



VCPLUS LIMITED

(Company Registration No.: 201531549N)
(Incorporated in the Republic of Singapore)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022**

*This announcement has been prepared by VCPlus 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 relevant rules of the Singapore Exchange Securities Trading Limited ("**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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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

The board (the "Board") of directors (the "Directors") of VCPlus Limited (the "Company") hereby announces the condensed interim consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for six months financial period ended 31 December 2022 and financial year ended 31 December 2022, together with the comparative figures for the six months financial period ended 31 December 2021 and financial year ended 31 December 2021. The Group's full year results for the six months and financial year ended 31 December 2022 are unaudited.

	Note	6 months ended			12 months ended		
		31.12.2022	31.12.2021	Incr/ (Decr) %	31.12.2022	31.12.2021	Incr/ (Decr) %
		S\$'000 (Unaudited)	S\$'000 (Unaudited)		(Restated)	S\$'000 (Unaudited)	
Revenue	3	568	197	188	972	197	393
Other income	4	99	52	90	220	67	228
Raw materials and consumables used		(74)	-	N.M.	(141)	-	N.M.
Depreciation and amortisation expense		(129)	(39)	231	(269)	(43)	526
Employee benefits expenses		(545)	(894)	(39)	(1,431)	(1,150)	24
Operating lease expenses		(2)	(23)	(91)	(11)	(31)	(65)
Other expenses		(1,942)	(902)	115	(2,238)	(1,135)	97
Loss allowance on third party trade receivables		(21)	-	N.M.	(21)	-	N.M.
Finance costs	5	(8)	(17)	(53)	(17)	(46)	(63)
Loss before income tax from continuing operations	6	(2,054)	(1,626)	26	(2,936)	(2,141)	37
Income tax expense		1	1	-	(6)	1	N.M.
Loss from continuing operations	6	(2,053)	(1,625)	26	(2,942)	(2,140)	37
(Loss)/Profit from discontinued operation, net of tax	7	(100)	103	N.M.	(200)	(334)	(40)
Loss for the financial period		(2,153)	(1,522)	41	(3,142)	(2,474)	27
Other comprehensive income:							
Item that may be reclassified:							
subsequently to profit and loss							
- Exchange differences on translating foreign operations		-	-		(84)	(244)	(66).
Total comprehensive income for the financial period		(2,153)	(1,522)	41	(3,226)	(2,718)	19
(Loss)/Profit for the financial period attributable to owners of the parent:							
Loss from continuing operations, net of tax		(1,956)	(1,568)	25	(2,749)	(2,083)	32
(Loss)/Profit from discontinued operations, net of tax		(100)	103	(197)	(200)	(334)	(40)
		(2,056)	(1,465)	40	(2,949)	(2,417)	22
Non-controlling interest		(97)	(57)	70	(193)	(57)	239
		(2,153)	(1,522)	41	(3,142)	(2,474)	27
Total comprehensive income attributed to owners of the parent:							
Loss from continuing operations, net of tax		(1,956)	(1,568)	25	(2,833)	(2,327)	22
(Loss)/Profit from discontinued operations, net of tax		(100)	103	N.M.	(200)	(334)	(40)

		(2,056)	(1,465)	40	(3,033)	(2,661)	14
Non-controlling interest		(97)	(57)	70	(193)	(57)	239
		(2,153)	(1,522)	41	(3,226)	(2,718)	19

(Loss)/Profit per share attributable to owners of the Company

S\$ cents (continuing operations)	15	(0.0430)	(0.0384)	(0.0603)	(0.0511)
S\$ cents (discontinuing operations)	15	(0.0022)	0.0025	(0.0044)	(0.0082)

N.M. – Not meaningful

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	Group			Company		
		31.12.2022 S\$'000 (Unaudited)	31.12.2021 (Restated) S\$'000 (Unaudited)	1.1.2021 (Restated) S\$'000 (Unaudited)	31.12.2022 S\$'000 (Unaudited)	31.12.2021 (Restated) S\$'000 (Unaudited)	01.01.2021 (Restated) S\$'000 (Unaudited)
Non-current assets							
Property, plant and equipment	8	107	571	1,065	98	11	-
Mine properties	9	-	38	418	-	-	-
Intangible assets	11	2,406	3,768	-	-	-	-
Investments in subsidiaries	10	-	-	-	3,710	5,812	23,032
Right-of-use assets		247	416	-	247	374	-
		2,760	4,793	1,483	4,055	6,197	23,032
Current assets							
Inventories		-	49	104	-	-	-
Trade and other receivables	12	279	542	1,122	1,282	49	613
Prepayments		776	516	31	29	84	4
Cash and cash equivalents		2,217	2,012	868	1,864	1,213	414
		3,272	3,119	2,125	3,175	1,346	1,031
Total Assets		6,032	7,912	3,608	7,230	7,543	24,063
Less:							
Current liabilities							
Trade and other payables	13	862	1,100	2,112	1,355	930	166
Lease liabilities		133	159	88	133	126	-
Borrowings		-	-	3,578	-	-	3,578
		995	1,259	5,778	1,488	1,056	3,744
Net current assets/(liabilities)		2,277	1,860	(3,653)	1,687	290	(2,713)
Less:							
Non-current liabilities							
Lease liabilities		141	298	161	139	273	-
Deferred tax liabilities		71	71	-	-	-	-
		212	369	161	139	273	-
Net assets/(liabilities)		4,825	6,284	(2,331)	5,603	6,214	20,319
Equity							
Share capital	14	98,386	96,713	85,548	98,386	96,713	85,548
Other reserves		(187)	(39,247)	(38,966)	94	-	-
Currency translation reserve		1,435	1,519	1,763	-	-	-
Accumulated losses		(95,008)	(53,093)	(50,676)	(92,877)	(90,499)	(65,229)

Equity attributable to owners of the parent	4,626	5,892	(2,331)	5,603	6,214	20,319
Non-Controlling Interest	199	392	-	-	-	-
	4,825	6,284	(2,331)	5,603	6,214	20,319

