

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES
(Incorporated in Singapore)

Unaudited Condensed Interim Financial Statements for the Second Half and Full Year Ended
31 December 2022

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2022**

		Group 6-months ended 31 December			Group Financial year ended 31 December		
	Note	2022 \$'000	2021 \$'000	Change %	2022 \$'000	2021 \$'000	Change %
Revenue	3	125	1,420	(91)	317	1,686	(81)
Other income		10	2	317.9	20	10	93.8
Expenses							
- Depreciation of plant and equipment		*	-	N.M	*	-	N.M
- Directors' fee		(42)	(46)	(8.4)	(92)	(109)	(16.0)
- Employee compensation		(557)	(321)	73.6	(1,079)	(978)	10.3
- Loss allowance on financial assets		(1,102)	-	100	(1,102)	-	100
- Lease expense		(27)	(11)	141.3	(47)	(39)	22.1
- Professional fees		(73)	(95)	(23.8)	(254)	(378)	(33.0)
- Currency exchange (loss)/gain		(79)	121	(165.6)	(104)	68	(254.4)
- Other operating expenses		(17)	(38)	(57.4)	(40)	(66)	(39.6)
Total expenses		(1,897)	(390)		(2,718)	(1,502)	
(Loss)/ profit before tax		(1,762)	1,032		(2,381)	194	
Tax expense	4	(1)	(72)	(99)	(1)	(71)	(99)
(Loss)/ profit after tax		(1,763)	960		(2,382)	123	
Other comprehensive income/(loss):							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation							
- Gain/(loss)		57	(39)		86	(29)	
<i>Items that will not be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation							
- (Loss)/gain		(80)	4		17	8	
Other comprehensive (loss)/income		(23)	(35)		103	(21)	
Total comprehensive (loss)/income		(1,786)	925		(2,279)	102	
(Loss)/earnings attributable to:							
Equity holders of the Company		(1,078)	596		(1,625)	(18)	
Non-controlling interest		(685)	364		(757)	141	
		(1,763)	960		(2,382)	123	
Total comprehensive (loss)/income attributable to:							
Equity holders of the Company		(1,021)	557		(1,539)	(47)	
Non-controlling interest		(765)	368		(740)	149	
		(1,786)	925		(2,279)	102	
(Loss)/earnings per share (cents) attributable to the equity holders of the Company							
Basic	5	(2.53)	1.40		(3.81)	(0.04)	
Diluted	5	(2.53)	1.40		(3.81)	(0.04)	

N.M. – Not Meaningful

* Amount represents below S\$1,000

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

		Group		Company	
	Note	2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	6	1,424	2,266	1,014	1,744
Trade and other receivables	7	97	1,559	101	882
Other current assets		27	55	25	19
		1,548	3,880	1,140	2,645
Non-current assets					
Investment in subsidiary companies	8	-	-	32	*
Investment in an associated company		-	-	-	-
Plant and equipment		2	-	-	-
		2	-	32	*
Total assets		1,550	3,880	1,172	2,645
LIABILITIES					
Current liabilities					
Trade and other payables		399	293	121	122
Tax payable		*	156	-	-
Total liabilities		399	449	121	122
NET ASSETS		1,151	3,431	1,051	2,523
Capital and reserves attributable to equity holders of the Company					
Share capital	9	33,347	33,347	33,347	33,347
Accumulated losses		(31,833)	(30,208)	(32,296)	(30,824)
Currency translation reserve		(120)	(206)	-	-
		1,394	2,933	1,051	2,523
Non-controlling interest		(243)	498	-	-
TOTAL EQUITY		1,151	3,431	1,051	2,523

* Amount represents below S\$1,000

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

	Attributable to equity holders of the Company			Total attributable to equity holders of the Company	Non- controlling interest	Total Equity
	Share capital \$'000	Accumulated losses \$'000	Currency translation reserve \$'000	\$'000	\$'000	\$'000
The Group						
2022						
Balance At 1 January 2022	33,347	(30,208)	(206)	2,933	498	3,431
Loss for the year	-	(1,625)	-	(1,625)	(757)	(2,382)
Other comprehensive income for the year	-	-	86	86	17	103
Total comprehensive (loss)/income for the year	-	(1,625)	86	(1,539)	(740)	(2,279)
Incorporation of subsidiary company	-	-	-	-	49	49
Disposal of controlling interest in a subsidiary company	-	-	-	-	(50)	(50)
Balance At 31 December 2022	33,347	(31,833)	(120)	1,394	(243)	1,151
The Group						
2021						
Balance At 1 January 2021	33,347	(26,246)	(4,121)	2,980	349	3,329
Effect of change of functional currency	-	(3,944)	3,944	-	-	-
(Loss)/income for the year	-	(18)	-	(18)	141	123
Other comprehensive (loss)/income for the year	-	-	(29)	(29)	8	(21)
Total comprehensive (loss)/income for the year	-	(18)	(29)	(47)	149	102
Balance At 31 December 2021	33,347	(30,208)	(206)	2,933	498	3,431

