

ARION ENTERTAINMENT SINGAPORE LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2023

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Condensed interim consolidated statement of profit or loss and other comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year.

		S\$'000		%	S\$'000		%
	Note	6 months ended 31/03/2023	31/03/2022	Increase/ (Decrease)	12 months ended 31/03/2023	31/03/2022	Increase/ (Decrease)
Revenue							
Publishing and events		287	378	(24.1)	827	900	(8.1)
Moneylending		19	-	NM	32	-	NM
		<u>306</u>	<u>378</u>	(19.0)	<u>859</u>	<u>900</u>	(4.6)
Other income	(i)	1,851	3	> 100.0	1,857	7	> 100.0
Expenses							
Printing and editorial costs		(143)	(231)	(38.1)	(482)	(525)	(8.2)
Employee compensation		(468)	(480)	(2.5)	(934)	(746)	25.2
Amortisation, depreciation and impairment		(23)	(8)	> 100.0	(50)	(10)	> 100.0
Rental expense – short term leases		(58)	(25)	> 100.0	(122)	(45)	> 100.0
Professional fees		(210)	(123)	70.7	(287)	(188)	52.7
Other		(307)	(270)	13.7	(399)	(318)	25.5
Total expenses		<u>(1,209)</u>	<u>(1,137)</u>	6.3	<u>(2,274)</u>	<u>(1,832)</u>	24.1
Profit/ (Loss) before income tax		948	(756)	NM	442	(925)	NM
Income tax expense		(6)	(4)	50.0	(7)	(4)	75.0
Net Profit/ (Loss)		<u>942</u>	<u>(760)</u>	NM	<u>435</u>	<u>(929)</u>	NM
Other comprehensive income/ (loss)							
Items that maybe reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation - Gain		21	8	> 100.0	34	8	> 100.0
Total comprehensive income/ (loss) for the period		<u>963</u>	<u>(752)</u>	NM	<u>469</u>	<u>(921)</u>	NM
Profit/(Loss) attributable to:							
- Equity holders of the company		<u>942</u>	<u>(760)</u>	NM	<u>435</u>	<u>(929)</u>	NM
Total comprehensive income/ (loss) attributable to:							
- Equity holders of the company		<u>963</u>	<u>(752)</u>	NM	<u>469</u>	<u>(921)</u>	NM

NM denotes not meaningful

Notes to income statement:

(i) Included in other income are:

Publishing related revenue	3	3	-	5	6	(16.7)
Gain on bargain purchase (a)	1,848	-	NM	1,848	-	NM
Jobs Support Scheme	-	-	-	-	1	NM
Others	-	-	-	4	-	NM
	<u>1,851</u>	<u>3</u>	> 100.0	<u>1,857</u>	<u>7</u>	> 100.0

- (a) Gain on bargain purchase is attributable to the acquisition of Bacui Elitist Technology Limited ("**Bacui**") which was completed on 29 March 2023. As the determination of purchase price allocation ("**PPA**") has not been completed as at 31 March 2023, this is a provisional amount and will be adjusted accordingly upon the completion of the PPA.