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 31 DECEMBER 2022**

	Share Capital	Foreign Currency Translation Reserve	Other reserve	Accumulat ed Losses	Non- controlling Interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
Balance at 1 January 2022	96,713	8	(39,247)	(53,093)	392	4,773
Effect of Change in presentation currency	-	1,511	-	-	-	1,511
At 1 January 2022, as restated Non-Controlling Interest upon Incorporation	96,713	1,519	(39,247)	(53,093)	392	6,284
Loss for the financial period	-	-	-	(2,949)	(193)	(3,142)
Other comprehensive income for the financial period						
Exchange differences	-	(84)	-	-	-	(84)
Transfer of merger reserve due to disposal of subsidiary ⁽¹⁾	-	-	38,966	(38,966)	-	-
Total comprehensive income for the financial period	-	(84)	38,966	(41,915)	(193)	(3,226)
Transaction with owners:						
Issuance of new ordinary shares: Pursuant to bonds settlement and new placement	1,673	-	-	-	-	1,673
Recognition of share based payment	-	-	94	-	-	94
Total transactions with owners	1,673	-	94	-	-	1,767
Balance at 31 December 2022	98,386	1,435	(187)	(95,008)	199	4,825
Balance at 1 January 2021	85,548	9	(38,966)	(50,676)	-	(4,085)
Effect of Change in presentation currency	-	1,754	-	-	-	1,754
Balance at 1 January 2021	85,548	1,763	(38,966)	(50,676)	-	(2,331)
Loss for the financial period	-	-	-	(2,417)	(57)	(2,474)
Other comprehensive income for the financial period						
Exchange differences	-	(244)	-	-	-	(244)
Total comprehensive income for the financial period	-	(244)	-	(2,417)	(57)	(2,718)
Transaction with owners:						
Issuance of new ordinary shares pursuant to bonds extension	11,165	-	-	-	-	11,165
Total transactions with owners	11,165	-	-	-	-	11,165
Excess of consideration paid recog in equity	-	-	(281)	-	449	168
Balance at 31 December 2021	96,713	1,519	(39,247)	(53,093)	392	6,284

Note: (1) Upon the completion of the disposal of GGTM, the associated merger reserves of S\$38.97 million has been transferred to accumulated losses. Refer to Note 7 for details

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (CONTINUED)**

	Share Capital S\$'000	Share Option Reserve S\$'000	Accumulated Losses S\$'000	Total equity S\$'000
The Company				
Balance at 1 January 2022	96,713	-	(90,499)	6,214
Loss for the financial period	-	-	(2,378)	(2,378)
Total comprehensive income for the financial period	-	-	(2,378)	(2,378)
Issuance of new ordinary shares: Pursuant to new placement	1,673	-	-	1,673
Recognition of share based payment	-	94	-	94
Balance at 31 December 2022	98,386	94	(92,877)	5,603
Balance at 1 January 2021	85,548	-	(65,229)	20,319
Loss for the financial period	-	-	(25,270)	(25,270)
Exchange differences	-	-	-	-
Total comprehensive income for the financial period	-	-	(25,270)	(25,270)
Transaction with owners:				
Issuance of new ordinary shares done	11,165	-	-	11,165
Balance at 31 December 2021	96,713	-	(90,499)	6,214

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

	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Restated) (Unaudited)
Operating activities		
Loss before income tax from continuing operations	(2,936)	(2,141)
Loss before income tax from discontinued operations	(200)	(334)
Loss before income tax, total	(3,136)	(2,475)
Adjustments for:		
Amortisation of Intangible asset	80	6
Amortisation of mining properties	-	43
Share based compensation	94	-
Depreciation of property, plant and equipment	94	182
Interest expenses	18	57
Depreciation of ROU asset	134	-
Loss allowance on third party trade receivables	21	-
Loss on disposal of property, plant and equipment	-	68
Gain on disposal of subsidiary	(13)	-
Impairment loss on goodwill	1,220	-
Impairment loss on Intangibles assets	62	-
Gain on settlement of claims and disputes	-	(542)
Reversal of impairment losses on third party trade receivables	-	(161)
Inventories written off	-	60
Mining properties written-off	-	331
Plant and equipment written-off	-	135
Unrealised foreign exchange difference	-	(2)
Forex exchange differences	-	(329)
Operating cash flows before working capital changes	(1,426)	(2,627)
Working capital changes:		
Inventories	9	(6)
Trade and other receivables	23	912
Prepayments	(261)	(185)
Trade and other payables	127	(378)
Cash used in operations	(1,528)	(2,284)
Income tax paid	-	-
Net cash used in operating activities	(1,528)	(2,284)
Investing activities		
Proceeds from disposal of property, plant and equipment	-	14
Non-Controlling Interest	-	(1)
Disposal of subsidiary	322	-
Advance to related company	-	-
Interest received	-	-
Acquisition of subsidiaries	-	555
Purchase of property, plant and equipment	(147)	(22)
Net cash generated from investing activities	175	546
Financing activities		
Lease liability interest portion	(18)	(15)
Proceeds from issuance of new ordinary shares	1,673	2,994
Lease liability principle portion	(97)	(98)
Transaction costs	-	1
Net cash from financing activities	1,558	2,882
Net change in cash and cash equivalents	205	1,144
Exchange difference on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of financial period	2,012	868
Cash and cash equivalents at end of financial period	2,217	2,012

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

1. General corporate information

VCPlus Limited (the "Company") is a public limited company incorporated and domiciled in Singapore with its registered office at 138 Robinson Road #26-03 Oxley Tower Singapore 068906. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Company's registration number is 201531549N.

These condensed interim consolidated financial statements as at and for the six month and financial year ended 31 December 2022 comprise the Company and its subsidiaries (the "Group").

The principal activity of the Company is that of an investment holding company.

The principal activities of the Group currently comprise the provision of advisory, consultancy and/or management services related to financial technology regulation and licensing as well as the adoption of financial technology strategies and technology ("FinTech Business"). In May 2022, the Company exited the business of exploration, mining and production of dimension stone granites for sales as well as architectural stone and interior fit-out ("Dimension Stone Business") after the completion of the disposal of its wholly owned subsidiary GGTM Sdn. Bhd.

2. Basis of preparation

The condensed interim financial statements for the six months financial period ended 31 December 2022 ("HY2022") and financial year ended 31 December 2022 ("FY2022") have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the financial year ended 30 June 2022.

