

# **FORISE INTERNATIONAL LIMITED**

## **Unaudited Condensed Interim Financial Statements for the six months ended 30 June 2022**

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

		<b>Group</b>		
		<b>6 months ended 30 June</b>	<b>2021</b>	<b>% Change</b>
	<b>Note</b>	<b>2022</b>	<b>2021</b>	
		<b>S'000</b>	<b>\$'000</b>	<b>+ / (-)</b>
Revenue	3	192	275	(30.2)
Interest income		3	4	(25.0)
Other income		7	4	75
Other losses				
- Currency exchange (losses)/ gains, net		(13)	42	(131)
Expenses				
- Directors' fees		(49)	(67)	(26.9)
- Employee compensation		(522)	(650)	(19.7)
- Professional fees		(181)	(281)	(35.6)
- Rental expenses – short term leases		(20)	(27)	(25.9)
- Other operating expenses		(24)	(28)	(14.2)
Total expenses		(796)	(1,053)	
<b>Loss before tax</b>		<b>(607)</b>	<b>(728)</b>	<b>(16.8)</b>
Income tax expense	4	-	-	
<b>Loss for the financial period</b>		<b>(607)</b>	<b>(728)</b>	<b>(16.8)</b>
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation				
- Gains		29	10	n.m.
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation				
- Loss		63	4	n.m.
<b>Other comprehensive income, net of tax</b>		<b>92</b>	<b>14</b>	<b>n.m.</b>
<b>Total comprehensive loss</b>		<b>(515)</b>	<b>(714)</b>	<b>26.0</b>
<b>Loss attributable to:</b>				
- Equity holders of the Company		(535)	(510)	4.9
- Non-controlling interests		(72)	(218)	(69.0)
		(607)	(728)	(16.6)
<b>Total comprehensive loss attributable to:</b>				
- Equity holders of the Company		(506)	(500)	1.2
- Non-controlling interests		(9)	(214)	(95.8)
		(515)	(714)	(27.87)
<b>Loss per share (cents)</b>				
Basic	5	(1.25)	(1.20)	
Diluted		(1.25)	(1.20)	

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

		Group		Company	
	Note	As at 30 Jun 2022 \$'000	As at 31 Dec 2021 \$'000	As at 30 Jun 2022 \$'000	As at 31 Dec 2021 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,765	2,266	1,332	1,744
Trade and other receivables	6	1,475	1,559	853	882
Other current assets		44	55	13	19
		<u>3,284</u>	<u>3,880</u>	<u>2,198</u>	<u>2,645</u>
<b>Non-current assets</b>					
Investments in subsidiary corporations		-	-	51	*
Investment in associated company		-	-	-	-
Plant and equipment		-	-	-	-
		<u>-</u>	<u>-</u>	<u>51</u>	<u>*</u>
<b>Total assets</b>		<u>3,284</u>	<u>3,880</u>	<u>2,249</u>	<u>2,645</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		368	293	136	122
Current income tax liabilities		*	156	-	-
<b>Total liabilities</b>		<u>368</u>	<u>449</u>	<u>136</u>	<u>122</u>
<b>NET ASSETS</b>		<u>2,916</u>	<u>3,431</u>	<u>2,113</u>	<u>2,523</u>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	7	33,347	33,347	33,347	33,347
Currency translation reserve		(177)	(206)	-	-
Accumulated losses		(30,743)	(30,208)	(31,234)	(30,824)
		<u>2,427</u>	<u>2,933</u>	<u>2,113</u>	<u>2,523</u>
<b>Non-controlling interests</b>		<u>489</u>	<u>498</u>	<u>-</u>	<u>-</u>
<b>TOTAL EQUITY</b>		<u>2,916</u>	<u>3,431</u>	<u>2,113</u>	<u>2,523</u>

\* balance <\$1,000

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	Attributable to equity holders of the Company				Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000		
<b>Group</b>						
At 1 January 2022	33,347	(206)	(30,208)	2,933	498	3,431
Loss for the financial period	-	-	(535)	(535)	(72)	(607)
Other comprehensive income						
- Foreign currency translation differences	-	29	-	29	63	92
Total comprehensive loss for the financial period	-	29	(535)	(506)	(9)	(515)
At 30 June 2022	33,347	(177)	(30,743)	2,427	489	2,916
At 1 January 2021	33,347	(4,121)	(26,246)	2,980	349	3,329
Effect of change of functional currency	-	3,944	(3,944)	-	-	-
Loss for the financial period	-	-	(510)	(510)	(218)	(728)
Other comprehensive loss:						
- Foreign currency translation differences	-	10	-	10	4	14
Total comprehensive loss for the financial year	-	10	(510)	(500)	(214)	(714)
At 30 June 2021	33,347	(167)	(30,700)	2,480	135	2,615
<b>Company</b>						
At 1 January 2022	33,347	-	(30,824)	2,523	-	2,523
Total comprehensive loss for the financial period	-	-	(410)	(410)	-	(410)
At 30 June 2022	33,347	-	(31,234)	2,113	-	2,113
At 1 January 2021	33,347	(3,944)	(26,529)	2,874	-	2,874
Effect of change of functional currency	-	3,944	(3,944)	-	-	-
Total comprehensive loss for the financial period	-	-	(234)	(234)	-	(234)
At 30 June 2021	33,347	-	30,707	2,640	-	2,640

