V2Y

V2Y CORPORATION LTD

ANNUAL REPORT 2022

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This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("Sponsor") for compliance with the relevant rules of the SGX-ST.

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

The contact person for the Sponsor is Mr Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd., 36 Robinson Road, #10-06 City House, Singapore 068877, sponsor@rhtgoc.com.

CORPORATE PROFILE

The Company was incorporated in Singapore on 28 June 2017, in accordance with the Companies Act as a private limited company under the name of "Synagie Corporation Pte. Ltd.". The Company was subsequently renamed to "Synagie Corporation Ltd." on 27 June 2018 in connection with its conversion into a public company limited by shares. On 12 November 2020, the Company's name was changed to V2Y Corporation Ltd.

On 5 November 2020, the Company had completed the sale of its E-Commerce and E-Logistics business segment (the "Disposal Group") and accordingly financial results of the Disposal Group were classified as discontinued operations. Please refer to announcements made on 5 August 2020, 4 September 2020, 28 September 2020 and 5 November 2020 for further information.

The Insurtech business segment provides third party administration and value-added services to help our brand partners in the computer, communication and consumer electronics sector manage and execute their extended warranty and accidental damage protection programmes. Leveraging on its technology platform and ecosystem, the Group is looking to expand its Insurtech business by extending existing offerings and new products to its brand partners, channel partners and end consumers.

CORPORATE STRUCTURE

CHAIRMAN'S MESSAGE

CHAIRMAN'S MESSAGE

In view of the challenging market conditions, we have initiated steps to reduce our operating costs by optimising our manpower productivity with a leaner team and automating strategic processes.

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of V2Y Corporation Ltd. and its subsidiaries (collectively the "Group"), it is my honour to present you with the annual report for the financial year ended 31 December 2022 ("FY2022").

As we exit the COVID-19 pandemic after three years of learning to manage and adapt to it, there is much relief felt at the end of this event. We saw COVID-19 measures being eased progressively during the year and are grateful to have life return back to normal.

Although the lowering of the DORSCON (Disease Outbreak Response System Condition) level provided a boost to economic activities, the business environment remained difficult with global uncertainty brought about by a number of significant events all converging at almost the same time. Amongst these are the war in Ukraine, Europe conflict, disagreements between superpowers US and China, and accelerating inflation that led to a series of aggressive interest rate hikes around the world.

The result of our Insurtech segment was dependent on the personal computer and phone market performance in Singapore and the Asia Pacific region, as it was tied to our sales of device protection plans. Personal computer sales fell by a large extent in 2022 as the Asia Pacific market (excluding Japan) declined 29.4% year-on-year[1]. The decrease has led to a reduction in contract renewal due to budget cut and tight cost control measures implemented by customers.

[1] https://www.computerworld.com/article/3685433/pc-sales-fell-hard-in-2022.html#:~:text=For%20all%20of%202022%2C%20laptop,year%20growth%20was%20around%2015%25.

CHAIRMAN'S MESSAGE

Global shipment for smartphone also shrank by more than 11% in 2022 year-on-year[2]. This was mainly due to a cutback in consumer spending amid high inflation and rising interest rates, which has led to weaker sales performance in FY2022. As such, we saw our revenue dip by 72.1% to S$0.3 million in FY2022.

In line with decreased sales, the Group cost of sales for the year also adjusted downwards by 71.5% to S$0.2 million accordingly.

In view of the challenging market conditions, we have initiated steps to reduce our operating costs by optimising our manpower productivity with a leaner team and automating strategic processes.

We recognise the risk of being in a single sector, hence we have been reaching out to our business partners to explore and diversify into other potential new business opportunities to expand beyond our existing segment in an effort to improve the Group's performance in the near future. We will announce any material developments to keep our shareholders updated on our latest progress.

Going forward, we will continue to innovate and introduce more risk protection plans to our customers in the coming year as part of our effort to grow our products and services.

In closing and on behalf of the Board, I would like to thank all employees and shareholders for riding through this difficult period together with the Group. Your contribution has been our main driving force and we look forward to working together closely in the near future for greater success. I am also grateful to all our various stakeholders who have been very supportive and committed towards our common cause. I am certain that the Group will continue to stay its course to deliver value for everyone in the near future.

2 https://www.cnbc.com/2023/01/26/apple-retains-top-smartphone-spot-as-global-shipments-fall-to-2013-low.html#:~:text=The

CEO'S MESSAGE

The Group will explore viable opportunities to grow and enhance our business performance, and seek new potential business to diversify into so as to mitigate our industrial risks.

On behalf of the Board and Management, I am pleased to present the V2Y Corporation Ltd. (the "Company") annual report for FY2022.

The business environment remained uncertain in FY2022 as it was dominated by several major events which have impacted investor confidence and posed significant economic challenges. Prominent developments in FY2022 included the prolonged Ukraine war, escalation of the US-China tension and high inflation which has resulted in relentless interest rate hikes by the Federal Reserve.