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 expressed in Singapore Dollar, which is the functional currency of the Company and the presentation currency for the condensed interim financial statements and rounded to the nearest thousand ("S\$'000"), unless otherwise stated.

Taking into account the Group's exit from the Dimension Stone Business in Malaysia after the completion of the disposal of the GGTM Sdn. Bhd. on 19 May 2022, the Company's business comprises the FinTech Business and the Group's business and operating environment will be denominated in Singapore dollars (S\$).

As a result of this change, the Company changed its functional currency from Malaysian Ringgit (MYR) to S\$. In line with the change in the functional currency, the presentation currency of the Group was also changed to S\$. The comparative financial information has been restated to S\$ to conform to current year's presentation.

2.1 New and amended standards adopted by the Group

Save as disclosed above, the HY2022 and FY2022 financial results had been prepared using the same accounting policies and methods of computation as presented in the Group's most recently audited financial statements for the FY2021.

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards. Adoption of new standards applicable for the financial year do not have material effect on the amount reported for the current or prior period. The group has not yet early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2021.

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.

3. Revenue

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

Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and
- enable users to understand the relationship with revenue segment information provided to the financial statements.

	Continuing operations		Discontinued operations		Total	
	2022	2021 (Restated)	2022	2021 (Restated)	2022	2021 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets						
- Singapore	972	197	-	-	972	197
- South East Asia	-	-	38	7	38	7
	<u>972</u>	<u>197</u>	<u>38</u>	<u>7</u>	<u>1,010</u>	<u>204</u>
Timing of transfer of goods and services						
- Over time	824	197	-	-	824	197
- Point in time	148	-	38	7	186	7
	<u>972</u>	<u>197</u>	<u>38</u>	<u>7</u>	<u>1,010</u>	<u>204</u>
Type of goods and services						
- Advisory, consultancy and management services	972	197	-	-	972	197
- Sale of goods	-	-	38	7	38	7
	<u>972</u>	<u>197</u>	<u>38</u>	<u>7</u>	<u>1,010</u>	<u>204</u>

4. Other income

	Continuing operations		Discontinued operations		Total	
	2022	2021 (Restated)	2022	2021 (Restated)	2022	2021 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Write-back of allowance for trade receivables	-	-	-	161	-	161
Management fee	-	-	-	48	-	48
Gain on disposal of subsidiary	13	-	-	-	13	-
Gain on settlement of claims and disputes	-	-	-	542	-	542
Government grant	159	67	-	-	159	67
Foreign exchange gain	21	-	-	-	21	-
Others	27	-	-	84	27	84
	220	67	-	835	220	902

The Company's wholly-owned subsidiary, GGTM had on 22 July 2016 entered into a joint venture consortium agreement with Eco Interiors International Sdn. Bhd. to form an unincorporated joint venture consortium, GGT Manufacturing Eco JV ("Consortium") to carry out the interior fit out business. The Consortium had appointed Eco Group International Sdn Bhd ("EGI") as contractor in relation to the interior design, construction work and services for a particular hotel project. Consortium is involved in a contractor's progress claim dispute with EGI.

In FY2021, GGTM, entered into a settlement agreement with EGI for the settlement of all claims and disputes and recognised a gain on settlement of approximately RM1,674,000 (equivalent to S\$542,000) and a reversal of provision of approximately RM496,000 (equivalent to S\$161,000) made previously of related receivables.

On 19 May 2022, the Company completed the disposal of GGTM as the Group exit the Dimension Stone Business to focus on the FinTech Business. This disposal of GGTM resulted in a gain from disposal of S\$13,000.

5. Finance costs

	Continuing Operations		Discontinued operations		Total	
	2022	2021 (Restated)	2022	2021 (Restated)	2022	2021 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Interest Expense						
- lease liabilities	17	4	1	11	18	15
- Unsecured term loan	-	42	-	-	-	42
	17	46	1	11	18	57

6. Loss before income tax

6.1 Significant items

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	Continued operations		Discontinued operations		Total	
	2022 S\$'000	2021 (Restated) S\$'000	2022 S\$'000	2021 (Restated) S\$'000	2022 S\$'000	2021 (Restated) S\$'000
Other expenses						
Audit fees						
paid/payable to:						
- Auditors of the company	111	101	-	-	111	101
- Other auditors	-	-	1	6	1	6
Non audit fee						
paid/payable to:						
- Audit related services	14	10	-	-	14	10
- Non-audit related services	4	4	-	-	4	4
- Other Auditors	-	3	-	-	-	3
Foreign exchange loss, net	-	67	-	1	-	68
Depreciation & amortisation	269	43	39	188	308	231
Impairment loss on goodwill	1,220	-	-	-	1,220	-
Impairment loss on Intangible asset	62	-	-	-	62	-
Loss allowance for third party receivables	21	-	-	-	21	-
Professional fees	235	540	15	20	250	560
Inventories written off	-	-	-	60	-	60
Plant and equipment written off	-	-	-	135	-	135
Mines properties written off	-	-	-	331	-	331
Loss on disposal of property, plant & equipment	-	-	-	68	-	68
Repair and maintenance	4	-	9	34	13	34
Travelling and accommodation	8	-	1	2	9	2
Security charges	-	-	-	10	-	10
Share award expense	94	-	-	-	94	-
Utilities	8	1	-	2	8	3

7. Discontinued operations

On 14 March 2022, the Company announced the proposed disposal of its wholly owned subsidiary GGTM Sdn. Bhd and its subsidiary, to the Company's executive director Mr Lim Chiau Woei. More information is available in the circular in connection to the disposal dated on 14 April 2022.

An extraordinary general meeting was held on 29 April 2022 pursuant to which approval for this disposal was obtained from independent shareholders. On 19 May 2022, the Company completed the disposal of GGTM and exited the Dimension Stone Business.

In accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations, the results from GGTM which were of the Dimension Stone Business was presented separately on the consolidated statement of comprehensive income as discontinued operations. Comparative figures have been restated to reflect the discontinued operations in the consolidated statement of comprehensive income.