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

	Share capital \$'000	Accumulated losses \$'000	Currency translation reserve \$'000	Total equity S\$'000
The Company				
Balance at 1 January 2022	33,347	(30,824)	-	2,523
Loss for the financial year	-	(1,472)	-	(1,472)
Balance at 31 December 2022	33,347	(32,296)	-	1,051

	Share capital S\$'000	Accumulated losses S\$'000	Currency translation reserve S\$'000	Total equity S\$'000
The Company				
Balance at 1 January 2021	33,347	(26,529)	(3,944)	2,874
Effect of the change of the functional currency	-	(3,944)	3,944	-
Loss for the financial year	-	(351)	-	(351)
Balance at 31 December 2021	33,347	(30,824)	-	2,523

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	The Group	
	FY2022	FY2021
	\$'000	\$'000
Cash flows from operating activities		
(Loss)/profit before tax	(2,381)	194
Adjustments for:		
- Depreciation of plant and equipment	*	-
- Interest income	(6)	(6)
- Loss allowance on financial assets	1,102	-
- Unrealised exchange loss/(gain)	153	(19)
	(1,132)	169
<i>Change in working capital, net effects from disposal of subsidiary company</i>		
- Trade and other receivables	196	1,242
- Other current assets	28	(39)
- Trade and other payables	218	(5)
Cash generated (used in)/from operations	(690)	1,367
Interest income received	6	6
Income tax paid	(157)	-
Net cash (used in)/generated from operating activities	(841)	1,373
Cash flows from investing activity		
Purchase of plant and equipment	(2)	-
Disposal of subsidiary corporation, net of cash disposed	1	-
Net cash used in investing activities	(1)	-
Net (decrease)/increase in cash and cash equivalents	(842)	1,373
Cash and cash equivalents at beginning of the financial year	2,266	893
Cash and cash equivalents at end of the financial year	1,424	2,266

* Amount represents below S\$1,000

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. Corporate information

Forise International Limited (the “Company”) is listed on the Singapore Exchange Securities Trading Limited (the “Singapore Exchange”) or (the “SGX-ST”) and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiary companies (collectively, the “Group”).

The principal activities of the Company is that of investment holding and provision of corporate advisory services. The principal activities of the Company’s subsidiary companies consist of provision of corporate and financial advisory and management consulting services and investment holding.

The consolidated financial statements relate to the Company and its subsidiary companies and the Group’s interests in an associated company.

2. Basis of preparation

The condensed interim financial statements of the financial year ended 31 December 2022 have been prepared in accordance with 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 change on the Group’s financial position and Group’s performance since the last audited financial statements for the financial year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (S\$ or \$), which is the Company’s functional and presentation currency. All values are rounded to the nearest thousand (S\$’000) except when otherwise indicated.

2.1 New and amended standards adopted by the Group

During the current financial year, the Group has adopted the following SFRS(I), amendments to SFRS(I) which took effect from the financial year beginning 1 January 2022:

- Amendments to SFRS(I) 16: *Covid-19 Related Rent Concessions* beyond 30 June 2021
- Amendments to SFRS(I) 3: Reference to the Conceptual Framework
- Amendments to SFRS(I) 1-16: *Property, plant and equipment – Proceeds before Intended Use*
- Amendments to SFRS(I) 27: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to SFRS(I)s 2018-2020

The adoption of the above amendment to SFRS(I) has assessed to have no material financial effect on the results and financial position of the Group for the financial year ended 31 December 2022. Accordingly, it has no material impact on the profit per share of the Group.

