

LUMINOR FINANCIAL HOLDINGS LIMITED
(Formerly Known As: Starland Holdings Limited)

Company No. 201131382E

Unaudited Consolidated Financial Statements And Dividend Announcement for the Financial Year Ended 31/12/2021

The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.

*This announcement has been prepared by Luminor Financial Holdings Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, UOB Kay Hian Private Limited (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group					
		3 Months ended			Year ended 31 December		
		4QFY2021	4QFY2020	+/(-) %	2021	2020	+/(-) %
	RMB'000	RMB'000		RMB'000	RMB'000		
Revenue	4	11,877	3,615	NM	27,371	37,377	(26.8)
Cost of sales		(117)	(1,717)	(93.2)	(2,248)	(29,169)	(92.3)
Gross profit		11,760	1,898	NM	25,123	8,208	NM
Other income		26	196	(86.7)	216	613	(64.8)
Interest income		198	177	11.9	640	2,195	(70.8)
Other expenses		(6,797)	-	NM	(7,583)	(2,099)	NM
Finance costs		-	(12)	NM	(68)	(492)	(86.2)
Selling expenses		-	(8)	NM	(20)	(21)	(4.8)
Administrative expenses		(7,264)	(4,163)	74.5	(19,086)	(12,521)	52.4
Loss before shares of associate and income tax		(2,077)	(1,912)	8.6	(778)	(4,117)	(81.1)
Shares of associate		(14)	3	NM	16	(43)	NM
Loss before income tax		(2,091)	(1,909)	9.5	(762)	(4,160)	(81.7)
Income tax expenses	7	(1,932)	(446)	NM	(2,579)	(821)	NM
Loss after tax for the financial period/year		(4,023)	(2,355)	70.8	(3,341)	(4,981)	(32.9)
Other comprehensive loss <i>-Items that are or may be reclassified subsequently to profit or loss</i>							
Foreign currency translation differences (at nil tax)		(1,545)	(492)	NM	(3,684)	(4,497)	(18.1)
Total comprehensive loss for the financial period/year		(5,568)	(2,847)	95.6	(7,025)	(9,478)	(25.9)
(Loss)/profit attributable to							
Owners of the Company		(5,547)	(1,872)	NM	(6,062)	(3,571)	69.8
Non-controlling interests		1,524	(483)	NM	2,721	(1,410)	NM
		(4,023)	(2,355)	70.8	(3,341)	(4,981)	(32.9)
Total comprehensive (loss)/income attributable to							
Owners of the Company		(6,921)	(2,364)	NM	(9,575)	(8,068)	18.7
Non-controlling interests		1,353	(483)	NM	2,550	(1,410)	NM
		(5,568)	(2,847)	95.6	(7,025)	(9,478)	(25.9)
Loss per share attributable to owners of the Company (RMB cents)							
Basic and diluted	8	(3.83)	(1.29)	NM	(4.19)	(2.47)	69.6

NM = Not Meaningful

BALANCE SHEETS AS AT 31 DECEMBER 2021 AND 31 DECEMBER 2020

	Note	Group		Company	
		As at		As at	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
		RMB'000	RMB'000	RMB'000	RMB'000
<i>Non-current assets</i>					
Trade receivables	14	-	1,972	-	-
Property, plant and equipment	10	1,163	1,848	14	19
Investment in Associate		36	697	-	-
Investment in subsidiaries		-	-	-*	-*
Deferred tax assets		931	937	-	-
Goodwill	11	917	976	-	-
Intangible assets		65	1	-	-
Right-of-use assets		812	1,728	-	-
Total non-current assets		3,924	8,159	14	19
<i>Current assets</i>					
Cash and bank balances		62,548	105,198	5,269	44,644
Trade and other receivables	14	67,538	17,853	81,253	51,105
Properties held for sale	12	25,101	26,344	-	-
Development properties	13	8,184	8,413	-	-
Total current assets		163,371	157,808	86,522	95,749
<i>Current liabilities</i>					
Trade payables		1	1	-	-
Due to subsidiaries		-	-	55,346	56,928
Due to former ultimate holding company		235	279	235	279
Other payables and accruals		7,622	5,690	659	707
Contract liabilities		583	656	-	-
Due to minority shareholders	15	10,818	1,206	-	-
Due to director	6	966	1,828	-	-
Lease liabilities	16	610	618	-	-
Income tax payable		33,962	32,948	-	-
Total current liabilities		54,797	43,226	56,240	57,914
Net current assets		108,574	114,582	30,282	37,835
<i>Non-current liabilities</i>					
Due to director	6	-	2,114	-	-
Provision for restoration		469	475	-	-
Lease liabilities	16	-	649	-	-
Deferred tax liabilities		2,927	3,376	-	-
Total non-current liabilities		3,396	6,614	-	-
Net assets		109,102	116,127	30,296	37,854

		Group		Company	
		As at		As at	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
	Note	RMB'000	RMB'000	RMB'000	RMB'000
<i>Capital and reserves</i>					
Share capital	17	24,471	24,471	24,471	24,471
Capital reserve		48,522	48,522	-	-
Merger reserve		628	628	628	628
Statutory reserve		8,568	8,568	-	-
Translation reserve		(8,041)	(4,528)	(2,562)	159
Retained earnings		32,703	38,765	7,759	12,596
Equity attributable to owners of the Company		106,851	116,426	30,296	37,854
Non-controlling interest		2,251	(299)	-	-
Total equity		109,102	116,127	30,296	37,854

* Denotes amounts less than RMB1,000

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD/YEAR ENDED 31 DECEMBER 2021