Even as COVID-19 restrictions were progressively lifted during the year which allowed life to return to some form of normalcy, the economic boost accorded by the transition towards endemic living was somewhat countered by a challenging overall business environment. Nevertheless, V2Y Corporation Ltd. and its subsidiaries (collectively the "Group") will continue to forge ahead and make necessary adjustments to our business operations.

Performance Highlight

In FY2022, the Group reported revenue of S$0.3 million, which translated to a 72.1% decrease as compared to the previous year. This mainly resulted from a reduction in revenue contribution from our customers and a decline in the number of new projects undertaken.

Accordingly, the Group's gross profit for the reporting year contracted by 73.0% or S$0.3 million, from S$0.4 million in FY2021 to S$0.1 million in FY2022, as gross profit margin of contracts secured shrank from 37.1% in FY2021 to 35.9% in FY2022.

As a result, the loss for the reporting period increased by S$0.4 million to S$2.2 million. This was mainly due to lower gross profit of S$0.3 million and other operating income of S$0.2 million, and the hike in other operating expenses of S$0.2 million, which were partly offset by the decrease in administrative expenses of S$0.3 million.

Business Developments

The Insurtech business continued to be our main focus in FY2022, as it remained the main revenue contributor during the year. As our sales of device protection plans is closely related to the personal computer and phone market performance, our earnings hinges on the sales prospect of the personal computer and mobile device manufacturers. In FY2022, the Group's sales decreased from S$1.1 million in the previous year to S$0.3 million amid a reduction in demand from customers and a decrease in project renewals as a consequence of a cutback in customers' budget.

The deterioration in the mobile device market is evident from the performance of Apple and Samsung, two of the world's largest smartphone makers, which both saw a decline in shipment for Q42022 of 14.9% and 15.6% respectively[3]. Mobile device makers have been greatly impacted by the slowdown in consumer spending as a result of accelerating inflation and interest rates coupled with increasing geopolitical tensions last year. Nevertheless, we were not directly affected by rising interest rates as our borrowing costs were largely locked in.

[3] https://www.cnbc.com/2023/01/26/apple-retains-top-smartphone-spot-as-global-shipments-fall-to-2013-low.html#:~:text=The

CEO'S MESSAGE

To help the Group navigate through the challenging business environment, we exercised financial prudence and implemented effective measures to reduce our operating costs. This included increasing productivity by working with a leaner team and automating our operations to reap significant cost savings.

With these efficient initiatives in place, the Group managed to lower our operating cost by 17% in FY2022. In the second half of the year, we also saw our manpower cost decrease by more than 40% with our shift towards automation, thereby reducing our manpower requirement.

During the year, we have also made efforts to reach out to our business partners to explore potential new business opportunities beyond our existing industrial segment, as part of our plan to diversify to mitigate current business risks and enhance the Group's performance.

Corporate Social Responsibility

Corporate social responsibility is gaining traction as communal sustainability and environmental causes come into focus in society. As a company, we believe in giving back to society meaningfully as we seek to maintain our community involvement to contribute towards nurturing young talents and uplifting underprivileged groups to level the playing field in society for everyone.

During the year, we supported the ECHAMP 2022 Mobile Legends Tournament, which is a collaboration between NTUC Club, The Gym and ACE The Place Community Club to bring together members of nEbO and NTUC, unions, youths and the public in a communal online competition. We were one of the sponsors for this e-sport event to help promote e-sports in Singapore and develop community interaction for a more inclusive and tight-knitted society.

Future Prospects

As COVID-19 pandemic restrictions were being removed progressively, there was resumption of business activities in the local market. However, the business environment is becoming increasingly challenging with a number of global factors impeding growth developing unfavourably. There is growing uncertainty in the geopolitical situation.

The economy is showing signs of a slowdown with ongoing aggressive interest rate hikes, which are increasing the risk of a global recession. As such, customer demand is being dampened as consumer spending slows in response to rising interest rate and persistent inflation.

The Group's Insurtech business is being impacted as contract renewals and new contract sign-ups by customers are affected by the overall challenging economic environment. Nevertheless, the Group will persist in our effort to exercise prudence in our operation spending to reap cost-savings, as we continue to innovate and implement more risk protection plans to expand our solution offerings to our customers in the year ahead, as we seek to grow our Insurtech business.

At the same time, we will also explore viable opportunities to grow and enhance our business performance. We are also seeking new potential businesses to diversify into so as to mitigate our industrial risks.

Acknowledgements

I would like to extend my appreciation to the Board of Directors for their invaluable guidance and counsel that has effectively steered the Group through the turbulent COVID-19 period. I would also like to thank our staff and management for their contribution and hard work in helping the Group stay its course during these challenging times.

I am grateful to our customers, business associates and shareholders for their support and trust in us. We have come this far because of you and we will continue to create greater value for all our stakeholders as a show of our commitment to you.