1(b)(i) Condensed interim statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/2023 (Unaudited) S\$'000	31/03/2022 (Audited) S\$'000	31/03/2023 (Unaudited) S\$'000	31/03/2022 (Audited) S\$'000
Current assets				
Cash and cash equivalents	10,784	2,083	275	1,459
Trade and other receivables	4,511	99	-	1
Other current assets	76	88	56	26
	<u>15,371</u>	<u>2,270</u>	<u>331</u>	<u>1,486</u>
Non-current assets				
Investment in subsidiary corporations	-	-	980	- *
Property, plant and equipment	169	142	-	-
Goodwill on consolidation	90	92	-	-
Intangible assets	2	-	-	-
Trade receivables	42	-	-	-
	<u>15,674</u>	<u>2,504</u>	<u>1,311</u>	<u>1,486</u>
TOTAL ASSETS	<u>15,674</u>	<u>2,504</u>	<u>1,311</u>	<u>1,486</u>
Current liabilities				
Trade and other payables	6,586	581	1,342	376
Loan from director	727	-	-	-
Amount due to shareholder	4,968	-	-	-
Lease liabilities	2	-	-	-
Provision for taxation	993	2	6	2
	<u>13,276</u>	<u>583</u>	<u>1,348</u>	<u>378</u>
Non-current liabilities				
Lease liabilities	6	-	-	-
	<u>13,282</u>	<u>583</u>	<u>1,348</u>	<u>378</u>
TOTAL LIABILITIES	<u>13,282</u>	<u>583</u>	<u>1,348</u>	<u>378</u>
NET ASSETS/ (LIABILITIES)	<u>2,392</u>	<u>1,921</u>	<u>(37)</u>	<u>1,108</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	146,309	146,309	146,309	146,309
Accumulated losses	(144,179)	(144,614)	(146,605)	(145,460)
Share option reserve	259	259	259	259
Currency translation reserve	1	(33)	-	-
	<u>2,390</u>	<u>1,921</u>	<u>(37)</u>	<u>1,108</u>
Non-controlling interests	2	-	-	-
TOTAL EQUITY	<u>2,392</u>	<u>1,921</u>	<u>(37)</u>	<u>1,108</u>

* less than S\$1,000

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/03/2023		As at 31/03/2022	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 31/03/2023		As at 31/03/2022	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

Not applicable.

1(c) **Condensed interim consolidated statement of cash flow, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	For the 12 months ended	
	31/03/2023 (Unaudited) S\$'000	31/03/2022 (Audited) S\$'000
Cash flows from operating activities		
Net profit/ (loss)	435	(929)
Adjustments for:		
Amortization and depreciation	50	10
Gain on bargain purchase	(1,848)	-
Income tax expense	7	4
	<u>(1,356)</u>	<u>(915)</u>
Changes in working capital, net effects from acquisitions of subsidiaries		
Trade and other receivables	(193)	(25)
Trade and other payables	(34)	199
Cash used in operations	(1,583)	(741)
Income tax paid	(3)	(5)
Net cash used in operating activities	<u>(1,586)</u>	<u>(746)</u>
Cash flows from investing activities		
Additions to property, plant and equipment	(3)	(144)
Additions to intangible assets	(2)	-
Acquisition of subsidiaries, net of cash acquired	9,525	(85)
Net cash generated from/ (used in) investing activities	<u>9,520</u>	<u>(229)</u>
Cash flows from financing activity		
Loan from director	727	-
Net cash generated from financing activity	<u>727</u>	<u>-</u>
Net increase/ (decrease) in cash and cash equivalents	8,661	(975)
Cash and cash equivalents at beginning of financial year	2,083	3,050
Effects of currency translation on cash and cash equivalents	40	8
Cash and cash equivalents at end of financial year	<u>10,784</u>	<u>2,083</u>

* less than S\$1,000

1(d)(i) Condensed interim statements of changes in equity (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company						
	Share Capital	Currency translation reserve	Share options reserve	Accumulated Losses	Total	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
2023							
Balance as at 01/04/2022	146,309	(33)	259	(144,614)	1,921	-	1,921
Total comprehensive profit for the year	-	34	-	435	469	-	469
Acquisition of equity interests in subsidiaries	-	-	-	-	-	2	2
Balance as at 31/03/2023	146,309	1	259	(144,179)	2,390	2	2,392
2022							
Balance as at 01/04/2021	146,309	(41)	259	(143,685)	2,842	-	2,842
Total comprehensive profit/(loss) for the year	-	8	-	(929)	(921)	-	(921)
Balance as at 31/03/2022	146,309	(33)	259	(144,614)	1,921	-	1,921
The Company							
2023							
Balance as at 01/04/2022	146,309	-	259	(145,460)	1,108	-	1,108
Total comprehensive loss for the year	-	-	-	(1,145)	(1,145)	-	(1,145)
Balance as at 31/03/2023	146,309	-	259	(146,605)	(37)	-	(37)
2022							
Balance as at 01/04/2021	146,309	-	259	(144,074)	2,494	-	2,494
Total comprehensive loss for the year	-	-	-	(1,386)	(1,386)	-	(1,386)
Balance as at 31/03/2022	146,309	-	259	(145,460)	1,108	-	1,108