	Note	Group			
		4Q	4Q	Year ended 31 December	
		FY2021 RMB'000	FY2020 RMB'000	2021 RMB'000	2020 RMB'000
Operating activities					
Loss before income tax		(2,091)	(1,909)	(762)	(4,160)
Adjustments for:					
Impairment of goodwill		-	1	-	2,099
Depreciation of property, plant and equipment	5	181	288	716	540
Depreciation of right-of-use assets	5	403	248	885	701
Amortisation of land use right	5	306	306	306	306
Interest income		(198)	(177)	(640)	(2,195)
Interest expense		34	12	113	492
Shares of result of associates		14	(3)	(16)	43
Unrealised foreign exchange differences		(845)	2,911	(1,321)	(858)
Operating cash flows before movements in working capital		(2,196)	1,677	(719)	(3,032)
Decrease in properties held for sale		42	1,584	1,243	19,281
Increase in development properties		(77)	(77)	(77)	(77)
Increase in trade and other receivables, deposits and loan advance		4,651	(303)	(48,692)	(7,519)
Increase/(decrease) in trade and other payables and accruals		2,045	(1,001)	1,537	(5,381)
Cash flows (used in)/generated from operations		4,465	1,880	(46,708)	3,272
Interest received		236	(374)	680	1,914
Interest paid		(3)	(12)	(62)	(492)
Income tax paid		(1,046)	(542)	(1,560)	(1,171)
Net cash generated from/(used in) operating activities		3,652	952	(47,650)	3,523
Investment activities					
Purchase of intangible asset		(63)	(1)	(63)	(1)
Purchase of equipment	10	(56)	(311)	(108)	(1,729)
Net cash inflow from acquisition of subsidiaries (Note A)		-	-	-	4,801
Net cash inflow from acquisition of subsidiaries (Note B)		-	-	-	(732)
Net cash flows (used in)/generated from investing activities		(119)	(312)	(171)	2,339
Financing activities					
Decrease in bank deposits pledged		-	149	-	4,048
Dividend paid		-	-	-	(21,941)
Repayment to former ultimate holding company		(657)	(1,635)	(12)	(162)
Due to minority shareholders		(236)	155	11,705	579
Due to director		(2,738)	-	(2,738)	-
Repayment of lease liabilities		(156)	(217)	(657)	(539)
Net cash (used in)/generated from financing activities		(3,787)	(1,548)	8,298	(18,015)

	Note	Group			
		4Q	4Q	Year ended 31 December	
		FY2021	FY2020	2021	2020
		RMB'000	RMB'000	RMB'000	RMB'000
Effects of foreign exchange rate changes		(2,846)	(3,006)	(3,127)	(3,800)
Net decrease in cash and cash equivalents		(254)	(908)	(39,523)	(12,153)
Cash and cash equivalents at beginning of financial period / year		65,648	109,112	105,198	121,151
Cash and cash equivalents at end of financial period / year		62,548	105,198	62,548	105,198

Note A - Effect on cash flows of the Group arising from acquisition of Luminor Capital Malaysia Sdn. Bhd. ("Luminor Malaysia") as at 31 December 2020:

	RMB'000
Consideration transferred	(3,235)
Less: Conversion of debt securities purchased in FY2019	3,235
Add: Cash and bank balances of subsidiaries acquired	4,801
Net cash inflow from acquisition of subsidiaries	4,801

Note B - Effect on cash flows of the Group arising from acquisition of SA Puncak Management Sdn. Bhd. (formerly known as El Nuwr Capital Sdn. Bhd.) ("SA Puncak")

	RMB'000
Consideration transferred	(976)
Less: Outstanding consideration payable on 4 September 2021	244
Net cash outflow from acquisition of subsidiaries	(732)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Group	Share capital	Capital reserve	Merger reserve	Statutory reserve	Translation reserve	Retained earnings	Attributable to owners of the company	Non-controlling Interest	Total
12 months ended 31 December 2020	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2020	24,471	48,522	628	8,568	(31)	64,277	146,435	-	146,435
Dividend	-	-	-	-	-	(21,941)	(21,941)	-	(21,941)
Total comprehensive loss for the year	-	-	-	-	(4,497)	(3,571)	(8,068)	(1,410)	(9,478)
Non-controlling interests arising from acquisition of subsidiary	-	-	-	-	-	-	-	1,111	1,111
Balance as at 31 December 2020	24,471	48,522	628	8,568	(4,528)	38,765	116,426	(299)	116,127
12 months ended 31 December 2021									
Balance at 1 January 2021	24,471	48,522	628	8,568	(4,528)	38,765	116,426	(299)	116,127
Total comprehensive (loss)/profit for the year	-	-	-	-	(3,513)	(6,062)	(9,575)	2,550	(7,025)
Balance as at 31 December 2021	24,471	48,522	628	8,568	(8,041)	32,703	106,851	2,251	109,102

Company	Share capital	Merger reserve	Translation reserve	Retained earnings	Total
12 months ended 31 December 2020	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2020	24,471	628	3,640	39,190	67,929
Dividend	-	-	-	(21,941)	(21,941)
Total comprehensive loss for the year	-	-	(3,481)	(4,653)	(8,134)
Balance as at 31 December 2020	24,471	628	159	12,596	37,854
12 months ended 31 December 2021					
Balance at 1 January 2021	24,471	628	159	12,596	37,854
Total comprehensive loss for the year	-	-	(2,721)	(4,837)	(7,558)
Balance as at 31 December 2021	24,471	628	(2,562)	7,759	30,296

SELECTED NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information:

Luminor Financial Holdings Limited (the “**Company**”) is a limited liability company incorporated and domiciled in the Republic of Singapore with its registered office at 30 Cecil Street, #10–01/02, Prudential Tower, Singapore 049712. The Company is listed on Catalist, the sponsor-supervised board of the Singapore Exchange Securities Trading Limited.

On 27 April 2021, the shareholders had approved at an extraordinary general meeting the change of name of the Company from Starland Holdings Limited to Luminor Financial Holdings Limited.

The principal activities of the Company and its subsidiaries (together referred to as the “**Group**”) are

- Financial solutions business; and
- Property development business.

Please refer to Note 4 for information on the Group’s business segments.

On 3 December 2021, GRP Limited (“**GRP**”), the former ultimate holding company of the Company, announced that an aggregate of 120,130,358 shares, representing approximately 83.0% of the total number of Company’s shares had been distributed to the shareholders of the GRP. GRP’s shareholding in the Company has decreased from 83.17% (comprising 120,376,155 shares) to 0.17% (comprising 245,797 shares) of the issued and paid-up ordinary shares in the share capital of the Company.

Pursuant to the distribution in specie of shares in the Company, GRP and GRP Chongqing Land Pte. Ltd. ceased to be the ultimate holding company and immediate holding company of the Company respectively with effect from 3 December 2021.