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	<b>Group</b>	
	<b>1H2022</b>	<b>1H2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Net loss	(607)	(728)
Adjustments for:		
- Interest income	(3)	(4)
- Unrealised currency translation losses/(gains)	43	(2)
Operating loss before changes in working capital	(567)	(734)
Changes in working capital		
- Trade and other receivables	133	288
- Other current assets	11	(1)
- Trade and other payables	75	54
Cash used in operations	(348)	(393)
Interest received	3	4
Income tax paid	(156)	-
<b>Net cash used in operating activities</b>	<b>(501)</b>	<b>(389)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(501)</b>	<b>(389)</b>
Cash and cash equivalents at beginning of financial period	2,266	893
<b>Cash and cash equivalents at end of financial period</b>	<b>1,765</b>	<b>504</b>

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Corporate information

Forise International Limited (the Company) is listed on the Singapore Exchange Securities Trading Limited (the "Singapore Exchange") or (the "SGX-ST") and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiary corporations (collectively, the Group).

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

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

### 2. Basis of Preparation

#### 2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in Singapore Dollar ("S\$"), which is the functional currency of the Company. All financial information presented in S\$ has been rounded to the nearest thousand ("S\$'000"), unless otherwise stated.

#### 2.2 New and amended standards adopted by the Group

During the current financial period, the Group has adopted all the new and revised standards that are effective for annual period beginning on 1 January 2022. The adoption of these standards did not have any effect on the financial performance of the Group.

#### 2.3 Use of judgements and estimates

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

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 year ended 31 December 2021.

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

### 2.3 Use of judgements and estimates (cont'd)

Management is of the opinion that there is no instance of application of judgment which is expected to have a significant impact on the amounts recognised in the Group's condensed interim financial statements for the six months period ended 30 June 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next reporting period are included in the following notes:

#### **Corporate advisory contracts and management consultancy contracts**

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

##### *Corporate advisory contracts*

Revenue from corporate advisory services in China is recognised when the performance obligation as stipulated in contract is satisfied at a point in time based on the lodgement of the funds with the authority by the clients in accordance with the investment plans advised by the Group or when the clients provide written acknowledgement confirming the services has been rendered.

##### *Management consultancy contracts*

Revenue from management consultancy service is recognised when the performance obligation as stipulated in the contract is satisfied over time based on stage of services completed as agreed and certified by the customers.

Revenue from management consultancy contracts in Singapore is recognised when the performance obligation as stipulated in contract is satisfied at a point in time based on services completed.

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

#### **Expected credit losses ("ECLs") on trade receivables**

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

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



## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

### 3 Revenue

#### *Disaggregation of Revenue*

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 11).

	Group 6 months ended 30 June	
	2022 \$'000	2021 \$'000
<b><u>At a point in time</u></b>		
Corporate advisory services		
- People's Republic of China	20	130
Management consultancy services		
- Singapore	64	-
<b><u>Over time</u></b>		
Management consultancy services		
- Singapore	108	80
- Denmark	-	30
- United Arab Emirates	-	35
	<b>108</b>	<b>145</b>
	<b>192</b>	<b>275</b>

#### *Seasonal operations*

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

### 4 Tax expense

	Group 6 months ended 30 June	
	2022 RMB'000	2021 RMB'000
Current tax expense	-	-

### 5 Loss per share

	Group 6 months ended 30 June	
	2022	2021
Loss attributable to equity holder of the Company (\$'000)	(535)	(510)
Loss per share (basic and diluted) (\$ cents)	(1.25)	(1.20)
Weighted average number of ordinary shares outstanding	42,599,999	42,599,999

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

### 5 Loss per share (cont'd)

Basic loss per share is computed by dividing the loss attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial period. There are no dilutive potential ordinary shares.