Notes to the condensed interim consolidated financial statements:

N1. Corporate information

Arion Entertainment Singapore Limited is listed on the Catalist Board of the Singapore Exchange and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the second half and full year ended 31 March 2023 comprise the Company and its subsidiary corporations (the "Group").

The registered office is at 138 Robinson Road, #26-03, Oxley Tower, Singapore 068906 and the principal place of business is at 350 Orchard Road, #11-08, Shaw House, Singapore 238868.

The principal activities of the Company are those of provision of management services and investment holding. The principal activities of its subsidiary corporations are those of:

- media publishing in Malaysia and Hong Kong;
- money lending business in the Hong Kong Special Administrative Region of the People's Republic of China ("PRC");
- and
- the provision of human resources and labour outsourcing related services in the PRC.

N2. Basis of preparation

The condensed interim financial statements for the second half and full year ended 31 March 2023 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last financial statements for the full year ended 31 March 2022 and the public announcement made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

N2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

N2.2 Use of judgment and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in Note 7 – Expected credit loss on trade receivables.

N2.3 Going concern

The Group and the Company reported net profit/ (loss) of \$435,000 and S\$(1.15 million) respectively (financial year ended 31 March 2022: net loss of \$929,000 and S\$1.39 million respectively) for the financial year ended 31 March 2023 ("FY2023"). Excluding the gain on bargain purchase of S\$1.85 million, the Group reported net loss of S\$1.4 million for FY2023. The Group generated net cash outflows from operating activities of S\$1.59 million (financial year ended 31 March 2022: S\$746,000). These financial results indicate the existence of material uncertainties on the Group's and the Company's abilities to continue as going concerns. Nevertheless, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements for the year ended 31 March 2023 is appropriate after taking into consideration the following:

- the Group and Company will have sufficient cash flows to meet the operating requirements, based on a 12-month cash flows projection up to 31 March 2024;
- the Company's Executive Director, Mr Ng Kai Man ("Mr Ng"), has provided a letter of financial support dated 31 March 2023 to provide financial support of up to S\$500,000 to the Group as and when as required by the Group to enable the Group to continue as a going concern for the next twelve months;
- the Group's working capital of S\$2.1 million as at 31 March 2023; and
- the Company has completed the acquisition of Bacui on 29 March 2023 which provides a new revenue stream for the Group.

N2.4 Goodwill on consolidation

Goodwill on acquisitions of subsidiary corporations, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

N2.5 Investment in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

N3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period and year.

N4. Related party transactions

In addition to the information disclosed in the balance sheet and section 8 of this announcement, the following transactions took place between the Group and related parties at terms agreed between the parties during the financial period and year:

	6 months ended		12 months ended	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	S\$'000	S\$'000	S\$'000	S\$'000
Rental paid to a firm associated with a director	38	3	77	3
Fees paid to a firm of which a director is a partner	3	3	3	3

N5. Revenue*Disaggregation of revenue from contracts with customers*

The Group derives revenue from the transfer of services at a point in time and over time in the following major service lines and geographical regions. Revenue is attributed to countries by location of customers.