2. Basis of preparation

The condensed financial statements for the financial year ended 31 December 2021 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 interim condensed 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 gain an understanding of the changes in the Group’s financial position and performance of the Group since the last condensed interim consolidated financial statements for the nine-months ended 30 September 2021.

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

The condensed financial statements are presented in Renminbi (“**RMB**”), and all values are rounded to the nearest thousand (“**RMB’000**”) except when otherwise indicated.

2.1. New and amended standards adopted by the Group

In the current financial period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

2.2. Use of judgements and estimates

In preparing the condensed 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 applied to the consolidated financial statements as at and for the financial year ended 31 December 2020.

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 critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Note 2.3 - Determination of functional currency

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 the following notes:

- Note 12 and 13 - Estimation of net realisable value of development properties and properties held for sale
- Note 11 - Impairment of goodwill
- Note 14 - Calculation of loss allowance
- Note 7 - Income taxes

2.3. Determination of functional currency

SFRS(I) 1–21 The Effects of Changes in Foreign Exchange Rates requires the Company and each of the entities in the Group to determine its functional currency in preparing the financial statements. When determining its functional currency, the Company and the entities in the Group consider the primary economic environment in which each of them operates i.e. the one in which it primarily generates and expends cash. The Company and the entities in the Group may also consider where the funds from financing activities are generated. Management applied its judgement and determined that the functional currency of the Company is Singapore Dollars on the basis that its funding is denominated in Singapore Dollars and its transactions are mainly in Singapore Dollars.

2.4. Bank accounts and fund transfers relating to certain subsidiaries in the PRC

On 19 June 2020, the Company became aware that certain People's Republic of China ("PRC") banks had frozen certain PRC bank accounts of Chongqing Tianhu Land Co., Ltd. ("Tianhu") and Chongqing Gangyuan Property Development Co., Ltd. ("Gangyuan").

These bank accounts were used for normal business operations and fund transfers from these bank accounts were made by the abovementioned PRC subsidiaries aggregating RMB68,025,000 to unrelated third-party PRC entities as designated by the Singapore licensed remittance agent ("Agent") during the financial year ended 31 December 2019. A Singapore subsidiary of the Company had also received fund transfers aggregating SGD12,946,000 from the Agent during the financial year ended 31 December 2019. The receipt of these funds in Singapore were related to the fund transfers made by the abovementioned PRC subsidiaries to these designated third-party PRC entities by the Agent.

The Company had obtained a legal opinion from a firm of PRC legal counsel to confirm that the fund transfers from these bank accounts made by the abovementioned PRC subsidiaries aggregating RMB68,025,000 to unrelated third-party PRC entities did not contravene any PRC laws or regulations. Furthermore, the Company had obtained a legal opinion from a firm of Singapore legal counsel to confirm that the Agent held a remittance license issued by the Monetary Authority of Singapore in accordance with the Money-Changing and Remittance Business Act (Chapter 187 of Singapore). The Agent's license was valid for the period commencing 1 January 2017 to 31 December 2019 (both dates inclusive) when the fund transfers took place.

Legal counsel in the PRC was appointed to pursue the resolution of the matter. The legal counsel initiated communications with the banks and was referred to an officer-in-charge ("OIC") of the case in Yan Ta police station, Shanxi Province Xi'an City, PRC. The OIC requested documents from the Group which the Group provided for their investigation.

These PRC bank accounts have been unfrozen as announced on 24 November 2020. Management has obtained verbal confirmation from the OIC that these PRC bank accounts may be used for normal business operations.

As announced by the Company on 22 October 2021, the Company was informed that the case had been taken over by the State Administration of Foreign Exchange ("SAFE") Hanzhong City Central Branch. The SAFE Officer in-Charge (the "SAFE OIC") requested the Company to submit supporting documents relating to certain payments made in the PRC for their investigation.

As announced by the Company on 19 November 2021, the Company had received Notices of Administrative Penalty (the "Notices") from the SAFE Hanzhong City Central Branch on 15 November 2021. The Notices serve as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulations of the PRC on Foreign Exchange Administration. The details of the imposed penalty are as follows:

Subsidiaries	Fund transferred (RMB'000)	10% Penalty (RMB'000)
Chongqing Tianhu Land Co. Ltd	44,025	4,403
Chongqing Gangyuan Property Development Co. Ltd	24,000	2,400
Total	68,025	6,803

The Company accepted the Notices and the imposed penalty amount of RMB6.8 million was paid to SAFE on 3 December 2021. As a result of the settlement, the significant estimation in relation to this matter was resolved during the financial year ended 31 December 2021.

3. Seasonal operations

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

4. Segment and revenue information

4.1. Revenue

	Group	
	FY2021 RMB'000	FY2020 RMB'000
Income from sale of properties	3,442	33,755
Rental income	1,110	1,245
Interest income and fee income from financial solutions business	22,819	2,377
	<u>27,371</u>	<u>37,377</u>

4.2. Reportable segments

The Group's reportable operating segments comprise the property and financial solutions businesses.

Accordingly, the above are the Group's reportable segments under SFRS(I) 8 Operating Segments.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics and are similar in respect of nature of services and processes and/or their reported revenue.

Segment	Principal activities
(a) Property	Development of residential, commercial and other properties and leasing of properties held for sale to generate rental income
(b) Financial solutions	Interest income and fees from financial solutions business in Malaysia

Information regarding the Group's reportable segments is presented in the tables below.