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2.2 Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 within the next reporting period are included in the following notes:

Corporate advisory contracts and management consultancy contracts

The Group recognises revenue from contracts with customers when the outcome of a transaction involving the rendering of services can be estimated reliably. Significant judgement and estimate are required in determining the method and amount of revenue to recognise. Specifically, arrangements may require contract interpretation to determine appropriate accounting, including whether promised goods and services in an arrangement are distinct performance obligations and should be accounted for separately. Other judgements include determining whether performance obligations are satisfied over time or at a point in time.

Corporate advisory contracts

Corporate advisory contracts in China consist of a single performance obligation which is recognised at a point in time upon on the lodgement of the funds with the authority by the customers in accordance with the investment plans advised by the Group, or when the customers provide a written acknowledgement confirming the services has been rendered.

Revenue from corporate advisory contracts in Singapore is recognised when the performance obligation as stipulated in contract is satisfied at a point in time based on services completed as agreed and certified by the customers.

Management consultancy contracts

Management consultancy contracts consist of a single performance obligation, which is recognised over time as control is transferred continuously to customers. Revenue is recognised over time using an output measurement of progress towards completion which is agreed and certified by the customers.

There have been no significant changes to the judgements in respect of the corporate advisory contracts and management consultancy contracts.

Expected credit losses ("ECLs") on amount due to an associated company and trade receivables

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions. The Group has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant judgements and assumptions.

The Group measured the loss allowance of loans to an associated company and trade receivables using the three-stage impairment approach and the simplified approach respectively. A considerable amount of judgement is required in assessing the ECL which are determined by referencing to the Group's historical observed default rates, customers' ability to pay and adjusted with forward-looking information.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
3. Revenue*Disaggregation of revenue*

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments. (see Note 10).

	Group			
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Corporate advisory services				
At Point in time				
- People of Republic China	20	268	40	396
- Malaysia	60	-	60	-
- Singapore	40	80	104	80
	120	348	204	476
Over time				
Corporate advisory services				
- Malaysia	4	-	4	-
Management consultancy services				
Over time				
- Singapore	1	1,072	109	1,145
- Denmark	-	-	-	31
- United Arab Emirates	-	-	-	34
	1	1,072	109	1,210
	125	1,420	317	1,686

Seasonal operations

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

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

4. Tax expense

The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Tax expense attributable to (loss)/profit is made up of:				
- Current income tax	-	40	-	39
- Under provision of income tax in prior years	1	32	1	32
	1	72	1	71

5. Loss per share

	Group			
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Net (loss)/profit attributable to equity holders of the Company	(1,078)	596	(1,625)	(18)
Weighted average number of ordinary shares outstanding for basic and diluted per share ('000)	42,599	42,599	42,599	42,599
Basic (loss)/earnings per share (\$ cents)	(2.53)	1.40	(3.81)	(0.04)
Diluted (loss)/earnings per share (\$ cents)	(2.53)	1.40	(3.81)	(0.04)

6. Cash and cash equivalents

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank balances	1,128	378	1,014	344
Short-term bank deposits	296	488	-	-
Fixed deposits	-	1,400	-	1,400
	1,424	2,266	1,014	1,744

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7. Trade and other receivables

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Trade receivables				
- Non-related parties	66	114	63	-
- Related party*	1,044	1,392	-	-
	1,110	1,506	63	-
Less: Allowance for expected credit losses	(1,044)	-	-	-
	66	1,506	63	-
Other receivables	89	4,148	938	882
Less: Allowance for expected credit losses	(58)	(4,095)	(900)	-
	31	53	38	
	97	1,559	101	882

During the financial year ended 31 December 2022, loss allowance relating to other receivables amounted to \$4,095,000 has been written-off.

* Related party comprises mainly companies which are controlled or significant influenced by the Group's key management personnel and their close family members.

8. Investment in subsidiaries

The Company had on 1 April 2022, incorporated a joint venture company in Singapore under the name of Raffles Neobank Solutions Pte Ltd ("Raffles Neobank") with an issued and paid-up capital of \$100,000 comprising 100,000 ordinary shares, in which the Company holds 51% and its joint venture partner holds the remaining 49%. However, the Company had on 7 November 2022, entered into a sale and purchase agreement with the joint venture partner, pursuant to which the Company has agreed to dispose of its entire shareholding interest of 51,000 ordinary shares representing 51% of the equity interest in Raffles Neobank to the joint venture partner for a cash consideration of \$1,352.55.

