REV 22 PTE. LTD.

Co. Reg. No. : 201104431Z
(Incorporated in Singapore)

FINANCIAL STATEMENTS

For the year ended 31 December 2022

REV 22 PTE. LTD.

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The director is pleased to present the statement to the members together with the unaudited financial statements of Rev 22 Pte. Ltd. (the Company) for the financial year ended 31 December 2022.

Opinion of the director

In the opinion of the director:

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Director

The director of the Company in office at the date of this statement is:

TAN HUI NGOH VERONICA

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 objects 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.

Director's interests in shares or debentures

According to the register of director's shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (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:

	Direct interest		Deemed interest	
Name of director	At the beginning of financial year or date of appointment	At the end of financial year	At the beginning of financial year or date of appointment	At the end of financial year
Ordinary shares of the Company				
TAN HUI NGOH VERONICA	51,000	51,000	-	-

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.

Auditors

The Company is an exempt private company and has met the requirement for an audit exemption.

a) The company is a small company exempt from audit for its financial year ended 31 December 2022 since it meets the requirement of not exceeding revenue/assets of S$10 million and/or 50 employees for the period and in the manner stated in Section 205C of the Companies Act.
b) The company is not required to obtain an audit of its accounts by any notice from its member under Section 205C(2) of the Companies Act.
c) The accounting and other records required to be kept by the company have been kept in accordance with Section 199 of the Companies Act.

On behalf of the Board of Director

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TAN HUI NGOH VERONICA
The Sole Director

Date: 5/6/23

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(Illustrating the analysis of expenses by function)

	Note	2022 S$	2021 S$
Revenue	4	649,178	1,412,387
Cost of sales		(113,581)	(484,298)
Gross profit		535,597	928,089
Other income	5	81,385	502,720
Selling and distribution expenses		(153,590)	(196,139)
Adminstrative and other expenses		(570,601)	(772,368)
Finance costs	6	(4,814)	(5,649)
Profit / (Loss) before tax	7	(112,023)	456,653
Income tax expense	8	-	-
Profit / (Loss) for the year		(112,023)	456,653
Total comprehensive income / loss for the year		(112,023)	456,653

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

REV 22 PTE. LTD.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 S$	2021 S$
ASSETS			
Non-current assets			
Property, plant and equipment	9	167,676	258,412
Investment		3,393	35,000
		171,069	293,412
Current assets			
Inventories		167,626	177,545
Trade and other receivables	10	85,950	52,322
Cash and short-term deposits	11	4,748	50,857
		258,324	280,724
Total assets		429,393	574,136
EQUITY AND LIABILITIES			
Equity			
Share capital	12	51,000	51,000
Retained earnings		242,948	354,971
Equity attributable to owner of the Company		293,948	405,971
Non-current liabilities			
Lease liabilities	14	8,674	54,554
		8,674	54,554
Current liabilities			
Trade and other payables	13	59,736	38,848
Lease liabilities	14	67,035	74,763
		126,771	113,611
Total liabilities		135,445	168,165
Total equity and liabilities		429,393	574,136

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share capital S$	Retained earnings S$	Total S$
At 1 January 2021	51,000	(101,682)	(50,682)
Total comprehensive income for the year	-	456,653	456,653
Issue of shares during the year	-	-	-
At 31 December 2021	51,000	354,971	405,971
At 1 January 2022	51,000	354,971	405,971
Total comprehensive loss for the year	-	(112,023)	(112,023)
Issue of shares during the year	-	-	-
At 31 December 2022	51,000	242,948	293,948

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

REV 22 PTE. LTD.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 S$	2021 S$
Cash flows from operating activities			
Profit / (Loss) before tax		(112,023)	456,653
Adjustments for:			
- Depreciation of property, plant and equipment	9	117,191	85,487
- Interest expense	6	4,814	5,649
		9,982	547,789
Change in working capital:			
Inventories		9,919	(9,919)
Trade and other receivables	10	(33,626)	(28,024)
Trade and other payables	13	20,888	13,063
Cash generated from operations		7,163	522,909
Income tax paid		-	-
Net cash generated from operating activities		7,163	522,909
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,279)	(144,934)
Right-of-use assets		(25,178)	(96,168)
Investment written off		31,607	15,000
Net cash generated from investing activities		5,150	(226,102)
Cash flows from financing activities			
Interest paid		(4,814)	(5,649)
Payment of principal portion of lease liabilities		(53,608)	46,817
Loan due to third parties		-	(344,000)
Net cash used in financing activities		(58,422)	(302,832)
Net decrease in cash and cash equivalents		(46,109)	(6,025)
Cash and cash equivalents at 1 January		50,857	56,882
Cash and cash equivalents at 31 December	11	4,748	50,857

