

SINGAPORE BASQUE TRADE AND INVESTMENT PTE. LTD.

**AUDITORIA TXOSTENA, URTEKO KONTUAK ETA KUDEAKETA-TXOSTENA /
*INFORME DE AUDITORÍA, CUENTAS ANUALES E INFORME DE GESTIÓN***

Singapore Basque Trade and Investment Pte. Ltd.
(Company Registration Number: 201839288M)

Directors' Statement and Financial Statements
Financial Year Ended 31 December 2020

KLP LLP
CHARTERED ACCOUNTANTS
Associated with Abacus Worldwide
13A MacKenzie Road Singapore 228676
Tel: 6227 4180 Fax: 6324 0213

Singapore Basque Trade and Investment Pte. Ltd.
General Information

Directors

Maria Ainhoa Ondarzabal Izaguirre
Pablo Huidobro Eguia

Company Secretary

Pablo Huidobro Eguia
Steven Luk Chiew Peng

Registered Office

1 Raffles Quay
#25-38
Singapore 048583

Auditor

KLP LLP

Principal Banker

DBS Bank Ltd

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Singapore Basque Trade and Investment Pte. Ltd.
Directors' Statement
For the financial year ended 31 December 2020

The directors present their statement to the member together with the audited financial statements of Singapore Basque Trade and Investment Pte. Ltd. (the "Company") for the financial year ended 31 December 2020.

1. Opinion of the directors

In the opinion of the directors,

- (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 2020 and of 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.

2. Directors

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

Maria Ainhoa Ondarzabal Izaguirre
Pablo Huidobro Eguia

3. Arrangements to enable directors 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 directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4. Directors' interests in shares or debentures

None of the directors of the Company holding office at the reporting date had any interest in the shares or debentures of the Company or any related corporations either at the beginning or end of financial year.

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.

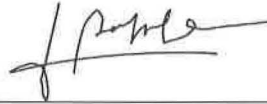
Singapore Basque Trade and Investment Pte. Ltd.
Directors' Statement
For the financial year ended 31 December 2020

6. Auditor

KLP LLP has expressed its willingness to accept re-appointment as auditor.



The Board of Directors



Maria Ainhoa Ondarzabal Izaguirre
Director

Pablo Huidobro Eguia
Director

Singapore, **3 FEB 2021**

Independent Auditor's Report to the member of Singapore Basque Trade and Investment Pte. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Basque Trade and Investment Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 23 to the financial statements which describes the subsequent events relating to novel coronavirus (COVID-19). The Company has determined that these events are non-adjusting subsequent events and it is not possible to reliably estimate the duration and severity of the consequences, as well as their impact on the financial position and results of the Company for future periods. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Independent Auditor's Report to the member of Singapore Basque Trade and Investment Pte. Ltd. (continued)

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent Auditor's Report to the member of Singapore Basque Trade and Investment Pte. Ltd. (continued)

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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


KLP LLP
Public Accountants and
Chartered Accountants

Singapore, **3 FEB 2021**

Singapore Basque Trade and Investment Pte. Ltd.
Statement of Financial Position
As at 31 December 2020

	Note	31.12.2020 S\$	31.12.2019 S\$
Assets			
Non-current asset			
Equipment	4	2,520	4,198
Current assets			
Other receivable	5	18	-
Amount due from holding company	6	13,124	6,198
Cash at bank	7	19,583	10,635
		<u>32,725</u>	<u>16,833</u>
Total assets		<u>35,245</u>	<u>21,031</u>
Equity and liabilities			
Equity			
Share capital	8	10,000	10,000
Retained earnings		-	-
Total equity		<u>10,000</u>	<u>10,000</u>
Non-current liability			
Deferred government grants	10	842	2,520
Current liabilities			
Other payables	9	22,102	6,474
Deferred government grants	10	1,678	1,678
Provision for income tax		623	359
		<u>24,403</u>	<u>8,511</u>
Total liabilities		<u>25,245</u>	<u>11,031</u>
Total equity and liabilities		<u>35,245</u>	<u>21,031</u>

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

Singapore Basque Trade and Investment Pte. Ltd.
Statement of Comprehensive Income
For the financial year ended 31 December 2020

	Note	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Revenue	11	247,064	170,126
Cost of sales		-	-
Gross profit		<u>247,064</u>	<u>170,126</u>
Other income		27	-
Administrative expenses		(112,447)	(77,492)
Finance expenses	12	(323)	(1,139)
Other expenses		(133,787)	(91,136)
Profit before tax	13	534	359
Income tax expense	15	(534)	(359)
Profit after tax, representing total comprehensive income for the year/period		<u>-</u>	<u>-</u>