The Company had on 8 August 2022, incorporated a wholly-owned subsidiary in Malaysia under the name of Forise International (M) Sdn Bhd ("Forise Malaysia") with an issued and paid up capital of approximately \$31,656 (equivalent to RM100,000) comprising 100,000 ordinary shares.

The Company has provided full impairment loss on cost of investment in Prisma Technologies Pte Ltd ("Prisma Tech") of \$525 during the financial year after taking into consideration the financial conditions of Prisma Tech.

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Share capital

	No. of ordinary shares	Amount \$'000
2022 and 2021		
Balance at 1 January and 31 December	42,599,999	33,347

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The Company did not hold any treasury shares as at 31 December 2022. The Company's subsidiary companies did not hold any shares in the Company as at 31 December 2022 and 2021.

10. Segment information

The Group's chief operating decision-makers ("CODM") comprise of the Executive Directors. 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 business from both geographical and business segment perspectives. Geographically, management manages and monitors the business mainly in the Singapore, People's of Republic China ("PRC"), Malaysia and India. From a business segment perspective, the Group's operations derive its revenue from corporate and financial advisory and management consultancy services. Other services within Singapore mainly relates to investment holding and is not included within the reportable operations segments as it is not included in the segment reports provided to the CODM. The result of its operations is included under "All other segments".

The segment information provided by the CODM for the reportable segments are as follows:

6 months ended 31 December	Corporate advisory and management consultancy		All other segments		Total operations	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses						
Revenue	25	1,420	100	-	125	1,420
Other income	-	-	5	-	5	-
Interest income	3	2	2	-	5	2
Depreciation of plant and equipment	*	-	-	-	*	-
Currency exchange (loss)/gain, net	(125)	46	46	75	(79)	121
Employee compensation	(385)	(233)	(172)	(88)	(557)	(321)
Directors' fee	-	-	(42)	(46)	(42)	(46)
Loss allowance on financial assets	(1,102)	-	-	-	(1,102)	-
Professional fees	(8)	(20)	(65)	(75)	(73)	(95)
Lease expense	(2)	(3)	(25)	(8)	(27)	(11)
Other operating expenses	(6)	(16)	(11)	(22)	(17)	(38)
(Loss)/profit before income tax	(1,600)	1,196	(162)	(164)	(1,762)	1,032
Income tax expense	(1)	(72)	-	-	(1)	(72)
(Loss)/profit after tax	(1,601)	1,124	(162)	(164)	(1,763)	960

* Amount represents below S\$1,000

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. Segment information (cont'd)

12 months ended 31 December	Corporate advisory and management consultancy		All other segments		Total operations	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses						
Revenue	217	1,686	100	-	317	1,686
Other income	4	-	10	4	14	4
Interest income	-	6	6	-	6	6
Currency exchange (loss)/gain, net	(112)	93	8	(25)	(104)	68
Depreciation of plant and equipment	*	-	-	-	*	-
Employee compensation	(774)	(669)	(305)	(309)	(1,079)	(978)
Directors' fee	-	-	(92)	(109)	(92)	(109)
Loss allowance on financial assets	(1,102)	-	-	-	(1,102)	-
Professional fees	(24)	(229)	(230)	(149)	(254)	(378)
Lease expense	(8)	(15)	(39)	(24)	(47)	(39)
Other operating expenses	(9)	(23)	(31)	(43)	(40)	(66)
(Loss)/profit before income tax	(1,808)	849	(573)	(655)	(2,381)	194
Income tax expense	(1)	(71)	-	-	(1)	(71)
(Loss)/profit after tax	(1,809)	778	(573)	(655)	(2,382)	123
Segment assets	444	2,117	1,104	1,763	1,548	3,880
Segment liabilities	277	327	121	122	399	449

* Amount represents below S\$1,000

11. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 2021:

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Financial assets at amortised cost				
Trade and other receivables*	114	1,601	116	890
Cash and cash equivalents	1,424	2,266	1,014	1,744
	1,538	3,867	1,130	2,634
Financial liabilities at amortised cost				
Trade and other payables	399	293	121	122

* exclude prepayments

FORISE INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022****12. Net assets value**

	Group		Company	
Net assets value ("NAV") per ordinary share	FY2022	FY2021	FY2022	FY2021
NAV attributable to equity holders of the Company (\$'000)	1,394	2,933	1,051	2,523
Number of ordinary shares	42,599,999	42,599,999	42,599,999	42,599,999
NAV per ordinary shares based on issued share capital (cent)	3.27	6.89	2.47	5.92

13. Subsequent event

The Company's subsidiary, Prisma Technologies Pte Ltd ("Prisma Tech"), has through its legal advisor issued a letter of demand against Prisma AI Corporation Pte Ltd ("Prisma AI") on 9 February 2023, in respect of claims by Prisma Tech against Prisma AI for unpaid amounts owing to Prisma Tech for various management and administration services provided by Prisma Tech to Prisma AI. Details of the letter of demand were announced by the Company on 9 February 2023.