The results of the discontinued operations are as follows:

	2022	2021
		(Restated)
	S\$'000	S\$'000
Revenue	38	7
Other income	-	835
Raw materials and consumables used	(9)	(3)
Changes in inventories	-	(60)
Contractor expenses	-	(20)
Royalty fees	-	(35)
Depreciation and amortisation expense	(39)	(188)
Employee benefits expenses	(43)	(150)
Operating lease expenses	(2)	(10)
Other expenses	(144)	(699)
Finance costs	(1)	(11)
(Loss)/Profit before income tax from discontinuing operations	(200)	(334)
Income tax expense	-	-
(Loss)/Profit from discontinued operation, net of tax	(200)	(334)

The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group	
	2022	2021
	S\$'000	(Restated)
		S\$'000
Operating cash inflows	(98)	61
Investing cash outflows	(1)	25
Financing cash outflows	-	(104)
Total cash outflows	(99)	(18)

Disposal of net identified assets of GGTM:

	Group S\$'000
Property, plant and equipment	531
Trade and other receivables	220
Mine properties	36
Inventories	39
Right-of-use assets	6
Cash and cash equivalents	317
	<u>1,149</u>
Trade and other payables	(597)
Lease liabilities	(41)
	<u>(638)</u>
Net identifiable assets	511
Gain on disposal	13
Cost of disposal	108
Sale consideration	632
Currency translation reserve	7
Cash balance from discontinued operations	(317)
Net proceeds from disposal of subsidiary	<u>322</u>

Upon completion of the disposal of GGTM, the associated merger reserves of S\$38.97 million has been transferred to accumulated losses.

8. Property, plant and equipment

As at 31 December 2022, the Group's property, plant and equipment amounted to S\$107,000 (31 December 2021: S\$571,000). The decline was mainly due to the disposal of GGTM.

9. Mine properties

As at 31 December 2022, the Group did not own any mine properties after the disposal of GGTM (31 December 2021: S\$38,000).

10. Investments in subsidiaries

	Company	
	31.12.2022	31.12.2021
	S\$'000	(Restated) S\$'000
Unquoted equity investments, at cost	51,028	45,179
Acquisition of subsidiaries	-	4,310
Additional investment in subsidiary	-	649
Incorporation of subsidiary	-	900
Disposal of subsidiary	(45,720)	-
Liquidation of subsidiary	(98)	(10)
Less: Accumulated impairment losses	(1,500)	(45,216)
	<u>3,710</u>	<u>5,812</u>
Accumulated impairment losses		
Balance at beginning of financial year	45,216	22,464
Impairment loss for financial year	1,500	22,752
Write off of impairment loss due to disposal of subsidiary	(45,216)	-
Balance at end of financial year	<u>1,500</u>	<u>45,216</u>

The particulars of the significant subsidiaries are as follows:-

Name of company (Country of incorporation and principal place of business)	Proportion of ownership interest held		Principal activities
	31.12.2022	31.12.2021	
APEC Solutions Pte Ltd (Singapore)	100	100	Provision of IT consultancy, services and solutions and other investments
Custody Plus Pte Ltd (Singapore)	55	55	Provision of custodian services for digital assets
GGTM Sdn. Bhd. (Malaysia)	Nil	100	Exploration, mining and production of dimension stone granites for sales as well as architectural stone and interior fit-out

11. Intangible assets

	Group			Total SGD'000
	Goodwill SGD'000	Intellectual property SGD'000	Unfinished contracts SGD'000	
2022				
Cost				
At 31 December 2022	3,347	315	112	3,774
Accumulated amortisation and impairment				
At 1 January 2022	-	4	2	6
Amortisation charged	-	32	48	80
Impairment loss	1,220	-	62	1,282
At 31 December 2022	1,220	36	112	1,368
Carrying amount				
At 31 December 2022	2,127	279	-	2,406
2021				
Cost				
At 1 January 2021	-	-	-	-
Acquisition of subsidiaries	3,347	315	112	3,774
At 31 December 2021	3,347	315	112	3,774
Accumulated amortisation and impairment				
At 1 January 2021	-	-	-	-
Amortisation charged	-	4	2	6
At 31 December 2021	-	4	2	6
Carrying amount				
At 31 December 2021	3,347	311	110	3,768

The remaining useful life of the intellectual property is 10 years and unfinished contracts is over 1 to 2 years as at the end of the financial year.

Goodwill and impairment

Goodwill arose from the acquisition of APEC Solutions Group in the prior year.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The use of this method requires the estimation of future cash flows and determination of a discount rate in order to calculate the present value of the cash flows.

The recoverable amounts of the CGU are determined from value in use calculations based on cash flow forecasts based on financial budgets approved by management for the next 5 years and projection to terminal year.

Key assumptions used in the cash flow projections are discount rate, revenue and terminal growth rates as follow:

	31.12.22	31.12.21
Discount rate	30.45%	34.9%
Revenue growth rate	26.0%	16.5%
Terminal growth rate	1.5%	1.5%

Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and risk specific to the CGU. Revenue and terminal growth rates were projected based on historical growth, past experience and management's best estimation of future business outlook. The terminal growth rate is used to extrapolate budgeted cash flows to terminal year.

During the financial year, an impairment loss of \$1.22 million was recognised for goodwill as the recoverable amount of the CGU was determined to be lower than its carrying amount based on the current performance of APEC Solutions amidst weakened industry outlook.

The table below demonstrates the sensitivity to a reasonably possible change in one of the variables with the remaining other variables held constant, and the corresponding impact to the impairment charge on the goodwill recognise for the financial year ended 31 December 2022.

Increase/(Decrease) to the impairment charge for the financial year	Discount rate	Revenue growth rate	Terminal growth rate
	S\$	S\$	S\$
Increase by 1%	90,000	(210,000)	(30,000)
Decrease by 1%	(90,000)	230,000	40,000

12. Trade and other receivables

	Group		Company	
	31.12.2022	31.12.2021 (Restated)	31.12.2022	31.12.2021 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables - third parties	253	471	29	-
Less: Loss allowance	(21)	(213)	-	-

Sub-total	232	258	29	-
Other receivables				
- related party	-	118	1,216	-
Unbilled receivables	-	64	-	-
Deposits	47	102	37	49
	47	284	1,253	49
	279	542	1,282	49

Deposits mainly relate to refundable rental deposits for office premises and equipment.