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

Singapore Basque Trade and Investment Pte. Ltd.
Statement of Changes in Equity
For the financial year ended 31 December 2020

	Share capital	Retained earnings	Total equity
	S\$	S\$	S\$
Balance as at 20 November 2018 (date of incorporation)	10,000	-	10,000
Total comprehensive income for the period	-	-	-
Balance as at 31 December 2019	10,000	-	10,000
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2020	10,000	-	10,000

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

Singapore Basque Trade and Investment Pte. Ltd.
Statement of Cash Flows
For the financial year ended 31 December 2020

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Cash flows from operating activities		
Profit before tax	534	359
<i>Adjustments for:</i>		
Depreciation of equipment	1,678	837
Amortisation of deferred government grants	(1,678)	(837)
Operating cash flow before working capital changes	534	359
<i>Changes in working capital:</i>		
Other receivable	(18)	-
Other payables	15,628	6,474
Cash flows generated from operating activities	16,144	6,833
Income tax paid	(270)	-
Net cash flows generated from operating activities	15,874	6,833
 Cash flows from investing activities		
Purchase of equipment	-	(5,035)
Amount due from holding company	(6,926)	(6,198)
Receipt of government grants	-	5,035
Net cash flows used in investing activities	(6,926)	(6,198)
 Cash flows from financing activity		
Issuance of ordinary shares	-	10,000
Net cash flows generated from financing activity	-	10,000
 Net increase in cash at bank	8,948	10,635
Cash at bank at the beginning of the year/date of incorporation	10,635	-
Cash at bank at the end of financial year/period (Note 7)	19,583	10,635

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

Singapore Basque Trade and Investment Pte. Ltd.
Notes to the Financial Statements
For the financial year ended 31 December 2020

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

1. General

Singapore Basque Trade and Investment Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 1 Raffles Quay, #25-38, Singapore 048583.

The principal activities of the Company are those of business representative offices to support activities for the internationalisation of Basque companies and provide management consultancy services.

The immediate and ultimate holding company is Agencia Vasca De Internacionalizacion – Basque Trade and Investment, S.A., which is incorporated in Spain.

2. Summary of significant accounting policies

2.1 Basis of preparation

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

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

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period except 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

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 16 <i>Property, Plant and Equipment (Proceeds before Intended Use)</i>	1 January 2022
Amendments to annual improvements to FRS 2018 – 2020	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)</i>	1 January 2023

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (continued)

2.4 Equipment

All items of equipment are initially recorded at cost. Subsequent to recognition, equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of 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.

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

	<u>Years</u>
Computers	3

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 equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.5 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

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.

2.6 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)

2.6 Financial instruments (continued)

(a) Financial assets (continued)

Initial recognition and measurement (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 recognized 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.

(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.

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.

2. Summary of significant accounting policies (continued)

2.6 Financial instruments (continued)

(b) Financial liabilities (continued)

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.

2.7 Cash at bank

Cash at bank is subject to an insignificant risk of changes in value.

2.8 Government grants

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

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

2.9 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 – capital investment subsidy and operating expenses subsidy received from holding company

The Company provides management consultancy services for promotion of trade and investment activities. The Company received subsidy from its holding company. Revenue from rendering of services is recognised when the Company satisfies a performance obligation over time.

2.10 Leases

When the Company is the lessee:

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

2. Summary of significant accounting policies (continued)

2.10 Leases (continued)

When the Company is the lessee (continued):

Short-term leases and leases of low-value assets

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.11 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 rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

(b) Deferred tax

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

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

2.12 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 judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, 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. The management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Singapore Basque Trade and Investment Pte. Ltd.
Notes to the Financial Statements
For the financial year ended 31 December 2020

4. Equipment

	Computers
	S\$
Cost	
At date of incorporation, 20 November 2018	-
Additions	5,035
At 31 December 2019 and 31 December 2020	<u>5,035</u>
Accumulated depreciation	
At date of incorporation, 20 November 2018	-
Depreciation	837
At 31 December 2019	837
Depreciation	1,678
At 31 December 2020	<u>2,515</u>
Carrying amount	
At 31 December 2019	4,198
At 31 December 2020	<u>2,520</u>

5. Other receivable

Other receivable is denominated in Singapore Dollar.

6. Amount due from holding company

Amount due from holding company is relating to the subsidy received. It is trade in nature, unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

Amount due from holding company is denominated in Singapore Dollar.