	At a point in time S\$'000	Over time S\$'000	Total S\$'000
6 months ended 31/03/2023			
<i>Malaysia</i>			
Circulation of magazines and periodicals	264	-	264
Advertisements	-	23	23
	264	23	287
<i>Hong Kong</i>			
Moneylending revenue	-	19	19
	264	42	306
6 months ended 31/03/2022			
<i>Malaysia</i>			
Circulation of magazines and periodicals	360	-	360
Advertisements	-	18	18
	360	18	378
<i>Hong Kong</i>			
Moneylending revenue	-	-	-
	360	18	378
12 months ended 31/03/2023			
<i>Malaysia</i>			
Circulation of magazines and periodicals	761	-	761
Advertisements	-	66	66
	761	66	827
<i>Hong Kong</i>			
Moneylending revenue	-	32	32
	761	98	859
12 months ended 31/03/2022			
<i>Malaysia</i>			
Circulation of magazines and periodicals	846	-	846
Advertisements	-	54	54
	846	54	900
<i>Hong Kong</i>			
Moneylending revenue	-	-	-
	846	54	900

There was no moneylending revenue for the six months and full year ended 31 March 2022 as the Group's moneylending business commenced operations in March 2022.

N6. Financial assets and financial liabilities

The Group and the Company financial assets and liabilities as at 31 March 2023 and 31 March 2022 are as follows:

	31/03/2023	31/03/2022
	S\$'000	S\$'000
<u>Group</u>		
Financial assets at amortised cost	15,328	2,192
Financial liabilities at amortised cost	<u>12,079</u>	<u>566</u>
<u>Company</u>		
Financial assets at amortised cost	295	1,464
Financial liabilities at amortised cost	<u>1,342</u>	<u>376</u>

N7. Expected credit loss on trade receivables

The Group and the Company have applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for all trade and other receivables.

To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group and the Company consider historical loss rates for each category of customers.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a receivable for write off when a debtor fails to make contractual payment greater than 90 days past due based on historical loss rates for each category of customers and adjust to reflect current and forward looking information. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

As at 31 March 2023, management has assessed the application of the expected credit loss model. Based on the assessment, no credit loss allowance has been recognised in relation to the Group's trade and other receivables for the second half and full year ended 31 March 2023.

The Company has recognised loss allowances amounted to S\$43,000 (full year ended 31 March 2022: S\$1,400,000) for amounts due from subsidiary corporations for the full year ended 31 March 2023.

N8. Property, plant and equipment

During the second half year and full year ended 31 March 2023, the Group acquired assets amounting to S\$1,700 and S\$3,100 respectively (full year ended 31 March 2022: S\$144,000). No disposal of assets occurred during the six months and full year ended 31 March 2023 and 31 March 2022.

N9. Business combinations

On 29 March 2023, the Company acquired the entire issued and paid-up capital in Bacui Elitist Technology Limited ("Bacui"). The principal activity of Bacui is the provision of human resources and labour outsourcing related services in the PRC.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

a) Purchase consideration	\$'000
Consideration settled via issuance of new shares in the Company	<u>980</u>
b) Effects on cash flows of the Group	\$'000
Cash paid	-
Cash and cash equivalents in subsidiaries acquired	<u>9,525</u>
Cash inflow on acquisition	<u>9,525</u>

c) The fair value of identifiable assets acquired and liabilities assumed

	\$'000
Cash and cash equivalents	9,525
Property, plant and equipment	77
Trade and other receivables	4,237
Other current assets	13
Total assets	13,852
Trade and other payables	5,059
Amounts due to shareholder	4,968
Current income tax liabilities	987
Lease liabilities – current	2
Lease liabilities – non-current	6
Total liabilities	11,022
Total identifiable net assets	2,830
Gain on bargain purchase	(1,848)
Non-controlling interests	(2)
Consideration transferred for the business	980

As the determination of purchase price allocation (“PPA”) has not been completed as at 31 March 2023, the gain on bargain purchase is a provisional amount and will be adjusted accordingly upon the completion of the PPA.

N10. Segment information

The Group’s chief operating decision maker (“CODM”) comprise the Executive Director. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources, and assess performance.

The CODM considers the Group’s businesses from both geographical and business segment perspectives. Geographically, management manages and monitors the businesses in the four primary geographic areas: Singapore, Malaysia, Hong Kong and the PRC. Malaysia is engaged in publishing, exhibition and events, Hong Kong is engaged in publishing, exhibition and events and moneylending, the PRC is engaged in the provision of human resources and labour outsourcing related services (“HRLOS”) and Singapore is engaged in HQ costs and investments. The acquisition of Bacui was completed on 29 March 2023.