The lifetime expected loss allowance for the Group's trade receivables is as follows:

	Less than 30 days past due S\$'000	More than 30 days past due S\$'000	More than 60 days past due S\$'000	More than 120 days past due S\$'000	Total S\$'000
31 December 2022					
Expected loss rate	4%	2%	13%	8%	
Gross carrying amount`					
- Trade receivables	26	49	112	66	253
Loss allowance	(1)	(1)	(14)	(5)	(21)
31 December 2021					
Expected loss rate	0%	0%	0%	68%	
Gross carrying amount					
- Trade receivables	19	70	68	314	471
Loss allowance	-	-	-	(213)	(213)

Movement in the loss allowance for trade receivables is as follows:

	Group	
	31.12.2022 S\$'000	31.12.2021 (Restated) S\$'000
Balance at beginning of financial period/year	213	374
Provision/(Write back) of loss allowance	21	(161)
Disposal of subsidiaries	(213)	-
Balance at end of financial year	21	213

The Group applies the simplified approach to measure the expected credit losses for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

13. Trade and other payables

	Group		Company	
	31.12.2022	31.12.2021 (Restated)	31.12.2022	31.12.2021 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables				
- third parties	2	51	-	-
Non-trade payables				
- third parties	657	266	641	29
- subsidiaries	-	-	608	542
Amount owing to director	-	242	-	-
Accrued expenses	148	477	106	359
Deferred Revenue	55	64	-	-
	<u>862</u>	<u>1,100</u>	<u>1,355</u>	<u>930</u>

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 days' (2021: 30 to 60 days') terms.

The non-trade amounts due to third parties and subsidiaries are unsecured, non-interest bearing and repayable on demand.

14. Share capital

	Group and Company			
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	Number of ordinary shares		S\$'000	
Issued and fully-paid:				
At beginning of financial year	4,550,082,101	1,663,993,116	96,713	85,548
Issuance of new shares	170,000,000	2,886,088,985	1,673	11,165
At end of financial period/year	<u>4,720,082,101</u>	<u>4,550,082,101</u>	<u>98,386</u>	<u>96,713</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

During FY2022, 170,000,000 new ordinary shares amounting to approximately S\$1.673 million were issued pursuant to a placement exercise completed on 19 December 2022.

Anchor Resources Employee Performance Share Plan ("Performance Share Plan" or "PSP")

Pursuant to the PSP, on 21 September 2022, the Company awarded 26,250,000 new ordinary shares to the Company's Chief Executive Officer, to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. The first tranche vested on 30 December 2022 and subsequently on 3 January 2023, the first tranche of 8,750,000 ordinary shares was allotted. The remaining number of contingent shares awarded but not released pursuant to the PSP was 17,500,000 (31 December 2021: NIL). These will be vested on each of the vesting dates of 30 December 2023 and 30 December 2024, subject to conditions being met.

An amount of \$94,000 in relation to the share award was recognised during the financial year.

15. Loss per share

The calculations of basic loss per share for the relevant periods are based on loss attributable to owners of the Company for financial year ended 31 December 2022 and 31 December 2021 divided by the weighted average number of ordinary shares in the relevant periods.

Diluted loss per share is the same as the basic loss per share because the Company does not have any dilutive options for the relevant periods.

	31 December 2022 (Unaudited)			31 December 2021 (Unaudited) (Restated)		
	Continuing operations	Discontinued operations	Total	Continuing operations (Restated)	Discontinued operations (Restated)	Total
	S\$'000	S\$'000	S'000	S\$'000	S\$'000	(Restated) S\$'000
<i>Numerator</i>						
Loss attributable to owners of the parent	(2,749)	(200)	(2,949)	(2,083)	(334)	(2,417)
<i>Denominator</i>						
Weighted average number of ordinary shares in issue during the financial year	4,556,136,896	4,556,136,896	4,556,136,896	4,078,501,821	4,078,501,821	4,078,501,821
Basic / diluted (loss)/profit per share (S\$ cents)	(0.0603)	(0.0044)	(0.0647)	(0.0511)	(0.0082)	(0.0593)

16. Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The following were related party transactions at rates and terms agreed between the Group and the Company with their related parties during the financial period.

	Group	
	31.12.2022 (unaudited) S\$'000	31.12.2021 (Restated) S\$'000
With a Director of the Company		
Payment of lease liabilities	-	14
Disposal of GGTM - Consideration	632	-
With a related party		
Management fees charged to	-	48
	<u>632</u>	<u>62</u>

On 19 May 2022, the Company completed the disposal of GGTM to the Company's former executive director Mr Lim Chiau Woei, who resigned as a director of the Company on 31 August 2022. This disposal was approved by independent shareholders in the extraordinary general meeting held on 29 April 2022. More information is available in the circular in connection to the disposal dated on 14 April 2022.

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

17. Segment information

Business segments

For management purposes, the Group is organised into business units based on their products and services. The Group's reportable segments are as follows:

- (i) FinTech Business - provision of advisory, consultancy and/or management services related to financial technology regulation and licensing as well as the adoption of financial technology strategies and technology;
- (ii) Dimension Stone Business - exploration, mining, quarry extraction, processing and sales of granite products and dimension stone granites as well as architectural stone and interior fit-out. On 19 May 2022, the Company completed the disposal of its wholly owned subsidiary GGTM and the Group exit from the Dimension Stone Business; and
- (iii) Corporate & others – investment holding as well as business and management consulting services.

Except as indicated above, no operating segments has been aggregated to form the above reportable segment. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, liabilities and expenses.

Segment revenue and expenses include transfers between business segments that are eliminated on consolidation.

Geographical information

During the financial year ended 31 December 2022 and 2021, the Group's Dimension Stone Business operated in Malaysia while the FinTech Business operated in Singapore. On 19 May 2022, the Company completed the disposal of its wholly owned subsidiary GGTM and the Group exited from the Dimension Stone Business. Following the disposal, the Group does not have any material assets in Malaysia.