4.2. Reportable segments (Continued)

Below are the Group's reportable segments as required under SFRS(I) 8 *Operating Segments*

	Property		Financial Solutions		Group	
	FY2021 RMB'000	FY2020 RMB'000	FY2021 RMB'000	FY2020 RMB'000	FY2021 RMB'000	FY2020 RMB'000
Revenue						
External sales	4,552	35,000	22,819	2,377	27,371	37,377
Result						
Segment gross contribution	3,235	5,866	21,888	2,342	25,123	8,208
Other income	216	492	–	121	216	613
Interest income	640	1,375	–	820	640	2,195
Direct expenses	(8,940)	(1,767)	(12,714)	(7,591)	(21,654)	(9,358)
Share of associate loss	–	–	16	(43)	16	(43)
Segment net (loss)/contribution	(4,849)	5,966	9,190	(4,351)	4,341	1,615
Corporate expenses					(5,103)	(5,775)
Loss before income tax					(762)	(4,160)
Income tax expenses					(2,579)	(821)
Loss for the year					(3,341)	(4,981)
Depreciation and amortisation	(316)	(322)	(1,591)	(1,225)	(1,907)	(1,547)
Share of result of associate	–	–	16	(43)	16	(43)

4.3. Segment information

(l) Below are the Group's reportable segments as required under SFRS(l) 8 *Operating Segments* (cont'd)

	Property		Financial solutions		Group	
	31/12/2021 RMB'000	31/12/2020 RMB'000	31/12/2021 RMB'000	31/12/2020 RMB'000	31/12/2021 RMB'000	31/12/2020 RMB'000
Segment assets	81,964	89,204	80,014	32,511	161,978	121,715
Unallocated assets					5,317	44,252
Total assets					167,295	165,967
Segment liabilities	40,329	41,180	16,970	8,132	57,299	49,312
Unallocated liabilities					894	528
Total liabilities					58,193	49,840

4.3. Segment information (continued)

Below are the segments classified by geography. The Group operates in the following geographic segments: Singapore, People's Republic of China and Malaysia.

Segment revenue is based on the location of customers.

Segment assets (non-current assets) are based on the location of these assets.

	Revenue	
	FY2021 RMB'000	FY2020 RMB'000
Singapore	–	23,244
People's Republic of China	4,552	11,756
Malaysia	22,819	2,377
Total	27,371	37,377

	Non-current assets*	
	31/12/2021 RMB'000	31/12/2020 RMB'000
Singapore	14	19
People's Republic of China	48	53
Malaysia	2,866	5,178
Total	2,928	5,250

* Non-current assets information presented above are non-current assets as presented on the consolidated balance sheet excluding financial instruments and deferred tax assets.

5. Significant expenses

Significant expenses include:

	Group	
	FY2021 RMB'000	FY2020 RMB'000
Depreciation of property, plant and equipment	1,022	846
Depreciation of right-of-use assets	885	701
Other expenses	1,050	2,099
Net foreign exchange loss/(gain)	1,410	(251)
Cost of properties held for sale recognised as expenses	1,242	29,037
Management fee charged by former ultimate holding company	2,044	1,917
Employee benefits expense (including directors' remuneration)	6,722	4,715
Other expenses _ penalty expense (Note 2.4)	6,803	–

6. Related party transactions

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

	Group	
	FY2021	FY2020
	RMB'000	RMB'000
Management fee expenses paid to the former ultimate holding company	2,044	1,917
Interest expense on amount due to director *	211	-
Interest expense on amount due to NCI**	243	-

* Amount due to director is unsecured, bearing fixed interest at 10% per annum and payable within the next 12 months.

** Amount due to NCI is unsecured, bearing fixed interest at 6.5% per annum and payable within the next 6 months.

7. Income tax expenses

	Group	
	FY2021	FY2020
	RMB'000	RMB'000
Current tax:		
PRC enterprise income tax	180	138
PRC land appreciation tax	163	204
Singapore corporate income tax	274	85
Malaysia corporate income tax	1,962	195
	<hr/>	<hr/>
	2,579	622
Deferred tax:		
Origination of temporary differences	-	199
	<hr/>	<hr/>
Total income tax expense	2,579	821

8. Loss per share

The calculation of the basic and diluted (loss)/earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	FY2021	FY2020
Net loss attributable to owners of the Company (RMB'000)	(6,062)	(3,571)
Weighted average number of ordinary shares outstanding basic and diluted earnings per share ('000)	144,733	144,733
Basic and diluted loss per share (RMB) (cents per share)	(4.19)	(2.47)

The basic and diluted loss per share for the respective financial year under review were the same as the Company did not have potentially dilutive ordinary shares as at 31 December 2021 and 31 December 2020 respectively.

The basic and diluted earnings per share were calculated based on the net loss attributable to the owners of the Company for the respective financial year under review.

9. Net asset value

Net asset value (for the issuer and Group) per ordinary share based on issued share capital at the end of the:

- (a) Current financial period/year reported on; and
- (b) Immediately preceding financial year.

	Group	
	31/12/2021	31/12/2020
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial year (RMB)	0.74	0.80
- Number of ordinary shares at the end of financial year ('000)	144,733	144,733
	Company	
	31/12/2021	31/12/2020
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial year (RMB)	0.21	0.26
- Number of ordinary shares at the end of financial year ('000)	144,733	144,733

10. Property, plant and equipment

During the year ended 31 December 2021, the Group acquired assets amounting to RMB0.1 million (31 December 2020: RMB1.7 million) and there were no disposals (31 December 2020: Nil).

11. Goodwill

	Group	
	31/12/2021	31/12/2020
	RMB'000	RMB'000
Cost		
At beginning of financial year	3,075	-
Additions	-	3,075
Foreign currency translation	(59)	-
At end of financial year	3,016	3,075
Accumulated impairment		
At beginning of financial year	(2,099)	-
Impairment charge	-	(2,099)
At end of financial year	(2,099)	(2,099)
Net carrying value at end of financial year	917	976

11. Goodwill (cont'd)

Impairment test for goodwill

Goodwill acquired in a business combination is allocated to the cash generating units (CGUs) that are expected to benefit from that business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

	31/12/2021	31/12/2020
	RMB'000	RMB'000
Luminor Malaysia and its subsidiaries (excluding SA Puncak)	2,099	2,099
SA Puncak	917	976

12. Properties Held for Sale

	Group	
	31/12/2021	31/12/2020
	RMB'000	RMB'000
At cost or net realisable value	25,101	26,344

Properties held for sale as at 31 December 2021 and 31 December 2020 are as follows:

Location	Description	31/12/2021		31/12/2020	
		Gross floor area (sq. meters)	Group's effective interest	Gross floor area (sq. meters)	Group's effective interest
89 Julong Avenue, Lidu, Fuling District, Chongqing, PRC	Commercial units and carpark units	4,650	100%	4,650	100%
8 Wubao Road, Fuling District, Chongqing, PRC	Residential units, commercial units and carpark units	4,914	100%	5,663	100%

13. Development Properties

	Group	
	31/12/2021	31/12/2020
	RMB'000	RMB'000
Land use rights	9,143	9,143
Amortisation of land use right	(2,408)	(2,179)
Net land use rights	6,735	6,964
Development cost	1,449	1,449
	8,184	8,413

The Group's development properties comprise a 25,560 square meter land parcel located at Zone 5, Dianyi Residential Committee, Jiangbei Office, Fuling District, Chongqing, PRC.