7. Cash at bank

Cash at bank is denominated in Singapore Dollar.

8. Share capital

	<u>01.01.2020 to 31.12.2020</u>		<u>20.11.2018 to 31.12.2019</u>	
	<u>Number of</u>		<u>Number of</u>	
	<u>shares</u>	<u>Amount</u>	<u>shares</u>	<u>Amount</u>
		<u>S\$</u>		<u>S\$</u>
Issued and fully paid:				
At beginning of the year/date of incorporation and end of financial year/period	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

The holder of ordinary shares is 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.

Singapore Basque Trade and Investment Pte. Ltd.
Notes to the Financial Statements
For the financial year ended 31 December 2020

9. Other payables

	<u>31.12.2020</u>	<u>31.12.2019</u>
	S\$	S\$
Accrued expenses	6,637	6,474
Other payable	15,465	-
	<u>22,102</u>	<u>6,474</u>

Other payables are denominated in Singapore Dollar.

10. Deferred government grants

	<u>31.12.2020</u>	<u>31.12.2019</u>
	S\$	S\$
At beginning of the year/date of incorporation	4,198	-
Received during the year/period	-	5,035
Amortisation to the statement of comprehensive income	(1,678)	(837)
At end of the year/period	<u>2,520</u>	<u>4,198</u>
Non-current	842	2,520
Current	1,678	1,678
	<u>2,520</u>	<u>4,198</u>

Government grants have been received for the capital investment and operating expenses subsidy from holding company.

11. Revenue

Disaggregation of revenue

Timing of transfer of service	<u>Over time</u>
	S\$
01.01.2020 to 31.12.2020	
Capital investment subsidy received from holding company	1,678
Operating expenses subsidy received from holding company	245,386
	<u>247,064</u>
20.11.2018 to 31.12.2019	
Capital investment subsidy received from holding company	837
Operating expenses subsidy received from holding company	169,289
	<u>170,126</u>

Singapore Basque Trade and Investment Pte. Ltd.
Notes to the Financial Statements
For the financial year ended 31 December 2020

12. Finance expenses

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Bank charges	323	1,139

13. Profit before tax

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

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Employee benefits expense (Note 14)	112,447	77,492
Incorporation expenses	-	14,260
Rental expenses	85,014	49,434

14. Employee benefits expense

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Director's remuneration		
Salaries	106,000	77,492
Benefit-in-kind	6,447	-
Total employee benefits expense	112,447	77,492

15. Income tax expense

The major components of income tax expenses recognised in profit or loss for the year ended 31 December 2020 and for the period ended 31 December 2019 were:

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Current income tax:		
- Current year	623	359
- Over provision in respect of prior years	(89)	-
Income tax expense recognised in profit or loss	534	359

15. Income tax expense (continued)

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2020 and financial period ended 31 December 2019 were as follows:

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Profit before tax	534	359
Income tax rate using the statutory tax rate of 17% (31.12.2019: 17%)	91	61
Tax effects of:		
Non-deductible expenses	814	1,363
Tax exemptions	(282)	(1,065)
Over provision in prior years	(89)	-
Income tax expense recognised in profit or loss	<u>534</u>	<u>359</u>

16. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year/period:

	01.01.2020 to 31.12.2020 S\$	20.11.2018 to 31.12.2019 S\$
Subsidy received from holding company	<u>247,064</u>	<u>170,126</u>

Compensation of key management personnel

There is no other key management personnel in the Company other than the directors and the director's remuneration are disclosed in Note 14.

17. Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Cash at bank, other receivable, other payables and amount due from holding company

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

18. 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 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 above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from cash at bank and amount due from holding company. The Company minimises credit risk by dealing exclusively with high credit rating counterparty and financial institution.

(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 stand-by credit facilities. The Company's operations are financed mainly through equity. The directors are 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.