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

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

1. General

Rev 22 Pte. Ltd. (the Company) is incorporated and domiciled in Singapore with its registered office and principal place of business at 1 Coleman Street #B1-37, The Adephi, Singapore 179803.

The principal activities of the Company are those of health/wellness therapy and sales of wellness products.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ($), which is the Company's functional currency. All financial information presented in Singapore Dollars has been rounded to the nearest dollars, unless otherwise indicated.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial period beginning on 1 January 2022. The adoption of these standards did not have any material effect on the financial statements of the Company.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective (Continued)

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 *Insurance Contracts*	1 January 2023
Amendments to FRS 116 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements*: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The director expects that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

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

2.5 Property, plant and equipment

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

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

2. Summary of significant accounting policies (Continued)

2.5 Property, plant and equipment (Continued)

	Useful lives
Computer	1 year
Furniture & Fitting	3 - 5 years
Office equipment	3 - 5 years
Renovation	3 - 5 years
Shop equipment	3 - 5 years
Motor vehicle	3 - 5 years

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

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

2.6 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

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

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at 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.

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

(a) Financial assets (Continued)

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.

Investments in equity instruments

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

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.

(b) Financial liabilities

Initial recognition and measurement

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

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

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilities (Continued)

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.

2.8 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.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's cash management.

2. Summary of significant accounting policies (Continued)

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 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.

2.13 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.14 Employee benefits

(a) Defined contribution plans

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

2. Summary of significant accounting policies (Continued)

2.14 Employee benefits (Continued)

(b) Short-term employee benefits

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

2.15 Leases

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

(a) As lessee

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

Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

The Company's right-of-use assets are presented within property, plant and equipment (Note 9).

Lease liabilities

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

2. Summary of significant accounting policies (Continued)

2.15 Leases (Continued)

(a) As lessee (Continued)

on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Company's lease liabilities are disclosed in Note 14.

Short-term leases and leases of low-value assets

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

2.16 Revenue

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

Revenue is 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.

(a) Sale of goods

Revenue from sale of goods is recognized upon the transfer of significant risk and rewards of ownership of the goods to the customers. Revenue is not recognized to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) Rendering of services

Revenue is recognized upon completion of services and has been accepted by customers.

2. Summary of significant accounting policies (Continued)

2.17 Taxes

(a) Current income tax

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

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

(b) Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

2.18 Share capital

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

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 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimates (Continued)

3.1 Key sources of estimation uncertainty (Continued)

(a) Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determine the amount of impairment loss as a result of the inability of the trade receivables to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial conditions of the trade receivables were to deteriorate, actual write-offs would be higher than estimated.

(b) Income taxes

Significant judgement is involved in determining the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liability for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amount that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(c) Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets; therefore future depreciation charges could be revised.

(d) Allowances for inventories

Management determines whether an allowance is required for stock obsolescence or slow-moving stock or for any shortfall in net realizable value of inventories by reviewing the inventory listing on a periodic basis. The review involves a comparision of the carrying value of the inventory items with the respective net realizable value as well as the forecasted demand for the inventories. Arising from the review, management sets up the necessary allowance for obsolete and slow-moving inventories or for any short fall in the net realizable value of the inventories.

4. Revenue

Revenue represents net invoiced value of sales and services rendered to customers less sales discounts/credit notes.