17. **Segment information** (Continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

	6-month ended				6-month ended			
	31 December 2022 (unaudited)				31 December 2021 (unaudited)(restated)			
	FinTech business	Granite business	Corporate & others	Total	FinTech Business	Granite business	Corporate & others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue - Continuing operations	496	-	72	568	197	-	-	197
Revenue - Discontinued operations	-	-	-	-	-	7	-	7
Results								
Operating loss	(1,689)	-	(357)	(2,046)	(149)	-	(1,460)	(1,609)
Interest income	-	-	-	-	-	-	-	-
Interest expense	-	-	(8)	(8)	-	-	(17)	(17)
Loss before income tax	(1,689)	-	(365)	(2,054)	(149)	-	(1,477)	(1,626)
Income tax	1	-	-	1	1	-	-	1
Loss after income tax from continuing operations	(1,688)	-	(365)	(2,053)	(148)	-	(1,477)	(1,625)
(Loss) / Profit from discontinued operations	-	(100)	-	(100)	-	103	-	103
(Loss) / Profit for the financial period	(1,688)	(100)	(365)	(2,153)	(148)	103	(1,477)	(1,522)

17. Segment information (Continued)

	12-month ended				12-month ended			
	31 December 2022 (unaudited)				31 December 2021 (unaudited)(restated)			
	FinTech business	Granite business	Corporate & others	Total	FinTech Business	Granite business	Corporate & others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue - Continuing operations	828	-	144	972	197	-	-	197
Revenue - Discontinued operations	-	38	-	38	-	7	-	7
Results								
Operating loss	(1,777)	-	(1,142)	(2,919)	(149)	-	(1,946)	(2,095)
Interest income	-	-	-	-	-	-	-	-
Interest expense	-	-	(17)	(17)	-	-	(46)	(46)
Loss before income tax	(1,777)	-	(1,159)	(2,936)	(149)	-	(1,992)	(2,141)
Income tax	(6)	-	-	(6)	1	-	-	1
Loss after income tax from continuing operations	(1,783)	-	(1,159)	(2,942)	(148)	-	(1,992)	(2,140)
Loss from discontinued operations	-	(104)	(96)	(200)	-	(334)	-	(334)
Loss for the financial year	(1,783)	(104)	(1,255)	(3,142)	(148)	(334)	(1,992)	(2,474)

17. **Segment information** (Continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

	31 December 2022 (unaudited)				31 December 2021 (unaudited)(restated)			
	FinTech business S\$'000	Granite Business S\$'000	Corporate & others S\$'000	Total S\$'000	FinTech Business S\$'000	Granite Business S\$'000	Corporate & others S\$'000	Total S\$'000
Segment total assets	3,726	-	2,306	6,032	5,935	1,316	661	7,912
Segment total liabilities	519	-	688	1,207	128	700	800	1,628
Other segment information								
Significant write-off of goodwill and intangibles	(1,282)	-	-	(1,282)	-	-	-	-
Additions to non-current assets								
- Additions to Intangible assets	-	-	-	-	3,725	-	-	3,725
- Property, plant and equipment	9	-	345	354	20	1	417	438
Depreciation and amortisation expenses	(9)	(39)	(260)	(308)	(9)	(188)	(34)	(231)
Written off - property, plant and equipment	-	-	-	-	-	(135)	-	(135)
Gain on disposal of subsidiary	-	-	13	13	-	-	-	-

17. **Segment information** (Continued)

The following table provides an analysis of the Group's revenue and assets by geographical segments:

	Continuing operations 6-month ended		Discontinued operations 6-month ended	
	31.12.2022 (Unaudited) S\$'000	31.12.2021 (Unaudited) (Restated) S\$'000	31.12.2022 (Unaudited) S\$'000	31.12.2021 (Unaudited) (Restated) S\$'000
Revenue				
Singapore	568	197	-	
South East Asia			-	7
Total Assets				
Singapore	6,032	6,596	-	-
South East Asia	-	-	-	1,316

	Continuing operations 12-month ended		Discontinued operations 12-month ended	
	31.12.2022 (Unaudited) S\$'000	31.12.2021 (Unaudited) (Restated) S\$'000	31.12.2022 (Unaudited) S\$'000	31.12.2021 (Unaudited) (Restated) S\$'000
Revenue				
Singapore	972	197	-	-
South East Asia	-	-	38	7
Total Assets				
Singapore	6,032	6,596	-	-
South East Asia	-	-	-	1,316

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The total assets are analysed by the geographical area in which the assets are located.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

OTHER INFORMATION

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

	Number of shares	Share capital (S\$'000)
As at 30 June 2022	4,550,082,101	96,713
Issuance of new shares	170,000,000	1,673
As at 31 December 2022	4,720,082,101	98,386

The Company does not have any treasury shares and subsidiary holdings at 31 December 2022 and 31 December 2021.

Pursuant to the PSP, on 21 September 2022, the Company awarded 26,250,000 new ordinary shares to the Company's Chief Executive Officer, to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. The first tranche vested on 30 December 2022 and subsequently on 3 January 2023, the first tranche of 8,750,000 ordinary shares was allotted. The remaining number of contingent shares awarded but not released pursuant to the PSP was 17,500,000 (31 December 2021: NIL). These will be vested on each of the vesting dates of 30 December 2023 and 30 December 2024, subject to conditions being met. Refer to Note 14 for details.

Save for the above, the Company does not have any outstanding options or convertibles as at 31 December 2022 and 31 December 2021.

- 1(a)(ii) To show the 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 As at 31 December 2022 (Unaudited)	Company As at 31 December 2021(Audited)
Total number of issued shares	4,720,082,101	4,550,082,101
Treasury shares	-	-
Total number of issued shares, excluding treasury shares	4,720,082,101	4,550,082,101

The Company does not have any treasury shares as at 31 December 2022 and 31 December 2021.

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

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

1(a)(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. The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures 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.

Not applicable.

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

Taking into account the Group's exit from the Dimension Stone Business in Malaysia after the completion of the disposal of the GGTM Sdn. Bhd. on 19 May 2022, the Company's business comprises the FinTech Business and the Group's business and operating environment will be denominated in Singapore dollars (S\$). As a result of this change, the Company changed its functional currency from Malaysian Ringgit (MYR) to S\$. In line with the change in the

functional currency, the presentation currency of the Group was also changed to S\$. The comparative information has been restated to S\$ to conform to current year's presentation.