During the financial year ended 31 December 2021, the Company announced that our indirectly wholly-owned subsidiary, Gangyuan Property Development Co., Ltd accepted the Offer of RMB42,940,100 as compensation for repossession of the Land from the Fuling District local authority.

The repossession value of the land offered by the local authority is above the carrying value of RMB8,184,000 as at 31 December 2021 (2020: RMB8,413,000).

On 17 February 2022, the Company announced that our indirectly wholly-owned subsidiary, Chongqing Gangyuan Property Development Co., Ltd has received the full payment of RMB42,940,100 from Fuling District local authority on 16 February 2022 as compensation for repossession of the Land.

14. Trade And Other Receivables

	Group		Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	RMB'000	RMB'000	RMB'000	RMB'000
<u>Current</u>				
Trade receivables	3,683	71	-	-
Loan advances	2,836	8,981	-	-
Factoring receivables	51,870	2,263	-	-
Other receivables from third parties	4,218	1,200	-	-
Other receivables from subsidiaries	-	-	81,221	51,056
Other receivables from associate	-	173	-	-
Other receivables from non-controlling interests	-	176	-	-
Deposits	564	424	32	49
Interest receivable from fixed deposit	186	69	-	-
Prepayments	1,004	103	-	-
Advance to a third party	3,175	4,391	-	-

Advances to suppliers	2	2	-	-
	67,538	17,853	81,253	51,105
<u>Non-current</u>				
Loan advances	-	1,972	-	-
Total trade and other receivables	67,538	19,825	81,253	51,105

Management expects that the allowance for expected credit loss to be immaterial after considering the value of collaterals mortgaged by the borrowers for loan advances, and the historical default experience and the credit information obtained during the year review of customer file, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate.

15. Due to minority shareholders

During the financial year ended 31 December 2021, the Group reclassified the balance of RMB1,184,100 from due to minority interest to other payables as this minority shareholder has disposed of its interest in Luminor Capital (Malaysia) Sdn. Bhd.

In addition, additional advances of RMB11,784,000 were received from a minority shareholder. These advances are unsecured, interest bearing at 6.5% per annum, and repayable within the next 6 months.

16. Lease liabilities

Lease liabilities of the Group amounting to RMB0.6 million (approximately RM0.4 million) as at 31 December 2021 (31 December 2020: RMB1.3 million, approximately RM0.8 million) are secured by the right to the leased office in Malaysia.

	Group	
	31/12/2021	31/12/2020
	RMB'000	RMB'000
Amount repayable within one year		
Secured	610	618
Unsecured	-	-
	610	618
Amount repayable after one year		
Secured	-	649
Unsecured	-	-
	-	649
	610	1,267

17. Share capital

	Group and Company			
	31/12/2021		31/12/2020	
	No. of shares		No. of shares	
	000	RMB'000	000	RMB'000
Issued and fully paid ordinary shares				
At the beginning and the end of financial year	144,733	24,471	144,733	24,471

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

18. Financial instruments

	Group		Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets carried at amortised cost	187,975	124,918	86,523	95,749
Financial liabilities carried at amortised cost	20,531	10,783	56,218	57,914

19. Subsequent events

On 28 January 2022, the Company announced that our wholly-owned subsidiary, Starland Axis Pte.Ltd.(“**SAPL**”) has entered into a binding memorandum of understanding in relation to (1) the proposed acquisition of shares in the capital of Luminor Capital (Malaysia) Sdn Bhd; and (2) the proposed acquisition of shares in the capital of Funded Here Pte Ltd. Please refer to the announcement dated 28 January 2022 for more information.

On 12 February 2022, the Company announced that SAPL has entered into a sale and purchase agreement in relation to the proposed acquisition of shares in the capital of Funded Here Pte. Ltd. Please refer to the announcement dated 12 February 2022 for more information.

The Group accepted the Offer of RMB42,940,100 as compensation for repossession of Royal Waterhouse Land from Fuling District local authority in PRC as announced by the Company on 30 November 2021 and the full payment has been received on 16 February 2022.

Other information required per Appendix 7C of the Catalist Rules

- 1(i) 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.**

The Company's share capital remained unchanged at RMB24,471,000 comprising 144,733,000 shares as at 31 December 2021 and 30 September 2021.

The Company did not have any outstanding convertibles as at 31 December 2021 and 31 December 2020.

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2021 and 31 December 2020.

- 1(ii) 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.**

	Company	
	31 December 2021	31 December 2020
Total number of issued shares	144,733,000	144,733,000

The Company did not have any treasury shares as at 31 December 2021 and 31 December 2020.

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

Not applicable.

- 1(iv) 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.

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

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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**

The Company's auditors, Messrs Baker Tilly TFW LLP, have issued their Independent Auditor's Report with an "except for" qualified opinion on the Group's financial statements for the financial year ended 31 December 2020 due to their inability to obtain sufficient audit evidence on:

- (i) Whether the Group has the rights and ability to recover the bank balances in the PRC bank accounts; and
- (ii) Whether the fund transfers are in compliance with applicable laws and regulations in the PRC and Singapore. It is not practicable to estimate the potential financial impact, if any, to the Group in the event of any breach of applicable laws and regulations.

The auditor's report on the Group's financial statements for the financial year ended 31 December 2019, issued by the Company's previous auditors, Messrs Ernst & Young LLP on 15 April 2020, included a qualification due to the auditor's inability to obtain sufficient audit evidence on whether the fund transfers are in compliance with applicable laws and regulations in the PRC and Singapore.

On 19 June 2020, the Company became aware that certain PRC banks had frozen certain PRC bank accounts of Tianhu and Gangyuan. These PRC bank accounts had been unfrozen on 24 November 2020. The Management had obtained verbal confirmation from the officer-in-charge of the case that these PRC bank accounts may be used for normal business operations.