### 6 Trade and other receivables

	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
<b>Trade receivables</b>	<b>1,363</b>	1,506	—	—
Other receivables	<b>4,207</b>	4,148	<b>853</b>	882
Less: allowance for expected credit loss	<b>(4,095)</b>	(4,095)	—	—
	<b>112</b>	53	<b>853</b>	882
	<b>1,475</b>	1,559	<b>853</b>	882

### 7 Share capital

**Group and Company**  
**2022 2021**  
**No. of shares**

#### Fully paid ordinary shares, with no par value:

On issue at 1 January and 30 June/31 December	<b>42,599,999</b>	42,599,999
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The Company did not hold any treasury shares as at 30 June 2022.

The Company's subsidiary corporations do not hold any shares in the Company as at 30 June 2022 and 31 December 2021.

### 8 Dividends

No dividend for the half-year ended 30 June 2022 (30 June 2021: Nil) was declared or proposed.

### 9 Net asset value per share

	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
Net assets value per ordinary share (\$ cents)	<b>5.70</b>	6.88	<b>4.96</b>	5.92
Number of issued ordinary shares at end of financial period/year	<b>42,599,999</b>	42,599,999	<b>42,599,999</b>	42,599,999

### 10 Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Limited ("SGX-ST").

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

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

### 11 Segment information

The Group's chief operating decision-makers ("CODM") comprise of the Executive Directors. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources, and assess performance.

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

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

6 months ended 30 June	Corporate advisory and management consultancy		All other segments		Total operations	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Revenue and expenses</b>						
Revenue	192	275	-	-	192	275
Other income	-	-	7	4	7	4
Interest income	1	4	2	-	3	4
Currency exchange gains/(loss), net	25	41	(38)	1	(13)	42
Employee compensation	(390)	(434)	(132)	(216)	(522)	(650)
Directors' fee	-	-	(49)	(67)	(49)	(67)
Professional fees	(16)	(208)	(165)	(73)	(181)	(281)
Rental expenses – short term leases	(6)	(11)	(14)	(16)	(20)	(27)
Other operating expenses	(5)	(7)	(19)	(21)	(24)	(28)
Loss before income tax	(199)	(340)	(408)	(388)	(607)	(728)
Income tax expense	-	-	-	-	-	-
Net loss	(199)	(340)	(408)	(388)	(607)	(728)
Segment assets	1,086	1,235	2,198	2,645	3,284	3,880
Segment liabilities	232	327	136	122	368	449

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

### 12 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021:

	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at amortised cost</b>				
Trade and other receivables	1,475	1,559	853	882
Other current assets <sup>+</sup>	36	42	5	8
Cash and cash equivalents	1,765	2,266	1,332	1,744
	<b>3,276</b>	<b>3,867</b>	<b>2,190</b>	<b>2,634</b>
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	<b>368</b>	293	<b>136</b>	122

+ Excludes prepayments

### 13 Subsequent events

On 8 August 2022, the Company has incorporated a wholly-owned subsidiary corporation in Kuala Lumpur, Malaysia, under the name of Forise International (M) Sdn Bhd with an issued and paid-up capital of RM100,000 comprising 100,000 ordinary shares as announced by the Company on the same date.

With the exception of the above, there were no known subsequent events which have led to adjustments to this set of interim financial statements.

## OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

### AUDIT

The statements of financial position as at 30 June 2022 and the related consolidated statement of profit or loss and other comprehensive income, statements of changes in equity and consolidated statement of cash flows for the half-year period ended and the selected explanatory notes (the “Condensed Interim Financial Statements”) have not been audited or reviewed by the Company’s auditors.

### REVIEW OF GROUP PERFORMANCE

#### Consolidated statement of Profit or Loss and other comprehensive income

##### Revenue

Revenue is generated from the business of providing strategic planning, corporate and financial solution advisory, financial restructuring advisory and management consultancy services. The decrease of revenue in 1H2022 when compared to 1H2021 amounting to \$0.11 million is mainly due to the decrease in revenue contribution from the corporate advisory services in China, which was caused by the Group securing one less contract in 1H2021. This decrease was offset by the increase in revenue contribution from management consultancy services, which had increased by \$0.027 million in 1H2022 when compared to 1H2021. This increase was mainly contributed by the newly incorporated subsidiary corporation, Raffles Neobank Solutions Pte Ltd, which has managed to secure one new contract during the financial period.

##### Other income

The increase in other income of S\$7,000 is from the sub-lease of office premises to a related company during the financial year, as compared to Nil for 1H2021. While the related company is an associated company of a Director (as defined under the Listing Rules) and therefore this transaction is an Interested Person Transaction, no announcement or shareholder’s approval is required as it is less than the \$100,000 thresholds stipulated in Chapter 9 of the Listing Manual.