These include:

	2022	2021
	S$	S$
Revenue	649,178	1,412,387

5. Other income

Other income comprise the following:

	2022 S$	2021 S$
Government grants:		
- IRAS Job Support Scheme (JSS)	-	10,786
- IRAS Jobs Growth Incentive (JGI)	34,684	50,750
- IRAS Rental Support Scheme (RSS)	-	14,200
- Other grants	9,631	48,033
Liabilities written back	-	344,000
Miscellaneous income	37,070	34,951
	81,385	502,720

6. Finance costs

	2022 S$	2021 S$
Interest expense on:		
- Lease liabilities	4,814	5,649

7. Profit / (Loss) before tax

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

	2022 S$	2021 S$
Employee benefits expense:		
- Salaries, bonuses and other costs	202,572	272,388
- Contributions to Central Provident Fund	45,567	37,481
- Staff commission	-	29,465
- Staff costs	-	1,200
Commission expense	11,318	39,623

8. Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 December 2022 and 2021 were:

Current income tax	2022 S$	2021 S$
- Current year	-	-
- Under/(over)provision in respect of prior years	-	-
Income tax expense recognised in profit or loss	-	-

9. Property, plant and equipment

	Office Equipment	Furniture & Fittings	Motor Vehicle	Shop Equipment	Computers	Renovation	Leasehold Office Premises	Total
Cost	S$	S$	S$	S$	S$	S$	S$	S$
At 1 January 2021	20,909	11,137	70,535	72,241	86,144	92,840	82,500	436,306
Additions	4,304	750	69,718	22,849	25,059	22,254	96,168	241,102
Disposals	-	-	(70,535)	-	-	-	-	(70,535)
At 31 December 2021	25,213	11,887	69,718	95,090	111,203	115,094	178,668	606,873
At 1 January 2022	25,213	11,887	69,718	95,090	111,203	115,094	178,668	606,873
Additions	1,278	-	-	-	-	-	25,178	26,456
Disposals	-	-	-	-	-	-	-	-
At 31 December 2022	26,491	11,887	69,718	95,090	111,203	115,094	203,846	633,329
Accumulated depreciation								
At 1 January 2021	20,909	8,498	70,535	72,241	86,144	75,182	-	333,509
Depreciation	1,435	607	1,162	7,616	20,521	2,590	51,556	85,487
Disposals	-	-	(70,535)	-	-	-	-	(70,535)
At 31 December 2021	22,344	9,105	1,162	79,857	106,665	77,772	51,556	348,461
At 1 January 2022	22,344	9,105	1,162	79,857	106,665	77,772	51,556	348,461
Depreciation	1,647	1,569	13,944	7,616	4,538	8,865	79,012	117,191
Disposals	-	-	-	-	-	-	-	-
At 31 December 2022	23,991	10,674	15,106	87,473	111,203	86,637	130,568	465,652
Carrying amount								
At 31 December 2021	2,869	2,782	68,556	15,233	4,538	37,322	127,112	258,412
At 31 December 2022	2,500	1,213	54,612	7,617	-	28,457	73,278	167,677

(a) Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class.

(b) During the financial year, the Company leases assets such as office premises. The lease term are 2 – 3 years (2021: 2 – 3 years). The corresponding lease liabilities are disclosed in Note 14.

10. Trade and other receivables

	2022	2021
	S$	S$
Trade and other receivables:		
- Third parties	72,441	35,907
- Related parties	13,509	16,415
	85,950	52,322

Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition. Trade receivables are non-interest bearing and as part of the process of setting customer credit limits, different credit terms are used which are generally on 30 days' terms.

Trade receivables are unsecured and the analysis of their ageing at the statement of financial position date as follows:

11. Cash and short-term deposits

	2022 S$	2021 S$
Cash at bank	2,466	48,575
Petty cash	2,282	2,282
	4,748	50,857

12. Share capital

	2022		2021	
	No. of shares	S$	No. of shares	S$
Issued and fully paid ordinary shares				
At 1 January and 31 December	51,000	51,000	51,000	51,000

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

13. Trade and other payables

	2022 S$	2021 S$
Trade and other payables to:		
- Third parties	31,736	10,848
- Related parties	28,000	28,000
	59,736	38,848

Trade and other payables are unsecured, interest-free and with no fixed terms of repayment.

14. Leases

Company as a lessee

The Company has lease contracts for office premises, with lease terms of 24 to 36 months (2021: 24 to 36 months).

(a) Carrying amounts of right-of-use assets presented within property, plant and equipment

	Leasehold Office Premises S$	Total S$
At 1 January 2021	82,500	82,500
Additions	96,168	96,168
Depreciation	(51,556)	(51,556)
At 31 December 2021	127,112	127,112
Additions	25,178	25,178
Depreciation	(79,012)	(79,012)
At 31 December 2022	73,278	73,278

14. Leases (Continued)

(b) Lease liabilities

	2022 S$	2021 S$
Current liabilities	67,035	74,763
Non-current liabilities	8,674	54,554
	75,709	129,317

The effective interest rate of the leases is 5% (2021: 5%) per annum.