On 22 October 2021, the Company was informed that the case had been taken over by SAFE. The SAFE OIC has requested the Company to submit supporting documents relating to certain payments made in the PRC for their investigation. Management has collated the requested documents and submitted them to the SAFE OIC on 8 November 2021.

On 19 November 2021, the Company had received Notices from SAFE. The Notices serve as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulation of the PRC SAFE.

The Company had accepted the Notices and the imposed penalty amount of RMB6.8 million was paid to SAFE on 3 December 2021. As a result of the settlement, this matter had been resolved during the financial year ended 31 December 2021.

Based on current available information, the Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

4. 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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

4QFY2021 and Financial year ended 31 December 2021 ("FY2021") vs. 4QFY2020 and Financial year ended 31 December 2020 ("FY2020")

Revenue

Our revenue is derived from the sale of properties, rental income from leasing of our properties in the PRC, interest income and fees from loans and invoice factoring services provided in Malaysia by Luminor Capital (Malaysia) Sdn. Bhd. and its subsidiaries ("**Luminor Malaysia**").

The following table shows the breakdown of the revenue:

	4QFY2021		4QFY2020	
	RMB'000	% of Total Revenue	RMB'000	% of Total Revenue
Sales of properties	119	1.0%	1,978	54.7%
Rental income	296	2.5%	225	6.2%
Interest income and fees from loans and invoice factoring	11,462	96.5%	1,412	39.1%
	11,877		3,615	

	FY2021		FY2020	
	RMB'000	% of Total Revenue	RMB'000	% of Total Revenue
Sales of properties	3,442	12.5%	33,755	90.3%
Rental income	1,110	4.1%	1,245	3.3%
Interest income and fees from loans and invoice factoring	22,819	83.4%	2,377	6.4%
	27,371		37,377	

Composition of Revenue

The property business contributed 3.5% (4QFY2020: 60.9%) and the financial solutions business contributed 96.5% (4QFY2020: 39.1%) of total revenue in 4QFY2021.

The property business contributed 16.6% (FY2020: 93.6%) and the financial solutions business contributed 83.4% (FY2020: 6.4%) of total revenue during the financial year FY2021. The change is due to the property business reaching the tail end of sales of its projects and the growth of the financial solutions business. The shift in composition is in line with the Group's long-term goal of switching from the property business to the financial solutions business.

Sales of properties

4QFY2021 revenue for the property business at RMB0.4 million was lower than 4QFY2020 by RMB1.8 million.

FY2021 revenue for the property business at RMB4.6 million was lower than FY2020 by RMB30.4 million.

This was due to lower sales as can be seen from the table below:

Sales	4QFY2021	4QFY2020
Singapore Garden in PRC	1 car park space	2 residential units 2 car park spaces
University Town in PRC	-	-
Jalan Nipah in Singapore	-	-

Sales	FY2021	FY2020
Singapore Garden in PRC	2 residential units 14 car park spaces	7 residential units 42 car park spaces
University Town in PRC	-	-
Jalan Nipah in Singapore	-	1 semi-detached house

The Group still has inventory for its Singapore Garden and University Town projects in the PRC. The last semi-detached house for the Jalan Nipah project in Singapore was sold in FY2020 and will not contribute to the Group's revenue figures going forward.

The lower sales of properties can be attributed to the Group stopping all promotional sales activities due to the COVID-19 pandemic, as well as the overall weak property market in the PRC. In addition, the Company has reached the tail end of its projects with only 9 residential units, 23 commercial units and 27 carpark spaces left for the Singapore Garden project, 2 commercial units and 32 carpark spaces left for the University Town project as at 31 December 2021.

Rental income

The Group's rental income is derived from the leasing of the Group's commercial units at both University Town project and Singapore Garden project in PRC. The Group leased out 6 commercial units of the Singapore Garden project and 1 commercial units of the University Town project during FY2021.

Rental income remained steady at RMB0.3 million in 4QFY2021 (vs 4QFY2020: RMB0.2 million) and at RMB1.1 million in FY2021 as compared to RMB1.2 million for FY2020. The decrease of RMB0.1 million in FY2021 was due to a reduction in rental rates in response to the weak property market conditions during the year under review.

Interest income and fee from loans and invoice factoring

Revenue from the financial solutions business increased by RMB20.4 million to RMB22.8 million for FY2021 as compared to RMB2.4 million for FY2020. There was a significant increase in revenue generated from 3QFY2021 onwards due to additional capital deployed in the factoring business. This demonstrates significant growth in the financial solutions business, which is in line with the Group's strategy to shift to the financial solutions business.

Cost of sales

Cost of sales for the property business mainly comprises costs incurred directly for our property development activities. It is determined by apportionment of the total land costs and development costs during the development period with such apportionment based on the Gross Floor Area ("GFA") of which the properties have been successfully delivered to the customers.

Cost of sales for Luminor Malaysia mainly comprises commission paid to sales staff and interest costs.

Cost of sales decreased by 93.2% (RMB1.6 million) in 4QFY2021 as compared to 4QFY2020. Cost of sales decreased by 92.3% (RMB27.0 million) in FY2021 as compared to FY2020. A

significant portion of cost of sales in FY2020 was incurred by the property business on the sale of the Jalan Nipah property in Singapore. As such, the significant decrease in cost of sales is in line with significantly lower revenue from properties sales.

Gross profit and Profit margin

The following table shows the revenue, gross profit and profit margin by operating segments.

	Property		Financial Solutions		Group	
	4QFY2021	4QFY2020	4QFY2021	4QFY2020	4QFY2021	4QFY2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	415	2,203	11,462	1,412	11,877	3,615
Gross profit	299	521	11,461	1,377	11,760	1,898
Profit Margin	72.0%	23.6%	99.99%	97.5%	99.0%	52.5%

	Property		Financial Solutions		Group	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	4,552	35,000	22,819	2,377	27,371	37,377
Gross profit	3,235	5,866	21,888	2,342	25,123	8,208
Profit Margin	71.1%	16.8%	95.9%	98.5%	91.8%	22.0%

Gross profit increased from RMB1.9 million in 4QFY2020 to RMB11.8 million in 4QFY2021. Gross profit increased from RMB8.2 million in FY2020 to RMB25.1 million in FY2021. Gross profit margins also increased from 22.0% in FY2020 to 91.8% in FY2021.