#### Currency exchange gain, net

The Group recorded a net foreign exchange gain of \$0.01 million in 1H2022 as compared to a net foreign exchange loss of \$0.042 million in 1H2021, which was caused by the strengthening of Singapore Dollar against foreign currencies such as United States Dollars and Renminbi. As the Group was in net United States Dollar (“USD”) assets position and Renminbi (“RMB”) liabilities position, the appreciation of the USD and RMB against Singapore Dollars (“SGD”) contributed to the foreign currency exchange gain.

##### Expenses

###### i) Directors’ fees

Directors’ fees of the Group decreased by \$0.02 million or 26.7%, from \$0.07 million in 1H2021 to \$0.05 million in 1H2022 as a result of reduction of the directors’ fees.

###### ii) Employee compensation

Employee compensation of the Group decreased by \$0.13 million or 19.8%, from \$0.65 million in 1H2021 to \$0.52 million in 1H2022 as a result of salary reduction.

###### iii) Professional fees

Professional fees of the Group decreased by \$0.10 million or 35.4%, from \$0.28 million in 1H2021 to \$0.18 million in 1H2022. The overall decrease in 1H2021 was mainly due to lesser professional services received in relation to various corporate actions and other advisory matters of the Group.

## **OTHER INFORMATION BY LISTING RULE APPENDIX 7.2 (CONT'D)**

### **REVIEW OF GROUP PERFORMANCE (CONT'D)**

#### **Statement of financial position**

##### **Current Assets**

As at 30 June 2022, the current assets of the Group amounted to \$3.29 million, decreased by \$0.59 million from \$3.88 million as at 31 December 2021. The Group's current assets mainly comprise of cash and cash equivalents and trade and other receivables. The decrease was mainly due to the net cash outflow for the operating activities and collection from receivables

##### **Current Liabilities**

As at 30 June 2022, the current liabilities of the Group amounted to \$0.37 million, decreased by \$0.08 million from \$0.45 million as at 31 December 2021. The decrease is mainly due to the tax payments by Prisma Technologies Pte. Ltd..

#### **Consolidated statement of cash flows**

In 1H2022, the Group reported net decrease in cash and cash equivalents mainly due to the payment of income tax and net cash outflow from operating activities which was offset by an increase in the working capital of the Group.

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

Not applicable. No forecast or prospect statement has been previously disclosed.

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

In April 2022, the Group has incorporated a joint venture company (Raffles Neobank Solutions Pte. Ltd.) with a business partner which already commenced operations and generated revenue. In August 2022, the Group has incorporated a wholly-owned subsidiary in Kuala Lumpur, under the name of Forise International (M) Sdn Bhd with an issued and paid-up capital of RM100,000 comprising 100,000 ordinary shares. The Group also appointed Mr. Wan Jinn Woei ("Mr. Wan") as Executive Director, to assist on the business development and project execution. Mr. Wan is also the director of the newly incorporated subsidiary in Kuala Lumpur. The Group will adopt the prudent approach to gradually expand our team and business partners who may able to bring in business/value to the Group.

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

The ongoing COVID-19 pandemic, Russia-Ukraine war and US-China dispute have made the global economic more volatile and uncertain. Admst the challenging environment, the Group continues to strive in our current business and will endeavour to do our best to explore new business opportunities in Asia Pacific. The Group has been continuously looking for suitable management team members and business partners to work together as well. Our aim is to broaden our revenue stream and improve the Group's performance.

## CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS

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

**Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 30 June 2022, none of the persons occupying the 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

## DISCLOSURE PURSUANT TO RULE 706A OF THE LISTING MANUAL

The Board of Directors of the Company wishes to announce that in the half-year ended 30 June 2022, the Company had, on 1 April 2022, incorporated a joint venture company in Singapore under the name of Raffles Neobank Solutions Pte Ltd ("**Raffles Neobank**") with an issued and paid-up capital of S\$100,000 comprising 100,000 ordinary shares, in which the Company holds 51.0% and its joint venture partner holds the remaining 49.0%.

Although not falling within the half-year period to which these financial results relate, in the interests of full disclosure, the Board also wishes to disclose that the Company had, on 8 August 2022, incorporated a wholly-owned subsidiary in Malaysia under the name of Forise International (M) Sdn Bhd ("**Forise Malaysia**") with an issued and paid-up capital of RM100,000 comprising 100,000 ordinary shares.

The incorporation of Raffles Neobank and Forise Malaysia, as well as the Company's subscription of shares in both of them, were funded through the Company's internal resources and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 December 2022.

None of the Directors, substantial shareholders or controlling shareholders of the Company, nor their respective associates, has any interest, direct or indirect, in Raffles Neobank or Forise Malaysia, other than through their respective shareholdings in the Company.

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

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

## NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results for the half year ended 30 June 2022 to be false or misleading in any material aspect.

## BY ORDER OF THE BOARD

Peng Weile  
Executive Director  
12 August 2022