The segment information provided to the CODM for the reportable segments for the 6 months and full year ended 31 March 2023 and 31 March 2022 are as follows:

	Malaysia	Hong Kong		China	Singapore	
	Advertisements and publishing S\$'000	Publishing S\$'000	Money lending S\$'000	HRLOS S\$'000	HQ costs & Investments S\$'000	Total S\$'000
For year ended 31 March 2023						
Sales to external parties	827	-	32	-	-	859
Segment results	(7)	(60)	(251)	-	(1,097)	(1,415)
Other income	5	4	-	-	1,848	1,857
(Loss)/profit before income tax	(2)	(56)	(251)	-	751	442
Income tax	(1)	-	-	-	(6)	(7)
Net (loss)/ profit	(3)	(56)	(251)	-	745	435
Net (loss)/ profit includes						
Amortisation, depreciation and impairment	3	16	31	-	- *	50
Segment assets	329	732	430	13,852	331	15,674
Segment assets includes:						
Additions to property, plant and equipment	2	-	-	-	1	3
Segment liabilities	47	762	103	11,022	1,342	13,276

* less than S\$1,000

	Malaysia	Hong Kong		Singapore	
	Advertisements and publishing S\$'000	Publishing S\$'000	Money lending S\$'000	HQ costs & Investments S\$'000	Total S\$'000
For year ended 31 March 2022					
Sales to external parties	900	-	-	-	900
Segment result	52	(60)	(37)	(887)	(932)
Other gains, net	6	-	-	1	7
Profit/ (loss) before income tax	58	(60)	(37)	(886)	(925)
Income tax	(1)	-	-	(3)	(4)
Net profit/ (loss)	57	(60)	(37)	(889)	(929)
Net profit/ (loss) includes					
Amortisation, depreciation and impairment	3	4	3	-	10
Segment assets	571	236	212	1,485	2,504
Segment assets includes:					
Additions to property, plant and equipment	2	48	94	-	144
Segment liabilities	161	9	31	382	583

	Malaysia	Hong Kong		China	Singapore	
	Advertisements and publishing S\$'000	Publishing S\$'000	Money lending S\$'000	HRLOS S\$'000	HQ costs & Investments S\$'000	Total S\$'000
For 6 months ended 31 March 2023						
Sales to external parties	287	-	19	-	-	306
Segment result	(56)	8	(139)	-	(716)	(903)
Other income	3	-	-	-	1,848	1,851
(Loss)/ profit before income tax	(53)	8	(139)	-	1,132	948
Income tax	-	-	-	-	(6)	(6)
Net (loss)/ profit	(53)	8	(139)	-	1,126	942
Net (loss)/ profit includes						
Amortisation, depreciation and impairment	1	8	14	-	- *	23
Other information						
Additions to property, plant and equipment	2	-	-	-	1	3

	Malaysia	Hong Kong		Singapore	
	Advertisements and publishing S\$'000	Publishing S\$'000	Money lending S\$'000	HQ costs & Investments S\$'000	Total S\$'000
For 6 months ended 31 March 2022					
Sales to external parties	378	-	-	-	378
Segment result	(28)	(60)	(37)	(634)	(759)
Other gains, net	3	-	-	-	3
Loss before income tax	(25)	(60)	(37)	(634)	(756)
Income tax	(1)	-	-	(3)	(4)
Net loss	(26)	(60)	(37)	(637)	(760)
Net loss includes					
Amortisation, depreciation and impairment	1	4	3	-	8
Other information					
Additions to property, plant and equipment	2	48	94	-	144

* less than S\$1,000

N11. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim and full year financial statements.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares	Share Capital S\$'000
As at 30/09/2022 and 31/03/2023	<u>933,951,593</u>	<u>146,309</u>
Treasury shares or subsidiary holdings		
As at 31/03/2022 and 31/03/2023	<u>-</u>	<u>-</u>

During the financial year ended 31 March 2023 ("FY2023") and 31 March 2022 ("FY2022"), no options were granted pursuant to Arion Entertainment Singapore Limited Employees' Share Option Scheme 2014. As at 31 March 2023 and 31 March 2022, there are 7,846,154 options exercisable into 7,846,154 new ordinary shares of the Company.

