME TAX (CONT'D)

Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial period end, to recover or settle the carrying amounts of its assets and liabilities.

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

2.11) RELATED PARTIES

A related party is a person or entity that is related to the Company and includes:

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11) RELATED PARTIES (CONT'D)

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

The following are not necessarily related parties:

- (a) two entities simply because they have a director or other member of key management personnel in common.
- (b) two venturers simply because they share joint control over a joint venture.

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

2.12) GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1) Judgments made in applying accounting policies

The management is of the opinion that there are no significant judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

3.2) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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.

Provision for expected credit losses of trade receivables

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 11 to the financial statements.

The carrying amount of the Company's trade receivables as at 30 April 2021 was S\$1,400 (2020: S\$Nil).

4. TRADE RECEIVABLES

	<u>2021</u> S\$	<u>2020</u> S\$
Non-related parties	<u>1,400</u>	<u>-</u>

Trade receivables are non-interest bearing and are generally on 30 (2020: Nil) days' terms.

Trade receivables are denominated in Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

5. CASH AND CASH EQUIVALENTS

	<u>2021</u> S\$	<u>2020</u> S\$
Cash at bank	7,912	2,387

Cash and cash equivalents are denominated in Singapore dollar.

6. AMOUNT DUE TO DIRECTOR

Amounts due to director is non-trade in nature, interest-free, unsecured and is repayable on demand.

7. SHARE CAPITAL

	<u>2021</u>		<u>2020</u>	
	No. of shares	S\$	No. of shares	S\$
<i>Ordinary shares</i>				
Issued and fully paid	2	4	2	4

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

8. REVENUE INCOME

	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
<u>Type of services</u>		
Income from workshops	6,862	7,477
<u>Timing of transfer of service</u>		
At a point in time	6,862	7,477

9. ADMINISTRATIVE AND OTHER EXPENSES

Included in this item are the following:

	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
Corporate secretarial services	416	472
Professional fees	-	5,356
Website domain and upgrade	627	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

10. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the year/period ended 30 April 2021 and 2020 were:

	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
Current income tax		
- Underprovision in respect of prior year	49	-
Income tax expense recognised in profit or loss	<u>49</u>	<u>-</u>

Relationship between tax expense and accounting (loss)/profit

A reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the financial year/period ended 30 April 2021 and 2020 were as follows:

	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
(Loss)/profit before tax	<u>(958)</u>	<u>1,537</u>
Income tax using the statutory tax rate of 17% (2020: 17%)	(163)	261
Tax effects of:		
- Effects of income tax exemptions and reliefs	-	(261)
- Deferred tax assets not recognised	163	-
- Underprovision in respect of prior year	<u>49</u>	<u>-</u>
Income tax expense recognised in profit or loss	<u>49</u>	<u>-</u>

11. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year/period, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

11. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

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

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

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

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

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

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

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

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

11. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

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

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

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

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
30 April 2021						
Trade receivables	4	Note 1	Lifetime ECL (simplified)	1,400	-	1,400

Trade receivables (Note 1)

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

The Company concluded that there has been no significant change in the credit quality of the trade receivables as the amounts are still considered recoverable and determined that the ECL is insignificant.

Exposure to credit risk

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

11. FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations and loan from director. The director is satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

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

	<u>Carrying amount</u> S\$	<u>Contractual cash flows (including interest payments)</u>			
		<u>Total</u> S\$	<u>Within 1 year</u> S\$	<u>Within 1 to 5 years</u> S\$	<u>More than 5 years</u> S\$
2021					
<u>Financial assets</u>					
Trade receivables	1,400	1,400	1,400	-	-
Cash and cash equivalents	7,912	7,912	7,912	-	-
Total undiscounted financial assets	9,312	9,312	9,312	-	-
<u>Financial liabilities</u>					
Amount due to director	8,778	8,778	8,778	-	-
Total undiscounted financial liabilities	(8,778)	(8,778)	(8,778)	-	-
Total net undiscounted financial assets	534	534	534	-	-
2020					
<u>Financial assets</u>					
Cash and cash equivalents	2,387	2,387	2,387	-	-
Total undiscounted financial assets	2,387	2,387	2,387	-	-
<u>Financial liabilities</u>					
Amount due to director	846	846	846	-	-
Total undiscounted financial liabilities	(846)	(846)	(846)	-	-
Total net undiscounted financial assets	1,541	1,541	1,541	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Cash and cash equivalents, and amount due to director

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

Trade receivables

The carrying amounts of these receivables approximate their fair values as they are subject to normal trade credit terms.

13. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets measured at amortised cost

	<u>2021</u> S\$	<u>2020</u> S\$
Trade receivables	1,400	-
Cash and cash equivalents	7,912	2,387
Total financial assets measured at amortised cost	<u>9,312</u>	<u>2,387</u>

Financial liabilities measured at amortised cost

	<u>2021</u> S\$	<u>2020</u> S\$
Amount due to director	8,778	846
Total financial liabilities measured at amortised cost	<u>8,778</u>	<u>846</u>

14. CAPITAL MANAGEMENT

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year/period ended 30 April 2021 and 2020.

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

15. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements of the Company for the year ended 30 April 2021 were authorised for issue in accordance with a resolution of the director as at the date of the Director's statement.

THE FOLLOWING SCHEDULES DO NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

FOOD CITIZEN PTE. LTD.
(Company Registration No.: 201916201M)

DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	<u>2021</u> S\$	<u>21/05/2019 –</u> <u>30/04/2020</u> S\$
Revenue income		
Income from workshops	6,862	7,477
Cost of services		
Contract for services	1,000	-
Project related purchases	1,050	-
Project related travel	32	-
Salaries	4,672	-
	<u>(6,754)</u>	<u>-</u>
Gross profit	<u>108</u>	<u>7,477</u>
Other income		
Bank interest	1	1
Government grant	200	-
	<u>201</u>	<u>1</u>
Gross profit and other income	<u>309</u>	<u>7,478</u>
Expenses		
<u>Administrative and other expenses</u>		
Bank charges	-	3
Company email	104	-
Corporate secretarial services	416	472
Professional fees	-	5,356
Virtual office	120	110
Website domain and upgrade	627	-
	<u>(1,267)</u>	<u>(5,941)</u>
(Loss)/profit before tax	<u>(958)</u>	<u>1,537</u>

This statement is for management information only and does not form part of the financial statements of the Company.