Gross profit margin for the property business was 71.1% for FY2021 and 16.8% for FY2020. The lower gross profit margin in FY2020 was due to the sale of 1 semi-detached house for the Jalan Nipah project in Singapore for which only land cost of that unit was recovered hence no gross profit was recognised in FY2020.

Gross profit margin for the financial solutions business was 95.9% for FY2021 and 98.5% for FY2020. The high gross profit margin can be attributed to the fact that the source of financing for the financial solutions business is presently from the Company and its minority shareholders.

Other income

Other income decreased by RMB0.2 million in 4QFY2021 as compared to 4QFY2020 and decreased by RMB0.4 million in FY2021 as compared to FY2020. The decrease was mainly due to reduced government grants in relation to COVID-19 relief received from the Singapore government in FY2021.

Interest income

Interest income slightly increased in 4QFY2021 as compared to 4QFY2020 and decreased by RMB1.6 million in FY2021 as compared to FY2020. This is mainly due to the non-recurring interest income received under the joint development arrangement of the Jalan Nipah project in Singapore during FY2020. Also, bank balances which were previously maintained in fixed deposits to generate interest income were utilised to finance the expansion of the factoring business in FY2021.

Other expenses

Other expenses of RMB6.8 million in 4QFY2021 and RMB7.6 million in FY2021 was due to an impairment charge of RMB0.8 million on investment in associates and non-recurring penalty amount of RMB6.8 million for the funds transferred from PRC bank accounts to Singapore in FY2019 arising from the property business in the PRC. The other expenses of RMB2.1 million

in FY2020 was due to impairment charge on goodwill arising from the acquisition of Luminor Malaysia.

Finance costs

Finance costs relate mainly to the interest expense on lease liabilities. The decrease in finance costs from RMB0.5 million in FY2020 to RMB0.07 million in FY2021 was due to lease(s) which expired in FY2020.

Selling expenses

The Group's selling expenses mainly comprise sales and marketing staff costs, advertisement and promotional expenses and documentation charges for property transfers. The slight decrease in selling expenses for FY2021 was due to decreased advertisement costs incurred.

Administrative expenses

Administrative expenses comprise mainly staff costs, depreciation, management fee payable to former ultimate holding company, travelling and transport, professional expenses and value added taxes ("**VAT**") payable to the PRC tax authority.

Administrative expenses increased by RMB3.1 million in 4QFY2021 and increased by RMB6.6 million in FY2021. This was mainly due to additional staff costs incurred by the financial solutions business (headcount increased from 13 in FY2020 to 33 in FY2021) and depreciation incurred by Luminor Malaysia during FY2021.

Income tax expenses

Income tax expenses related to enterprise income tax, land appreciation tax in the PRC and provision of withholding tax on undistributed profits of the PRC subsidiaries.

The increase in income tax expense of RMB1.8 million in FY2021 is mainly due to an increase in corporate tax of RMB1.7 million arising from the financial solution business in Malaysia.

CONDENSED BALANCE SHEET

Non-current assets

As at 31 December 2021, non-current assets of RMB3.9 million consist of property, plant and equipment, investment in associate, deferred tax assets, goodwill, intangible assets and right-of-use assets.

(i) Property, plant and equipment

The RMB0.7 million decrease in property, plant and equipment is due to depreciation charge of RMB0.8 million partially offset by the addition of property, plant and equipment of RMB0.1 million during FY2021.

(ii) Investment in associate

The balance of RMB0.04 million related to investment cost of RMB0.66 million and 49% equity accounting of the investment amounting to RMB0.18 million in Fiscalab Capital Market Sdn. Bhd. ("**Fiscalab**"). Fiscalab is in the business of providing corporate advisory services. An impairment loss of RMB 0.8 million was recognised during FY2021.

(iii) Goodwill

Goodwill is in relation to the Group's acquisition of SA Puncak Management Sdn. Bhd. during the financial year ended 31 December 2020.

(iv) Right-of-use assets

The RMB 0.9 million decrease in right-of-use assets is due to depreciation charged during FY2021.

Current assets

As at 31 December 2021, current assets which amounted to RMB163.4 million mainly consist of cash and bank balances, trade receivables, other receivables and deposits, loan advances, factoring advances, properties held for sale and development properties.

Trade and other receivables mainly consist of trade receivables, other receivables and deposit, loan advance and factoring receivables. The amount increased by RMB49.7 million to RMB67.5 million as at 31 December 2021. This was mainly due to higher loan advance, factoring receivables and office rental deposit resulting from expansion in the financial solutions business in Malaysia.

Properties held for sale comprise the completed but unsold units of Singapore Garden project and University Town project in PRC, which amounted to RMB16.7 million and RMB8.4 million respectively as at 31 December 2021. The decrease of RMB1.2 million is due to the continual sale of properties for the Singapore Garden project during FY2021.

Development properties amounting to RMB8.1 million is related to the Royal Waterhouse land in PRC.

Current liabilities

As at 31 December 2021, current liabilities of RMB54.8 million consist of trade payables, amounts due to former ultimate holding company, other payables and accruals, contract liabilities, amounts due to minority shareholders, amounts due to director, lease liabilities and income tax payable.

Amount due to former ultimate holding company decreased by RMB0.04 million as at 31 December 2021 as compared to 31 December 2020. This was due to repayment made during the year FY2021.

Other payables and accruals, which mainly comprised deposits from tenants, advance rental, accrued expenses, amount due to associate and amount due to third parties, increased by RMB1.9 million in FY2021. The increase was mainly due to the reclassification of amount due to former minority shareholders of RMB1.0 million to amount due to third parties and an increased amount of RMB1.4 million due to the professional fees incurred during the year. The RMB2.4 million increase was offset by a decrease of RMB0.5 million in other payables and accrued expenses as the Group has been returned the retention money to its suppliers.

Contract liabilities of RMB0.6 million as at 31 December 2021 pertain to advance receipt from sale of properties in the PRC.

Amount due to minority shareholders of RMB10.8 million is related to the financial solutions business in Malaysia. The increase of RMB9.6 million was due to the additional short-term loan amount of RMB10.8 million from minority shareholders which was partially offset by a

RMB1.0 million decrease due to the reclassification of RMB1.0 million for amount due to former minority shareholders to other payables as this minority shareholder has disposed of its interest in Luminor Malaysia.