Save as disclosed above, the HY2022 and FY2022 financial results had been prepared using the same accounting policies and methods of computation as presented in the Group's most recently audited financial statements for the FY2021.

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

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and amendments and interpretations of SFRS(I)s that are relevant to its operations and effective from 1 January 2022.

The adoption of these pronouncements did not have any significant impact on the financial performance or position of the Group.

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

Refer to Note 15 on page 20.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current period reported on; and immediate preceding financial year

	Group		Company	
	31 December 2022 (Unaudited)	31 Dec 2021 (Audited) (Restated)	31 December 2022 (Unaudited)	31 Dec 2021 (Audited) (Restated)
Net asset value ⁽¹⁾ (S\$'000)	4,825	6,284	5,603	6,214
Number of shares at the end of the period	4,720,082,101	4,550,082,101	4,720,082,101	4,550,082,101
Net asset value per share:				
- S\$ cent ⁽²⁾	0.10	0.14	0.12	0.14

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-

- (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;

The following review of the Group's performance is in relation to FY2022 as compared to FY2021.

In May 2022, the Company completed the disposal of GGTM and exited the Dimension Stone Business. The financial performance of the Dimension Stone Business has been classified under discontinued operations. Therefore, the financial analysis below relates solely to the FinTech Business.

Revenue

The Group recorded S\$0.97 million in FY2022 as compared to S\$0.20 million revenue in FY2021. The higher revenue from the Fintech Business was mainly due to recognition of full year revenue in FY2022 as compared to FY2021 since the completion of acquisition of APEC Solutions Pte. Ltd. in October 2021 and revenue growth from more contracts completed in FY2022.

Other income

Other income comprised of government wages subsidy, gains on disposal of subsidiary and rental income. The Group recorded other income of S\$0.22 million for FY2022, representing an increase of S\$0.15 million from S\$67,000 for FY2021. The increase was mainly due to government grant of S\$0.16 million.

Operating expenses

Operating expenses comprised raw materials and consumables used, depreciation and amortisation expenses, employee benefits expenses, operating lease expenses, other expenses and finance costs.

Total operating expenses increase by S\$1.72 million to S\$4.13 million in FY2022 from S\$2.41 million in FY2021. The increase in total operating expenses was mainly due to:

- Increase in raw materials and consumable used to S\$0.14 million in FY2022 in line with increase in revenue generated by the Fintech Business in FY2022.
- Increase in depreciation and amortisation expenses to S\$0.27 million in FY2022 as compared to S\$43,000 in FY2021 mainly due to increase in charges of amortisation of intangibles and depreciation of Right-of-use assets.
- Increase in employee benefits expenses by S\$0.28 million from S\$1.15 million in FY2021 to S\$1.43 million in FY2022 due to the increase in employee headcount arising from the Company's new business diversification into the Fintech sector and acquisition of APEC Solutions.
- Increase in other expenses by S\$1.10 million from S\$1.14 million in FY2021 to S\$2.24 million in FY2022 mainly due to impairment of goodwill of S\$1.22 million partially offset by lower professional fees incurred in FY2022 arising from lesser corporate actions as compared to FY2021.
- Decrease in finance costs from S\$46,000 in FY2021 to S\$17,000 in FY2022 mainly due to full repayment of unsecured term loan in FY2021 resulting in zero loan interest in FY2022.

The Group incurred net loss from continuing operation of S\$2.94 million and S\$2.14 million in FY2022 and FY2021, respectively.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The following review of the Group's financial position is in relation to 31 December 2022 as compared to 31 December 2021.

Assets

Property, plant and equipment decreased by S\$0.46 million from S\$0.57 million as at 31 December 2021 to S\$0.11 million as at 31 December 2022 mainly due to the disposal of GGTM.

Mine properties decreased from S\$38,000 as at 31 December 2021 to zero as at 31 December 2022 after the return of Bukit Chetai mine to the Malaysia authority on 13 January 2022 and the disposal of GGTM that owns the mine properties. Following the disposal, the Company exited the Dimension Stone Business.

Intangible assets decreased by S\$1.36 million from S\$3.77 million as at 31 December 2021 to S\$2.41 million as at 31 December 2022 mainly due to impairment of goodwill of S\$1.22 million in FY2022.

Right-of-use assets decreased by S\$0.17 million from S\$0.42 million as at 31 December 2021 to S\$0.25 million as at 31 December 2022 mainly due to amortisation in FY2022.

Inventories decreased from S\$49,000 as at 31 December 2021 to zero as at 31 December 2022 after the disposal of GGTM.

Trade and other receivables decrease by S\$0.26 million from S\$0.54 million as at 31 December 2021 to S\$0.28 million as at 31 December 2022 mainly due to collection and disposal of GGTM.

Prepayments increased by S\$0.26 million from S\$0.52 million as at 31 December 2021 to S\$0.78 million as at 31 December 2022 mainly due to the custody platform of which development is currently in progress. Upon completion of the platform development, the amount will be transferred from prepayments to property, plant and equipment.

Cash and cash equivalents increased by S\$0.21 million from S\$2.01 million as at 31 December 2021 to S\$2.22 million as at 31 December 2022 mainly due to proceeds from the Company's placement exercise completed in December 2022, partially offset by usage of funds for operations in FY2022.

Liabilities

Total liabilities of the Group decreased by S\$0.42 million from S\$1.63 million as at 31 December 2021 to S\$1.21 million as at 31 December 2022. The decrease in total liabilities was mainly due to the following:

- Decrease in lease liabilities of S\$0.18 million due to repayment of lease liabilities and the disposal of GGTM, and;
- Decrease in trade and other payables of S\$0.24 million mainly due to payment made for payables and the disposal of GGTM.

Equity

As at 31 December 2022, total equity attributable to owners of the parent amounted to S\$4.63 million, comprising share capital of S\$98.39 million, accumulated losses of S\$95.01 million and reserves of S\$1.25 million.

Cash flows

Net cash used in operating activities

In FY2022, the Group recorded a net cash outflow used in operating activities of S\$1.53 million. The net operating cash outflow was mainly due to operating cashflows before working capital changes of S\$1.43 million. Working capital outflow was mainly attributable to the increase in prepayments of S\$0.26 million, partially offset by the decrease in trade and other payables by S\$0.13 million.