Save for the above, the Company did not have any other outstanding options and convertibles as at 31 March 2023 and 31 March 2022.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The issued shares excluding treasury shares as at 31 March 2022 and 31 March 2023 are 933,951,593 shares. The Company did not have any treasury shares as at 31 March 2022 and 31 March 2023.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures are unaudited and have not been reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that has material uncertainty relating to going concern.

Not applicable. The Group's latest financial statements for the financial year ended 31 March 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period and year compared with those for the audited financial statements for the financial year ended 31 March 2022.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable as there are no changes to the accounting policies or methods adopted by the Group since its most recently audited financial year ended 31 March 2022.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	6 months ended		12 months ended	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Net profit/ (loss) attributable to equity holders of the Company (S\$'000)	942	(760)	435	(929)
Weighted average number of ordinary shares outstanding for basic earnings/ (loss) of share ('000)	933,952	933,952	933,952	933,952
Basic and diluted earnings/ (loss) per share (cents)	0.10	(0.08)	0.05	(0.10)

The Group has no dilution in its earnings/ (loss) per share as at 31 March 2023 and 31 March 2022 as the outstanding options are anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Net asset value based on existing issued share capital as at the respective period (Singapore cents)	0.26	0.21	(0.004)	0.12
Issued number of shares ('000)	933,952	933,952	933,952	933,952

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Financial Performance

2HFY23 vs 2HFY22

Revenue

Revenue from Malaysia publishing operations for the six months ended 31 March 2023 ("**2HFY23**") decreased by 24.1% to S\$0.29 million as compared to S\$0.38 million in the previous corresponding period. Calibre and Feng converted to digital publishing in December 2022 and the customer is charged a project management fee instead of bulk copies sales and the former was substantially lower than the latter. The Group commenced money lending operations in Hong Kong in March 2023 and hence there is money lending revenue in 2HFY23 while such revenue was absent in the previous corresponding period.

Other income

The increase in other income was largely due to the gain on bargain purchase arising from the acquisition of Bacui which completed on 29 March 2023.

Expenses

Printing and editorial costs decreased to S\$0.14 million as compared to S\$0.23 million in the previous corresponding period ("**2HFY22**") due to conversion to digital publishing for Calibre and Feng in December 2022.

Amortisation, depreciation and impairment increased to S\$23,000 as compared to S\$8,000 in 2HFY22 due to additions of property, plant and equipment for the new office premises in Hong Kong division back in March 2022.

Rental expenses increased to S\$58,000 as compared to S\$25,000 in 2HFY22 due to new office premises for our Hong Kong's publishing and money lending operations which commenced in March 2022.

Professional fees increased by 70.7% to S\$0.21 million as compared to S\$0.12 million in 2HFY22 due to the costs incurred relating to the acquisition of Bacui.

Other expenses increased by 13.7% to S\$0.31 million as compared to S\$0.27 million in 2HFY22 due to an increase in foreign exchange loss arising from inter-company balances amounting to S\$67,000 as compared to S\$6,000 in 2HFY22 which is partially offset by a decrease in expenses incurred by Hong Kong operations amounting to S\$25,000 in 2HFY23 as compared to S\$43,000 in the corresponding period due to absence of start-up related costs.

Profit/ (loss) attributable to shareholders

Profits attributable to shareholders for 2HFY23 was S\$0.94 million as compared to a loss of S\$0.75 million in the previous corresponding period.

The profit was primarily due to bargain purchase of S\$1.85 million arising from the acquisition of Bacui and this was partially offset by the decrease in revenue and increase in expenses as explained above.