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

1 Review

The condensed interim statements of financial position of Forise International Limited (the “Company”) and its subsidiary companies (collectively, the “Group”) as at 31 December 2022 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month and the year ended 31 December 2022 and certain explanatory notes have not been audited or reviewed by the Company’s auditors. The Group’s latest audited financial statements for the financial year ended 31 December 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2 Review of performance of the Group

2HFY2022 vs 2HFY2021

Revenue (2HFY2022: \$125,000; 2HFY2021: \$1,420,000)

The significant decrease in the revenue as a result of significant lesser new contracts being secured in management consultancy services and corporate advisory services business.

Employee compensation (2HFY2022: \$557k; 2HFY2021: \$321,000)

The increase was mainly due to the new director appointed in August 2022, and reduction of director’s salary and staff costs in 2H2021 due to the cost saving plan implemented by management in 2H2021, thus resulted the lower compensation in 2HFY2021. The reduction in director’s salary and staff costs were due to the cost containment strategy implemented by the management as a result of the reduced operating activities of the Group.

Loss allowance on financial assets (2HFY2022: \$1,102,000; 2HFY2021: Nil)

This relates to the loss allowance provided for trade receivables of \$1,044,000 and other receivables of \$58,000 with the total allowance of S\$1,102,000 was provided during the 2H2022, due to the slow collection of trade and other receivables as receivables liquidity and credit access continue to deteriorate due to the uncertain economic situation.

Professional fees (2HFY2022: \$73,000; 2HFY2021: 95,000)

Decrease is mainly due to the lesser professional services in relation to corporate actions and other advisory matters of the Group taken up.

Currency exchange loss (2HFY2022: loss: \$79,000; 2HFY2021: gain: \$121,000)

Currency exchange loss is mainly due to the fluctuation of Chinese Renminbi (“RMB”) and United States Dollar (“USD”) against Singapore Dollar (“\$”).

Tax expense (2HFY2022: \$1,000; 2HFY2021: \$72,000)

The significant decrease in tax expense was mainly due to the Group was in loss making in 2H2022 as compared to profitable position of \$1,032,000 in 2H2021.

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

2 Review of performance of the Group (cont'd)

FY2022 vs FY2021

Revenue (FY2022: \$317,000; FY2021: \$1,686,000)

The significant decrease in the revenue as a result of significant lesser new contracts being secured in our management consultancy services and corporate advisory services business.

Employee compensation (FY2022: \$1,079,000; FY2021: \$978,000)

The increase was mainly due to the appointment of new director in August 2022. The lower amount of employee compensation in FY2021, was due to the higher reduction rate of 28% - 35% on director and staff costs. However, the reduction rate for FY2022 was reduced to 15% - 20%, resulted the higher employee compensation during the financial year. The reduction in director's salary and staff costs were due to the cost containment strategy implemented by the management, which was implemented to address the Group's reduced operating activities.

Loss allowance on financial assets (FY2022: \$1,102,000; FY2021: \$Nil)

This relates to the loss allowance provided for trade receivables of \$1,044,000 and other receivables of \$58,000 with the total allowance of \$1,102,000 was provided during the financial year, due to the slow collection of trade and other receivables as receivables liquidity and credit access continue to deteriorate due to the uncertain economic situation.

Professional fees (FY2022: \$254,000; FY2021: \$378,000)

Decrease is mainly due to the lesser professional services in relation to corporate actions and other advisory matters of the Group taken up.

Currency exchange loss (FY2022: loss: 104,000; FY2021: gain: \$68,000)

Currency exchange loss is mainly due to the fluctuation of Chinese Renminbi ("RMB") and United States Dollar ("USD") against Singapore Dollar ("S\$").

Tax expense (FY2022: \$1,000; FY2021: \$71,000)

The significant decrease in tax expense was mainly due to the Group was in loss making in FY2022 as compared to profitable position of \$194,000 in FY2021.