	Carrying amount	Contractual cash flows	One year or less
	S\$	S\$	S\$
31.12.2020			
Financial assets:			
Other receivable	18	18	18
Amount due from holding company	13,124	13,124	13,124
Cash at bank	19,583	19,583	19,583
Total undiscounted financial assets	32,725	32,725	32,725
Financial liabilities:			
Other payables	22,102	22,102	22,102
Total undiscounted financial liabilities	22,102	22,102	22,102
Net undiscounted financial assets	10,623	10,623	10,623

18. Financial risk management (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	Carrying amount	Contractual cash flows	One year or less
	S\$	S\$	S\$
31.12.20219			
Financial assets:			
Amount due from holding company	6,198	6,198	6,198
Cash at bank	10,635	10,635	10,635
Total undiscounted financial assets	<u>16,833</u>	<u>16,833</u>	<u>16,833</u>
Financial liabilities:			
Other payables	6,474	6,474	6,474
Total undiscounted financial liabilities	<u>6,474</u>	<u>6,474</u>	<u>6,474</u>
Net undiscounted financial assets	<u>10,359</u>	<u>10,359</u>	<u>10,359</u>

19. 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:

	31.12.2020	31.12.2019
	S\$	S\$
Financial assets measured at amortised cost		
Other receivable (Note 5)	18	-
Amount due from holding company (Note 6)	13,124	6,198
Cash at bank (Note 7)	19,583	10,635
Total financial assets measured at amortised cost	<u>32,725</u>	<u>16,833</u>
Financial liabilities measured at amortised cost		
Other payables (Note 9)	22,102	6,474
Total financial liabilities measured at amortised cost	<u>22,102</u>	<u>6,474</u>

20. 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 ended 31 December 2020 and the financial period ended 31 December 2019.

The Company's overall strategy remains unchanged from 2019.

21. Comparative information

The comparative information in these financial statements cover the prior financial period from 20 November 2018 to 31 December 2019, while the current financial year figures cover the twelve months period from 1 January 2020 to 31 December 2020. Hence, they are not comparable.

22. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2020 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

SINGAPORE BASQUE TRADE AND INVESTMENT PTE. LTD.

**KAPITAL- ETA USTIAPEN-AURREKONTUEN LIKIDAZIOA /
*LIQUIDACIÓN DE LOS PRESUPUESTOS DE CAPITAL Y DE EXPLOTACIÓN***

1.- Ustiapen- eta kapital-aurrekontuak, eta aurreikusitako helburuak

1.- Presupuestos de explotación y capital, así como objetivos previstos

1.a) Ustiapen- eta kapital-aurrekontuen exekuzioa

1.a) Ejecución de los presupuestos de capital y explotación

KAPITAL AURREKONTUA / PRESUPUESTO DE CAPITAL

Euro / Euros

	INBERTSIOAK INVERSIONES	AURREKONTUA PRESUPUESTO			EGINDAKOA REALIZADO	ALDEA DIFERENCIA	%
		HASIERAKOA INICIAL	ALDAKETA MODIFICACI.	EGUNERATUA ACTUAL			
II.	INBERTSIO UKIEZIN, MATERIAL, ONDASUN HIGIEZIN ETA BESTE BATZUEN GEHIKUNTZA AUMENTO DE INVERSIONES INTANGIBLES, MATERIALES, INMOBILIARIAS Y OTRAS	10.000	----	10.000	----	10.000	0
VI.	ESKUDIRUAREN EDO BALIOKIDEEN GEHIKUNTZA GARBIA AUMENTO NETO DEL EFECTIVO O EQUIVALENTES	----	----	----	5.037	(5.037)	***
	INBERTSIOAK GUZTIRA TOTAL INVERSIONES	10.000	----	10.000	5.037	4.963	50

Euro / Euros

	FINANTZAKETA FINANCIACION	AURREKONTUA PRESUPUESTO			EGINDAKOA REALIZADO	ALDEA DIFERENCIA	%
		HASIERAKOA INICIAL	ALDAKETA MODIFICACI.	EGUNERATUA ACTUAL			
I.	USTIAPEN-JARDUERETAKO DIRU-FLUXU POSITIBOAK FLUJOS POSITIVOS DE EFECTIVO DE LAS ACTIVIDADES DE EXPLOTACIÓN	----	----	----	4.879	(4.879)	***
II.	INBERTSIO UKIEZIN, MATERIAL, HIGIEZIN ETA BESTE BATZUEN GUTXITZEA DISMINUCIÓN DE INVERSIONES INTANGIBLES, MATERIALES, INMOBILIARIAS Y OTRAS	----	----	----	158	(158)	***
III.	JASOKO DIREN TRANSFERENTZIAK, DIRULAGUNTZAK, DOHAINTZAK ETA LEGATUAK TRANSFERENCIAS, SUBVENCIONES, DONACIONES Y LEGADOS A RECIBIR	10.000	----	10.000	----	10.000	0
	FINANTZAKETA GUZTIRA TOTAL FINANCIACIÓN	10.000	----	10.000	5.037	4.963	50