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2022	Cash flows	Non-cash changes			31 December 2022
			Modification of lease liability	Accretion of interests	Other	
	S$	S$	S$	S$	S$	S$
Liabilities						
Lease liabilities						
- current	74,763	(83,600)	4,023	4,814	67,035	67,035
- non-current	54,554	-	21,155	-	(67,035)	8,674
	129,317	(83,600)	25,178	4,814	-	75,709

	1 January 2021	Cash flows	Non-cash changes			31 December 2021
			Modification of lease liability	Accretion of interests	Other	
	S$	S$	S$	S$	S$	S$
Liabilities						
Lease liabilities						
- current	30,000	(55,000)	19,351	5,649	74,763	74,763
- non-current	52,500	-	76,817	-	(74,763)	54,554
	82,500	(55,000)	96,168	5,649	-	129,317

The maturity analysis of lease liabilities is disclosed in Note 16(b).

(c) Amounts recognised in profit or loss

	2022 S$	2021 S$
Depreciation of right-of-use assets	79,012	51,556
Interest expense on lease liabilities	4,814	5,649
Total amount recognised in profit or loss	83,826	57,205

(d) Total cash outflow

The Company had total cash outflows for leases of S$83,600 (2021: S$55,000).

15. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the company has some transactions with related parties on terms agreed between themselves as follows and the effect of these on the basis determined between the parties is reflected in these financial statements.

An entity or individual is considered a related party for the purpose of these financial statements if it has the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa, or where it is subject to common control or common significant influence.

	2022 S$	2021 S$
Trade and other receivables:		
- Related party	11,035	16,415
- Due from director	2,474	-
	13,509	16,415
Trade and other payables to:		
- Due to shareholder	28,000	28,000
	28,000	28,000

Compensation of key management personnel

	2022 S$	2021 S$
Salaries and bonuses	77,976	84,500
Employer's contribution to Central Provident Fund and other benefits	10,080	10,985
	88,056	95,485

16. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

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

The following sections provide details regarding the Company's exposure to the 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.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to the holding company. For other financial assets (including investment securities and cash), the Company minimises credit risk by

16. Financial risk management (Continued)

(a) Credit risk (Continued)

dealing exclusively with high credit rating counterparties.

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

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

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 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 reorganization
- 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.

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

16. Financial risk management (Continued)

(a) Credit risk (Continued)

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$
31 December 2022						
Trade and other receivables	10	I	12-month ECL	85,950	-	85,950
31 December 2021						
Trade and other receivables	10	I	12-month ECL	52,322	-	52,322

Trade receivables

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.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

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.

16. Financial risk management (Continued)

(a) Credit risk (Continued)

Other receivables

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

(b) 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 standby credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The director is satisfied that funds are available 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.

	2022			
	Carrying amount	**Contractual cash flows**	**One year or less**	**One to five years**
	S$	**S$**	**S$**	**S$**
Financial assets				
Trade and other receivables	85,950	85,950	85,950	-
Cash and short-term deposits	4,748	4,748	4,748	-
Total undiscounted financial assets	90,698	90,698	90,698	-
Financial liabilities				
Trade and other payables	59,736	59,736	59,736	-
Lease liabilities	75,709	75,709	67,035	8,674
Total undiscounted financial liabilities	135,445	135,445	126,771	8,674

16. Financial risk management (Continued)

(b) Liquidity risk (Continued)

	2021			
	Carrying amount	Contractual cash flows	One year or less	One to five years
	S$	S$	S$	S$
Financial assets				
Trade and other receivables	52,322	52,322	52,322	-
Cash and short-term deposits	50,857	50,857	50,857	-
Total undiscounted financial assets	103,179	103,179	103,179	-
Financial liabilities				
Trade and other payables	38,848	38,848	38,848	-
Lease liabilities	129,317	129,317	74,763	54,554
Total undiscounted financial liabilities	168,165	168,165	113,611	54,554

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loan to holding company, cash and cash equivalents and borrowings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

(ii) Foreign currency risk

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

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily United States Dollar (USD) and Euro (EUR).

