INDEPENDENT AUDITORS' REPORT

To the Members of V2Y Corporation Ltd.

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of V2Y Corporation Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024;
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. **Completeness of revenue from the food and beverage ("F&B") business**

   As disclosed in the Note 19 to the financial statements, the Group reported revenue of $594,000 from its food and beverage ("F&B") business for the financial year ended 31 December 2024, representing approximately 65% of the Group's total revenue.

   We were unable to obtain sufficient appropriate audit evidence to determine the completeness of revenue recognised in respect of the Group's F&B business. Due to the lack of adequate internal controls over cash handling and sales recording processes, as well as the absence of reliable accounting and supporting records, we were unable to perform alternative audit procedures to verify the completeness of revenue. Accordingly, we were unable to determine whether any adjustments may be necessary to the revenue recognised during the financial year ended 31 December 2024.

Basis for Disclaimer of Opinion (Continued)

2. Acquisitions of F&B business

During the financial year, the Group entered into two sale and purchase agreements for the acquisitions of F&B business with a total cash consideration of $830,000. The fair value of the identifiable assets acquired and liabilities assumed, as disclosed in Note 11 to the financial statements, are based on the values stated in the sales and purchase agreements.

We were unable to determine whether the amounts recognised for these identifiable assets acquired and liabilities assumed are appropriate, or whether any goodwill or other intangible assets should have been accounted for in accordance with SFRS(I) 3 *Business Combinations*.

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves regarding the fair value recognised for these identifiable assets acquired and liabilities assumed as at the date of acquisition. Accordingly, we were unable to determine whether any adjustments may be necessary to the fair value of these identifiable assets acquired and liabilities assumed of the F&B business at the date of acquisition.

3. Impairment of the plant and equipment and intangible assets in the F&B business

As at 31 December 2024, the carrying amounts of Group's plant and equipment and intangible assets in the F&B business were $378,000 and $253,000 respectively.

As disclosed in Note 27 to the financial statements, the Group's F&B business reported a loss of $486,000 for the financial year ended 31 December 2024. The management assessed that no impairment was required for the plant and equipment and intangible assets of the F&B business as at 31 December 2024, on the basis that the loss-making subsidiaries were disposed subsequent to year end as disclosed in Note 29 to the financial statements.

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves regarding the recoverable amount of the plant and equipment and intangible assets of the F&B business as at 31 December 2024. Accordingly, we were unable to determine whether any adjustments may be necessary to the carrying amounts of plant and equipment and intangible assets as at 31 December 2024.

Basis for Disclaimer of Opinion (Continued)

4. Going concern assumptions

As disclosed in Note 3 to the financial statements, the Group incurred a net loss of $1,640,000 and net cash outflows from operating activities of $704,000 for the financial year ended 31 December 2024. As of that date, the Group's and Company's current liabilities exceed the current assets by $1,695,000 and $568,000, respectively and are in a capital deficiency position of $459,000 and $506,000, respectively. This is mainly due to the significant losses incurred in the Group's Insurtech and F&B business. These factors, along with other matters as set forth in Note 3 to the financial statements, indicate the existence of material uncertainties that may cast significant doubt about the Group's and the Company's abilities to continue as going concern.

Based on the cash flows projection prepared by management, we were unable to obtain sufficient appropriate audit evidence on certain key assumptions supporting the cash flows projection. In particular, we were unable to evaluate the cash flows generated from its continuing operations in its Insurtech business and the recoverability of the proceeds from the disposal of subsidiaries due to the lack of financial information available to assess the credit worthiness of the purchasers.

Consequently, we were unable to conclude whether the use of going concern basis in the preparation of these accompanying financial statements is appropriate. If the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised in a manner other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may need to reclassify non-current assets and liabilities to current assets and liabilities. No such adjustments have been made to the accompanying financial statements.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct the audit of the financial statements in accordance with Singapore Standards on Auditing ("SSAs") and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group 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.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Adrian Lee Yu-Min.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
24 June 2025

2. Basis of preparation (Continued)

Disclosure of material accounting policy information (Continued)

2.9 Employee benefits (Continued)

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated undiscounted liability for annual leave expected to be settled wholly within 12 months after the end of reporting period as a result of services rendered by employees up to the end of the reporting period.

2.10 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer who makes strategic decisions.

3. Going concern

The Group incurred a net loss of $1,640,000 and reported negative cash flows from operating activities of $704,000 for the financial year ended 31 December 2024. As of that date, the Group's and Company's current liabilities exceed the current assets by $1,695,000 and $568,000, respectively and are in a capital deficiency position of $459,000 and $506,000, respectively. This is mainly due to the significant losses incurred in the Group's insurtech and food and beverage business segment.

In assessing the appropriateness of the going concern assumptions of the Group, the management is of the view that the use of going concern assumption to prepare the financial statements is appropriate based on the following factors:

(a) the management of the Group has carried out a detailed review of the cash flow forecast of the Group for the next 18 months after the end of the financial year. Based on such forecast, the management of the Group has estimated that the cash flows generated from its continuing operations in its Insurtech business, the receipts of a shareholder loan of US$750,000 (approximately S$966,000) and the proceeds of S$880,000 from the disposal of subsidiaries in the F&B business subsequent to the end of the financial year as disclosed in Note 29 to the financial statements are adequate to finance the working capital requirements of the Group for the next 18 months;

(b) the Director of the Company had undertaken not to demand the repayment of the amount due to director until the Company's resources permit.

(c) management is actively pursuing new business opportunities and corporate actions as well as fund raising options.

Notwithstanding the above, the Directors acknowledge that material uncertainties exists that may cast significant doubt on the Group's ability to continue as a going concern, which is highly dependent on the realisation of the factors above in order to meet its debt obligations and working capital requirements.

3. Going concern (Continued)

Should the Group be unable to discharge their liabilities in the normal course of business which may lead to the Group being unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group may need to reclassify non-current assets and non-current liabilities to current assets and current liabilities respectively. No such adjustments have been reflected in these consolidated financial statements.

4. Cash and cash equivalents

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Cash at bank	134	664	45	533

The currency profiles of the Group's and Company's cash and bank balances at each reporting date are as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Singapore dollar	95	481	32	418
United States dollar	39	183	13	115
	134	664	45	533

5. Trade and other receivables

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables				
- Third parties	92	90	-	-
Other receivables				
- Third parties	28	13	-	-
- Subsidiaries	-	-	2,084	1,157
Less: Loss allowance on amount due from subsidiaries	-	-	(2,084)	(1,157)
Deposits	156	1	18	-
Goods and service tax receivables	13	-	11	6
Prepayments	4	7	2	1
Total trade and other receivables	293	111	31	7
Less: Goods and service tax receivables	(13)	-	(11)	(6)
Prepayments	(4)	(7)	(2)	(1)
Add: Cash and cash equivalents (Note 4)	134	664	45	533
Financial assets carried at amortised cost	410	768	63	533