USTIAPEN AURREKONTUA / PRESUPUESTO DE EXPLOTACIÓN

Euro / Euros

GASTUAK GASTOS	AURREKONTUA PRESUPUESTO			EGINDAKOA REALIZADO	ALDEA DIFERENCIA	%
	HASIERAKOA INICIAL	ALDAKETA MODIFICACI.	EGUNERATUA ACTUAL			
I. PERTSONAL-GASTUAK GASTOS DE PERSONAL	76.440	----	76.440	71.429	5.011	93
II. FUNTZIONAMENDU-GASTUAK GASTOS DE FUNCIONAMIENTO	143.320	----	143.320	85.073	58.247	59
VI. USTIAPEN-JARDUERETAKO DIRU-FLUXU POSITIBOAK FLUJOS POSITIVOS DE EFECTIVO DE LAS ACTIVIDADES DE EXPLOTACIÓN	----	----	----	4.879	(4.879)	***
GASTUAK GUZTIRA TOTAL GASTOS	219.760	----	219.760	161.381	58.379	73

Euro / Euros

DIRU-SARRERAK INGRESOS	AURREKONTUA PRESUPUESTO			EGINDAKOA REALIZADO	ALDEA DIFERENCIA	%
	HASIERAKOA INICIAL	ALDAKETA MODIFICACI.	EGUNERATUA ACTUAL			
II. USTIAPENENKO BESTELAKO DIRU-SARRERAK OTROS INGRESOS DE EXPLOTACIÓN	----	----	----	17	(17)	***
IV. USTIAPENENKO TRANSFERENTZIAK ETA DIRULAGUNTZAK TRANSFERENCIAS Y SUBVENCIONES DE EXPLOTACIÓN	219.760	----	219.760	155.875	63.885	71
VI. ORDAINZEKO KONTUEN GEHIKETA ETA KOBRAZTEKO KONTUEN GUTXITZE GARBIAK AUMENTO CUENTAS A PAGAR Y DISMINUCIÓN CUENTAS A COBRAR NETOS	----	----	----	5.489	(5.489)	***
DIRU-SARRERAK GUZTIRA TOTAL INGRESOS	219.760	----	219.760	161.381	58.379	73

SINGAPORE BASQUE TRADE AND INVESTMENT PTE. LTD.

**PROGRAMATURIKO HELBURUEN BETETZE MAILARI BURUZKO MEMORIA /
*MEMORIA DEL GRADO DE CUMPLIMIENTO DE LOS OBJETIVOS PROGRAMADOS***