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

16. Financial risk management (Continued)

(c) Market risk (Continued)

(ii) Foreign currency risk (Continued)

	2022		2021	
	USD	**EUR**	**USD**	**EUR**
	$	**$**	**$**	**$**
Financial assets				
Trade and other receivables	-	-	-	-
Cash and cash equivalents	-	-	-	-
	-	-	-	-
Financial liabilities				
Trade and other payables	-	-	-	-
	-	-	-	-
Currency exposures	-	-	-	-

10% strengthening of Singapore Dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss (after tax)	
	2022	**2021**
	$	**$**
United States Dollar	-	-
Euro	-	-
	-	-

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

17. 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:

	2022	2021
	S$	**S$**
Financial assets measured at amortised cost		
Trade and other receivables	85,950	52,322
Cash and short-term deposits	4,748	50,857
Total financial assets measured at amortised cost	90,698	103,179
Financial liabilities measured at amortised cost		
Trade and other payables	59,736	38,848
Total financial liabilities measured at amortised cost	59,736	38,848

18. 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 to the objectives, policies or processes during the financial years ended 31 December 2022 and 31 December 2021.

19. Comparative information

During the financial year, the Company modified the classification of certain expense to reflect more appropriately the way in which economic benefits are derived from its use illustrating the analysis of expenses by nature. Comparative amounts in the statement of profit or loss and other comprehensive income were restated for consistency. As a result, operating expenses was reclassified to "Selling and distribution expenses" and "Adminstrative and other expenses".

Since the amounts are reclassifications within the statement of profit or loss and other comprehensive income, this reclassification did not have any effect on the statements of financial position and cash flows.

20. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Director of the Company on the day of approval.

\- END -

REV 22 PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(Illustrating the analysis of expenses by nature)

	Note	2022 S$	2021 S$
Revenue	4	649,178	1,412,387
Other items of income			
Other income	5	81,385	502,720
		730,563	1,915,107
Other items of expense (see schedule attached)			
Cost of sales		(113,581)	(484,298)
Employee benefits expense		(248,139)	(340,534)
Depreciation and amortisation expense		(117,191)	(85,487)
Selling and distribution expenses		(153,590)	(196,139)
Administration and other expenses		(205,271)	(346,347)
Finance costs	6	(4,814)	(5,649)
Profit before tax	7	(112,023)	456,653
Income tax expense	8	-	-
Profit / Loss for the year, representing total comprehensive income / loss for the year		(112,023)	456,653

This page does not form part of the financial statements.

REV 22 PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022	2021
Expenses	**S$**	**S$**
Accounting Fee	4,400	9,495
Advertisement & promotion	153,590	196,139
Bank charges	1,247	12,406
Brand development expense	-	73,443
Cleaning	5,828	9,448
Commission – Third party	11,318	39,623
Courier & postages	105	479
CPF, SDL, CDAC & MBF	35,487	26,496
Director's CPF	10,080	10,985
Depreciation expense	117,191	85,487
Director's remuneration	77,976	84,500
Donations	9,000	100
Entertainment	-	67
Event expenses	5,141	-
Expenses for rented van	3,388	3,426
Furnishing	-	7,180
General expenses	8,700	37,185
GST write off / Taxes	-	301
Insurance	100	2,336
IT service, repair & maintenance	3,855	4,836
Medical	50	3,061
Office necessity	3,938	1,880
Office repair & maintenance	9,884	-
Office/shop/warehouse rental	14,620	12,223
Petty cash expenses	-	567
Printing & stationery	12,892	25,423
Professional fee	22,504	44,485
Recruitment cost	-	1,200
Refreshments	-	415
Salary & bonus	124,596	187,888
Secretarial fee	648	926
Sponsorship	44,953	-
Staff commission	-	29,465
Staff welfare	16,437	26,887
Subscriptions	11,050	8,896
Taxes	120	-
Telephone charges	4,164	8,089
Therapy expenses	-	4,163
Training/course fee	276	2,180
Transport	8,890	5,055
Utility	1,763	1,773
Total Expenses	724,191	968,507
Finance costs		
Lease interest expense - ROU	4,814	5,649

This page does not form part of the financial statements.