Review of financial position

The Group's current assets decreased by \$2,332,000 mainly due to the allowances of expected credit loss of \$1,102,000 was provided during the financial year, and net cash outflow from operating activities.

The Group's current liabilities decreased by \$50,000 was mainly due to the no tax provision was provided during the financial year as the Group was incurred losses making, offset against with the increase in the accrued expenses.

Review of change in cash flows

The Group reported net decrease in cash and cash equivalents of \$842,000 mainly due to the net cash outflows from operating activities, with Cash and cash equivalents of \$1,424,000 at the end of the financial year

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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

No forecast or prospect statement was previously issued in respect of the current reporting period

- 4 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.**

In August 2022, the Group has incorporated a wholly-owned subsidiary in Kuala Lumpur, under the name of Forise International (M) Sdn Bhd with an issued and paid-up capital of approximately \$31,656 (equivalent to RM100,000) comprising 100,000 ordinary shares. The Group also appointed Mr. Wan Jinn Woei (“Mr. Wan”) as Executive Director, to assist on the business development and project execution. Mr. Wan is also the director of the newly incorporated subsidiary in Kuala Lumpur. The Group will adopt the prudent approach to gradually expand our team and business partners who are able to bring in business/value to the Group.

The Group has implemented cost saving plans since FY2021, and intends to keep such measures in place until it is satisfied that the Group’s businesses achieve better performance and that the global economy becomes more certain.

As we move into FY2023, having pandemic issues pretty much out of the way, we expect the overall business environment to remain challenging, with uncertainties, such as the prolonged Russia-Ukraine war, the ongoing trade tensions between USA and China, rising interest rates and the persistent inflation would pan out globally. The recent steps that China has taken to relax its zero-Covid policies and border measures are positive signals that the China is reopening its economy. The Group continues to strive in our current businesses and will continue to do our best to explore new business opportunities in the Asia Pacific.

- 5 If a decision regarding dividend has been made: -**

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

No dividend is declared for the current financial period reported on as the Company does not have accumulated profits to distribute. As the cash balance of the Company is not large, the Company needs financial resources to maintain its current operations and venture into new business opportunities. This is the same reason that the cost-savings plan was implemented, so as to reserve the Company’s financial resources for business development.

(b) (i) Amount per share in cents

Not applicable.

(ii) Previous corresponding period in cents

No dividend is declared for the corresponding period.

- (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.

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

5 If a decision regarding dividend has been made: -

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

Not applicable.

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

The Group has not obtained a general mandate from shareholders for IPT pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

There are no interested person transactions of \$100,000 or more during the financial period under review.

7 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1) of the listing manual.

The Company confirmed that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

8 Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives of a director, CEO or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2022, there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

9 Disclosure Pursuant to Rule 706A of the Listing Manual

The Company had on 1 April 2022, incorporated a joint venture company in Singapore under the name of Raffles Neobank Solutions Pte Ltd ("Raffles Neobank") with an issued and paid-up capital of \$100,000 comprising 100,000 ordinary shares, in which the Company holds 51% and its joint venture partner holds the remaining 49%. However, the Company had on 7 November 2022, entered into a sale and purchase agreement with the joint venture partner, pursuant to which the Company has agreed to dispose of its entire shareholding interest of 51,000 ordinary shares representing 51% of the equity interest in Raffles Neobank to the joint venture partner for a cash consideration of \$1,352.55.

The Company had on 8 August 2022, incorporated a wholly-owned subsidiary in Malaysia under the name of Forise International Limited (M) Sdn Bhd ("Forise Malaysia") with an issued and paid up capital of approximately \$31,656 (equivalent to RM100,000) comprising 100,000 ordinary shares.

Details of the entry into joint venture agreement, incorporation of Raffles Neobank and disposal of Raffles Neobank were announced by the Company on 22 March 2022, 28 March 2022, 1 April 2022, 7 November 2022 and 22 November 2022. Details of the incorporation of Forise Malaysia were announced by the Company on 8 August 2022.

Save for the above, there are no other changes to the Company's and the Group's shareholding percentage in its respective subsidiary companies or associated company nor incorporation of any other new companies or associated company by the Company or any of the Group's entities.

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

10 Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results for the full year ended 31 December 2022 to be false or misleading in any material aspect.

By Order of the Board

Peng Weile
Executive Director
27 February 2023