Net cash generated from investing activities

In FY2022, the Group recorded a net cash used generated from investing activities of approximately S\$0.18 million due to sale consideration from the disposal of GGTM, partially offset by purchases of property, plant and equipment.

Net cash generated from financing activities

In FY2022, the Group recorded a net cash inflow from financing activities of S\$1.56 million mainly due to the proceeds from the placement exercise completed in December 2022 of S\$1.67 million, partially offset by lease liability repayment.

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

The financial results of the Group is generally in line with the statements announced in the Group's half year result.

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

Custody for Security Digital Assets Business

On 16 November 2022, the Company's subsidiary, Custody Plus Pte. Ltd. received the in-principle approval from the Monetary Authority of Singapore for capital markets services licence in respect of the regulated activity of providing custodial services. Custody Plus is currently working towards obtaining the full license to commence business. To this end, the operating costs of Custody Plus are expected to increase arising from factors such as an increase in headcount and deployment of custody platform.

Barring any unforeseen circumstances, the Company is expecting to commence the custody business in 2H 2023. However, we do not expect the custody business to be profitable in its first year of operation and in addition, we expect the digital assets sector to face some headwinds in 2023 as the sector is subject to more stringent regulatory requirements and cautious customer adoption in view of various implosions in cryptocurrencies market.

FinTech and Blockchain Consultancy Business

Since May 2022, APEC Solutions is a pre-approved vendor by Infocomm Media Development Authority which allows customers of APEC Solutions to obtain subsidy for the services. We believe this has enhanced the competitive position of APEC Solutions in the market.

General Market Sentiments

The economic outlook remains shrouded by a host of risks that could potentially derail growth in 2023 such as geopolitical tensions, worsening supply chain disruptions, rising inflationary pressures and interest rates. Recent retrenchment exercises by various companies across sectors are expected to further exacerbate the outlook for 2023.

In view of the above, the Group expects the business environment in which it operates to remain challenging in the financial year 2023. The Group will be vigilant in managing its expenses and continue to strategise, adapt and navigate through the business environment changes.

11. 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 or recommended for FY2022.

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

Not applicable. No dividend was declared or recommended for FY2021.

(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.

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

No dividend has been declared or recommended for FY2022 as the Group currently does not have profits available for the declaration of a dividend.

13. If the group has obtained a general mandate from shareholders for interested person 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.

The Group does not have a general mandate from shareholders for interested person transactions.

On 19 May 2022, the Company completed the disposal of GGTM to the Company's executive director Mr Lim Chiau Woei. This disposal was approved by independent shareholders in the extraordinary general meeting held on 29 April 2021. More information is available in the circular in connection to the disposal dated on 14 April 2022.

Save as disclosed, there are no disclosable IPTs in FY2022.

14. Use of proceeds.

Placement on 28 May 2021

The Company had on 28 May 2021 issued 99,096,296 new ordinary shares in respect of the subscription of the Company's shares by the investors in accordance with the subscription agreements dated 5 May 2021. The Company has raised net proceeds of approximately S\$2.61 million from the allotment and issuance of 99,096,296 Shares.

As at the date of this announcement, the Company had fully utilised the proceeds as follows:

Purpose	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Expenses for incorporation, set-up, working capital etc. of Custody Plus	900	900	-
Expenses for set-up, working capital etc. for the provision of advisory, consultancy and/or management services related to FinTech regulation, licencing, as well as the adoption of FinTech strategies and technology	850	850	-
Working capital including, inter alia, professional fees, staff salaries and general overheads	860	860	-
Total	2,610	2,610	-

The proceeds were utilised in accordance with its intended use.

Placement on 19 December 2022

The Company had on 19 December 2022 issued 170,000,000 new ordinary shares in respect of the subscription of the Company's shares by the investors in accordance with the subscription agreements dated 7 December 2022. The Company has raised net proceeds of approximately S\$1.67 million from the allotment and issuance of 170,000,000 Shares.

As at the date of this announcement, with the cut-off date as at 31 December 2022, the Company had utilised the proceeds as follows:

Purpose	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
To fund the commencement of the business of custodial services after receiving the in-principle approval from the Monetary Authority of Singapore	668	19	649
Working capital including, inter alia, professional fees, staff salaries and general overheads	1,002	38	964
Total	1,670	57	1,613

The proceeds were utilised in accordance with its intended use.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

16. Change in the composition of the Group

The Company struck off three dormant subsidiaries in the Dimension Stone Business namely AAKG Mining Sdn. Bhd. and ARG Consolidated Sdn. Bhd. in July 2022 and ARS Consolidated Sdn. Bhd in August 2022.

Save as disclosed above, there was no changes in the composition of the Group during the current financial period under review.

17. Additional Information Required for Full Year Announcement

- 17.1 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company's most recently audited financial statements, with comparative information for the immediately preceding year.

Refer to Note 17.

- 17.2 In the review of the performance, the factors leading to any material changes in contributions to the turnover and earnings by the business or geographical segments.

Refer to Note 3.

- 17.3 A breakdown of sales.

Purpose	FY2022 S\$'000	FY2021 S\$'000	Incr / (Decr)
Sales reported in 1 st half of year	404	-	N.M.
Operating profit/loss after tax before deducting non-controlling interests from continuing operations for first half year	(889)	(516)	72
(Loss)/Profit from discontinued operations, net of tax	(104)	437	N.M.
Sales reported in 2 nd half of year	568	197	188
Operating profit/loss after tax before deducting non-controlling interests from continuing operations for second half year	(2,053)	(1,625)	26
(Loss)/Profit from discontinued operations, net of tax	(100)	103	N.M.

N.M. – not meaningful

17.4 A breakdown of the total annual dividend for the Company's latest full year and its previous full year.

No dividend was paid during the financial year ended 31 December 2022 and 31 December 2021.

17.5 Disclosure of person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) in the format below. If there are no such persons, the Company must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Catalist Listing Manual, the Company hereby confirms that as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board

VCPLUS LIMITED

Lim Beng Chew
Executive Director

1 March 2023