FY2023 vs FY2022

Revenue

Revenue from Malaysia publishing operations for FY2023 decreased by 8.1% to S\$0.83 million as compared to S\$0.9 million in the previous corresponding period. Calibre and Feng converted to digital publishing in December 2022 and the customer is charged a project management fee instead of bulk copies sales and the former was substantially lower than the latter. The Group commenced money lending operations in Hong Kong in March 2023 and hence there is money lending revenue of S\$30,000 in FY2023 while such revenue was absent in the previous corresponding period.

Other income

The increase in other income was largely due to the gain on bargain purchase arising from the acquisition of Bacui.

Expenses

Printing and editorial costs decreased by 8.2% to S\$0.48 million as compared to S\$0.53 million in FY2022 due to commencement of digital publishing for Calibre and Feng in December 2022.

Employee compensation increased by 25.2% to S\$0.93 million as compared to S\$0.75 million in FY2022 due to (a) increase of S\$0.12 million relating to a full-year reflection of the revision of remuneration of the Executive Director which was effected in October 2021; and (b) a full-year record of staff costs related to personnel for the publishing and money lending operations in Hong Kong amounting to an increase of S\$85,000 in FY2023, after taking into account cost savings efforts.

Amortisation, depreciation and impairment increased to S\$50,000 as compared to S\$10,000 in FY2022 due to additions of property, plant and equipment for the new office premises in Hong Kong division back in FY2022.

Rental expenses increased to S\$122,000 as compared to S\$45,000 in FY2022 due to new office premises for our Hong Kong's publishing and money lending operations which commenced in March 2022.

Professional fees increased by 52.7% to S\$0.29 million as compared to S\$0.19 million in FY2022 due to the (a) non-recurring fees incurred in FY2023 in relation to ad-hoc announcements released by the Company and (b) the acquisition of Bacui.

Other expenses increased by 25.5% to S\$0.40 million as compared to S\$0.32 million in FY2022 mainly due to (a) increase in expenses incurred by our Hong Kong operations with the commencement of the publishing and money lending business in 2HFY22 of about S\$23,000; and (b) foreign exchange loss arising from inter-company balances amounting to S\$67,000 as compared to S\$6,000 in FY2022.

Profit/ (loss) attributable to shareholders

Profit attributable to shareholders for FY2023 was S\$0.44 million as compared to a loss of S\$0.93 million in the previous corresponding period.

The profit was primarily due to gain on bargain purchase of S\$1.85 million arising from the acquisition of Bacui and this was partially offset by the decrease in revenue and increase in expenses as explained above.

Review of Financial Position

Balance sheet

The acquisition of Bacui in March 2023 has resulted in an increase in assets and liabilities of the Group as at 31 March 2023. Please refer to Note N9 for details of the assets and liabilities acquired.

Trade and other payables included the consideration of S\$980,000 payable in shares for acquisition of Bacui. The new shares were subsequently issued on 17 April 2023.

The loan from director is from Mr Ng, Executive Director and is interest free, unsecured and repayable on demand.

Amounts due from shareholder arose from consolidation of Bacui's financials following Bacui's acquisition and they are interest free, unsecured and repayable on demand. The acquisition of Bacui was completed on 29 March 2023 and the consideration shares were issued on 17 April 2023.

The increase in non-current trade receivables is due to new loans arising from the money lending operations which are repayable after 12 months.

Cash and cash equivalents increased by S\$8.67 million due to the consolidation of cash and bank balances amounting to S\$9.5 million from Bacui upon the completion of its acquisition and cash received from the loan from director of S\$0.73 million, partially offset by utilisation of cash for operating activities S\$1.59 million. Please refer to the "cash-flow" section below for explanation on the cash flow.

Cash-flow

Cash and cash equivalents as at 31 March 2023 was S\$10.78 million as compared to S\$2.08 million as at 31 March 2022.