1.c) Ekitaldirako programaturako helburuen betetze - maila

1.c) Grado de cumplimiento de los objetivos programados para el ejercicio

PROGRAMATURIKO HELBURUAK ETA ZENBATESPENA / OBJETIVOS PROGRAMADOS Y SU CUANTIFICACIÓN		PROGRAMATURIKO HELBURUAK ZENBATERAINO BETE DIREN / GRADO DE CUMPLIMIENTO DE LOS OBJETIVOS PROGRAMADOS	
HELBURUA / OBJETIVO	AURREKUSITAKO MAGNITUDEA	ESKURATUTAKO MAGNITUDEA	DESBIDERATZEI BURUZKO IRUZKINAK
EKINTZA / ACCIÓN	MAGNITUD PREVISTA	MAGNITUD OBTENIDA	COMENTARIOS DESVIACIONES
ADIERAZLEA / INDICADOR			
1. ENPRESA NAZIOARTEKOTZEKO PROIEKTUAK LAGUNTZA -APOYAR PROYECTOS DE INTERNACIONALIZACIÓN DE EMPRESAS			
<ul style="list-style-type: none"> Aurreikusten den proiektu Kopurua.- Número de proyectos previstos. 	24	13	Gauzaturako proiektuen kopuruak kalte handiak jasan ditu pandemia-egoeratik eta eskualdeko mugak itxi izanagatik./El número de proyectos realizados se ha visto muy afectado por la situación de pandemia y el cierre de fronteras de la región.
<ul style="list-style-type: none"> Bidalitako zerbitzu emate eskaintzak - Ofertas prestación servicios enviadas. 	30	22	Bidalitako eskaintzen kopuruak kalte handiak jasan ditu pandemia-egoeratik eta eskualdeko mugak itxi izanagatik./El número de ofertas enviadas se ha visto muy afectado por la situación de pandemia y el cierre de fronteras de la región.
<ul style="list-style-type: none"> Kanpoan lagundatako empresa kopurua - Número de empresas apoyadas en el exterior. 	24	13	Eskualdean interesa duten enpresen kopuruak kalteak jasan ditu pandemia-egoeratik./El número de empresas con interés en la región se ha visto afectado por el impacto de la pandemia
2. EUSKAL ENPRESEK ALDE ANITZEKO ERAKUNDEEKIN AURRERA DARAMATZATEN PROIEKTUAK BULTZATZEA - APOYAR PROYECTOS DE EMPRESAS VASCAS CON ENTIDADES MULTILATERALES.			
<ul style="list-style-type: none"> Lagundatako proiektuak- Proyectos apoyados. 	5	0	Zeregin hau ezin izan da gauzatu, ezin izan delako Garapenerako Asiako Bankuaren egoitzerara bidaiatu eta bulegoaren baliabideak oso mugatuak direlako./No se ha podido afrontar esta labor debido a la imposibilidad de viajar a la sede del Banco Asiático de Desarrollo y a los limitados recursos de la oficina.
<ul style="list-style-type: none"> Proyectos conseguidos - Lortutako Proiektuak 	1	0	
3. LAGUNTZAK EUSKAL ENPRESEN EZARPENETAN - APOYOS EN IMPLANTACIONES DE EMPRESAS VASCAS.			
<ul style="list-style-type: none"> Lagundatako proiektuak. - Proyectos apoyados 	3	0	ASEAN eskualdean kokatutako enpresek ez dute interesik erakutsi proiektuak gauzatzeko eskualde horretako beste herrialde batzuetan. / No ha existido interés por parte de las empresas implantadas en ASEAN de realización de proyectos en otros países de la región.
4. PARTAIDETZA HAINBAT EKITALDITAN ETA LAGUNEGITEETAN - PARTICIPACION EN DIVERSOS EVENTOS Y ACOMPAÑAMIENTOS.			
<ul style="list-style-type: none"> Bisitak enpresen eta erakundeen egoitzetara. - Visitas a sedes empresariales e institucionales. 	30	10	Pandemia-egoerak, marxotik eskualdeko ekitaldi guztiak bertan behera geratzeko eta mugak itxi izanak zaildu egin dute lan hau. / La situación de pandemia, cancelación de todos los eventos a nivel regional desde marzo y el cierre de fronteras ha dificultado esta labor.
<ul style="list-style-type: none"> Bilerak enpresekin "in house" - Reuniones con empresas "in house". 	30	6	Ezin izan da halako bilerarik egin, pandemia-egoerarengatik eta Singapurrek bisitariei dagokionez duen erregulazioagatik. / No se ha podido realizar este tipo de reuniones debido a la situación de pandemia y a la regulación en Singapur relativa a visitantes.
<ul style="list-style-type: none"> Azoketara, kongresuetara eta mintegietara joatea - Asistencias a ferias, congresos y seminarios. 	20	16	14 online egin dira, eta beste 2 aurrez aurre, martxo hasieran eskualdeko ekitaldi guztiak bertan behera geratu baino lehen. /14 de manera online, 2 de manera presencial previa cancelación de eventos a nivel regional a principios de marzo.
<ul style="list-style-type: none"> Ekitaldien antolakuntza: Enpresa Jardudaldiak. - Organización de eventos: Jornadas empresariales. 	1	1	Online egin da, BIND 4.0 programa sustatzeko eskualdean. / Realizado de manera online para la promoción del programa BIND 4.0 en la región.
<ul style="list-style-type: none"> Ekitaldietako partaide kopurua - Número de participantes en eventos. 	30	66	Gauzaturako ekitaldian espero baino jende gehiagok hartu zuen parte. / El evento realizado supero las expectativas en cuanto a participación.
<ul style="list-style-type: none"> Partaidetza hitzaldietan hizlari gisa eta elkarizketak komunikabideetan. - Participación en conferencias como ponentes y entrevistas en medios de comunicación. 	2	2	Zentzu horretan, helburua bete egin da. / Se ha cumplido el objetivo en este sentido.
5. EUSKAL ENPRESEI MERKATU OBJETIBOARI BURUZ LAGUNTZA PUNTUALAK - APOYOS PUNTUALES OFRECIDOS A EMPRESAS VASCAS SOBRE MERCADO OBJETIVO.			
<ul style="list-style-type: none"> Laguntza puntual kopurua - Número de apoyos puntuales. 	15	12	Pandemiaren eragina dela-eta laguntza eskatu duten enpresen kopurua espero zena baino txikiagoa izan da. / El número de empresas que han requerido apoyo ha sido menor del esperado debido al impacto de la pandemia.