Amount due to director decreased by RMB0.9 million in FY2021 was due to repayment made during the year FY2021 and a repayment waiver given by the director to offset an impairment loss on the non-current trade receivable which was not recoverable.

Income tax payable increased by RMB1.0 million in FY2021. This was mainly due to the increase in Group income tax payable amounting to RMB1.04 million which was offset by repayment of withholding tax of RMB0.04 million in Malaysia during FY2021.

Non-Current Liabilities

As at 31 December 2021, non-current liabilities of RMB3.4 million consist of provision for restoration and deferred tax liabilities.

Amount due to director is Nil as at 31 December 2021 as compared to RMB2.1 million as at 31 December 2020. This was due to reclassification of amount due to the director of RMB2.1 million to current liabilities.

Provision for restoration of RMB0.5 million was recorded for reinstatement of the office premises in Malaysia when the lease of its office ends.

Shareholders' equity

Shareholders' equity consists of issued share capital, other reserves, retained earnings and non-controlling interest. As at 31 December 2021, shareholders' equity amounted to RMB109.1 million.

CONSOLIDATED CASH FLOW STATEMENT

For FY2021, net cash used in operating activities of RMB47.7 million was mainly due to the increase in trade and other receivables, deposits and loan advance of RMB48.7 million resulting from expansion of the financial solutions business in Malaysia.

Net cash flow used in investing activities amounted to RMB0.2 million in FY2021, which was mainly due to the purchase of property, plant and equipment and intangible assets.

Net cash flow generated from financing activities amounted to RMB8.3 million in FY2021, which was mainly due to the increased amount due to minority shareholders of RMB11.7 million offset by repayment waiver given by the director and repayment to the director of RMB2.7 million and repayment of lease liabilities at RMB0.7 million.

As at 31 December 2021, cash and cash equivalents amounted to RMB62.5 million.

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

No specific forecast or prospect statement were made previously and the Group's performance for the period under review is in line with expectations disclosed in prior announcements.

6. 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 Group will continue to sell the remaining residential units (9 units), commercial units (25 units) and carpark spaces (59 lots) for the Singapore Garden project and University Town project in Fuling District of Chongqing, PRC. The Group accepted the Offer of RMB42,940,100 as compensation for repossession of Royal Waterhouse Land from Fuling District local authority in PRC as announced by the Company on 30 November 2021 and the full payment has been received on 16 February 2022.

The Group will continue to pursue the expansion of the financial solutions business in Malaysia as well as in Singapore.

The global pandemic continues to impact all the business segments of the Group. Amid the profound uncertainties, the residential property market in Fuling district of Chongqing, PRC where the Singapore Garden project and University Town projects are located and the financial solutions business in Malaysia are expected to be challenging for the next 12 months.

Despite the highly infectious Omicron causing the largest waves since the start of the COVID-19 pandemic, the economy is recovering. However, we will continue to be cautiously optimistic and vigilant.

7. Dividend

If a decision regarding dividend has been made:-

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

No dividend has been declared for FY2021.

(b) Amount per share (cents) and previous corresponding period (cents).

No dividend has been declared for FY2020.

(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 Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared for FY2021.

The Company does not have a formal dividend policy. In view of the weak market conditions, the Company will preserve its cash balances for expansion in the financial solutions business in Malaysia.

9. Confirmation pursuant to Rule 720(1) of the Catalist Rules

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

10. 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). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920	Aggregated value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000
GRP Limited (former ultimate holding company) - Management fee expense	S\$420,000 (RMB1,981,980)	-
Kwan Chee Seng -Interest expense on amount due to director	RM135,200(RMB211,236)	-

GRP which was the Group’s ultimate holding company, had ceased to be the holding company on 3 December 2021.

Mr Kwan Chee Seng is the Non-Executive Director of the Company and Executive Director of GRP Limited, the former ultimate holding Company. Mr Kwan is also a controlling shareholder of GRP Limited.

The Group does not have a general mandate for IPT.

11. Disclosure of Acquisition (including incorporations) and sale of shares under Catalyst Rule 706A.

On 1 October 2021, the Group had completed the acquisition of the balance 20% equity interest (which is equivalent to 108,000 ordinary shares) in Luminor Credit Sdn. Bhd. ("LCSB") for a consideration of RM100,000. LCSB is a wholly-owned subsidiary of Luminor Capital (Malaysia) Sdn.Bhd.("LCMSB") and the Company's effective interest in LCSB is 51%. Please refer to the announcement dated 8 September 2021 for more information.

On 30 September 2021, SA Puncak Sdn Bhd ("SA Puncak"), 43.35% effective interest held by the Group and 85% owned subsidiary of LCMSB, had increased its share capital from RM220,000 to RM1,000,000 by way of capitalisation of profit. On 30 December 2021, SA Puncak had further increased its share capital from RM1,000,000 to RM2,500,000 by way of capitalisation of profit. The Group's effective interest in SA Puncak remains unchanged at 43.35%.

On 30 December 2021, EI Nuwr Sdn. Bhd ("EI Nuwr"), 51% effective interest held by the Group and wholly-owned subsidiary of LCMSB, had increased its share capital from RM100 to RM200,000 by way of capitalisation of profit. The Group's effective interest in EI Nuwr remains unchanged at 51%.

12. 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 – Review of performance – for further details.

13. A breakdown of sales.

	Group	
	12 months ended 31/12/2021	12 months ended 31/12/2020
	RMB'000	RMB'000
Sales reported for first half year (Loss)/profit after tax reported for first half year	7,536 (1,656)	9,587 (293)
Sales reported for second half year (Loss)/profit after tax reported for second half year	19,835 (1,685)	27,790 (4,688)

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

Not applicable.

15. **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). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with the CEO, any director, and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any during the year
Kelvin Kwan Chee Hong	68	Brother of Mr Kwan Chee Seng, non-executive director of the Company and executive director and substantial shareholder of GRP Limited, former ultimate holding company. Uncle of Ms Kwan Yu Wen, Executive Director of the Company.	General Manager Date of appointment: 18 Feb 2016	NA

BY ORDER OF THE BOARD

**Kwan Yu Wen
Executive Director
28 February 2022**