Cash used in operating activities was S\$1.59 million in FY2023. The net operating cash outflow was due to operating loss before working capital changes of S\$1.36 million adjusted for working capital outflows of S\$0.23 million which were mainly attributable to a decrease in trade and other receivables during the period.

Cash generated from investing activities was S\$9.52 million in FY2023 due to the acquisition of Bacui.

Cash generated from financing activities was S\$0.73 million due to the interest-free loan from the Executive Director, Mr Ng.

The Group had positive working capital of S\$2.10 million as at 31 March 2023 as compared to S\$1.69 million as at 31 March 2022.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders in relation to the current financial period under review.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Company will continue to streamline its money lending operations in Hong Kong and its publishing operations in Malaysia and Hong Kong.

As for the newly acquired operations in China, management is optimistic that the business outlook for Bacui will improve in the next twelve months with the relaxation of pandemic measures.

11. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended);

None.

(b) (i) Amount per sharecents

None.

(ii) Previous corresponding periodcents

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been recommended for the financial year ended 31 March 2023 as the Group is not profitable after disregarding the one-off gain on bargain purchase of S\$1.8 million..

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs. There were no IPTs of S\$100,000 and above for the financial year ended 31 March 2023.

14. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the Catalist Rules.

During FY2023,

- (a) Fame Harvest Limited, a wholly-owned subsidiary of the Company, acquired Bless Concept Limited (“**BCL**”) for a cash consideration of HK\$2,600 (equivalent to approximately S\$450), as announced on 29 April 2022. The principal activity of BCL is that of publishing related activities in Hong Kong; and
- (b) the Company acquired Bacui for a consideration of S\$980,000 payable in 155,555,555 new shares in the Company as announced on 29 March 2023. The principal activity of Bacui is the provision of human resources and labour outsourcing related services in the PRC.

Save as disclosed, the Company did not acquire or dispose of any shares resulting in any of the prescribed situations under Rule 706A in FY2023.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers as required in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to section 8 above.

17. A breakdown of sales

	FY2023	FY2021	% Increase/ (Decrease)
	S\$'000	S\$'000	
(a) Revenue reported for first half year	553	522	5.9
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(507)	(169)	> 100.0
(c) Revenue reported for second half year	306	378	(19.0)
(d) Operating profits/ (loss) after tax before deducting non-controlling interests reported for second half year	942	(760)	NM

NM – Not meaningful

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable. No dividend has been declared or recommended for FY2023 and FY2022.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10).

Name	Age	Family relationship with any director and/ substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ng Yan Pui, Amber	32	Daughter of Executive Director of the Company, Mr Ng Kai Man	Appointed as director of Win Win Finance Limited on 10 March 2022. Duties - Corporate compliance and review of loan portfolio reports and management accounts.	Not applicable.

20. Use of Net Proceeds

The following relates to the net proceeds of S\$1.61 million raised from the Proposed Subscription of 311 million shares that was completed in September 2020:

Purpose	Net proceeds allocated (S\$'000)	Net proceeds utilised from 11 November 2022* till the date of announcement (S\$'000)	Net proceeds utilised as at the date of announcement (S\$'000)	Balance unutilised (S\$'000)
General working capital	1,290	438	1,197	93
- Wages and staff related costs		288	719	
- Creditors		150	360	
- Directors' fees		-	118	
Future corporate developments and new business opportunities (if any)	322	24	200	122
- Wages and staff related costs		24	65	
- Creditors		-	27	
- Loans disbursed ⁽¹⁾		-	108	
Total	1,612	462	1,397	215

* The date on which the HY2023 results was announced.

⁽¹⁾ There was a typo error in the HY2023 results announcement and the loans disbursed was reflected as Directors' fees. The Board would like to reiterate that the typo error was only in relation to the description (should have been "Loans disbursed" instead of "Directors' fees").

The use of proceeds raised from the placement is consistent with the Company's proposed use of funds as set out in the announcement dated 5 August 2020.

BY ORDER OF THE BOARD

Ng Kai Man
Executive Director
29 May 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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