FINANCIAL REVIEW

Revenue
The Group's revenue for the FY2022 had decreased by 72.1% or S$0.8 million, from S$1.1 million in FY2021 to S$0.3 million in FY2022. The decrease in revenue was mainly due to decrease in revenue from its customers and new projects.

Cost of sales
The Group's cost of sales for the FY2022 had decreased by 71.5% or S$0.5 million, from S$0.7 million in FY2021 to S$0.2 million in FY2022 mainly due to the decrease in revenue from its customers and new projects.

Gross profit and gross profit margin
The Group's gross profit for the FY2022 decreased by 73.0% or S$0.3 million, from S$0.4 million in FY2021 to S$0.1 million in FY2022. The decrease in gross profit is mainly due to the decrease in gross profit margin from contracts secured.

The Group's gross profit margin decreased from 37.1% in FY2021 to 35.9% in FY2022. The decrease was mainly due to decrease margin in Group's project, leading to a decrease in the Group's gross profit margin.

Other income
Other income decreased by 89.3% in FY2022 as compared to FY2021. The decrease was mainly due to the decrease in government grant received during FY2022.

Distribution and selling expenses
There had been no significant differences in distribution and selling costs incurred during FY2022 and FY2021.

Administrative expenses
Administrative expenses had decreased by 16.8% or S$0.3 million to S$1.6 million in FY2022 as compared to S$1.9 million in FY2021. The decrease in administrative expenses was mainly due to the decrease in payroll expenses arising from decrease in number of headcount for the Group during FY2022.

Other operating expenses
Other operating expenses for FY2022 had increased by 23.3% or S$0.2 million, mainly due to increase in impairment loss recognised for intangible assets of S$0.4 million and impairment loss on right-of-use assets of S$0.1 million, partly offset by a decrease in impairment loss on goodwill of S$0.3 million.

Finance costs
The Group's finance costs had increased by 30% in FY2022 compared to FY2021 as the Group had obtained its financing in April 2021. There is no change in the cost of borrowing for the Group in FY2022 as compared to FY2021.

Income tax credit
Income tax credit arise from the unwinding of deferred tax liabilities associated with the acquisition of Insurtech Subsidiary.

Loss for the year
The loss for the FY2022 increased by S$0.4 million, from a loss of S$1.8 million in FY2021 to S$2.2 million in FY2022. The increase in loss for FY2022 was mainly due to the decrease in gross profit of S$0.3 million and other operating income of S$0.2 million, and the increase in other operating expenses of S$0.2 million, partly offset by the decrease in administrative expenses of S$0.3 million.

STATEMENT OF FINANCIAL POSITION

Current assets
The Group's current assets decreased from S$2.0 million as at 31 December 2021 to S$1.9 million as at 31 December 2022, mainly attributed to decrease in trade and other receivables of S$0.1 million. The decrease in trade and other receivables was mainly due to decrease in the Group's revenue.

FINANCIAL REVIEW

Non-current assets

The Group's non-current assets comprise deferred service costs, plant and equipment, intangible assets, goodwill, and right-of-use assets. Non-current assets decreased from S$0.9 million as at 31 December 2021 to S$25,000 as at 31 December 2022 mainly due to depreciation and amortisation of S$13,000 and S$242,000 respectively, and the impairment loss on goodwill of S$0.3 million, intangible assets of S$0.4 million and right-of-use assets of S$0.1 million.

Current liabilities

The Group's current liabilities decreased from S$1.4 million as at 31 December 2021 to S$0.8 million as at 31 December 2022. This was mainly due to decrease in trade and other payables of S$0.7 million, partly offset by the increase in deferred service revenue of S$25,000 and lease liabilities of S$19,000.

Deferred service revenue relates to service billings for the Insurtech business segment which is recognised over the service period.

Non-current liabilities

The Group's non-current liabilities decreased from S$0.4 million as at 31 December 2021 to S$0.3 million as at 31 December 2022. The decrease was mainly due to the decrease in deferred tax liabilities of S$0.1 million and the decrease in bank borrowing of S$0.1 million, partly offset by the increase in deferred service revenue of S$0.1 million. The decrease in bank borrowing was mainly due to reclassification from non-current liabilities to current liabilities.

Equity

As at 31 December 2022, the Group's equity of S$0.8 million includes mainly issued and full paid-up share capital of S$2.9 million, other reserve of S$0.8 million and accumulated losses of S$2.9 million.

Statement of Cash Flows

The Group used S$1.8 million in its operating activities in FY2022 as compared to S$0.8 million in FY2021, mainly due to negative operating cash flows before movement in working capital of S$1.2 million, adjusted for net working capital outflows of S$0.6 million arising mainly from the payment of trade and other payables of S$0.7 million, partly offset by collection from trade and other receivables of S$0.1 million.

FINANCIAL REVIEW

Net cash outflow from investing activities was nil in FY2022 as the Group did not purchase any equipment, compared to S$4,000 net cash outflow in FY2021.

Net cash inflow from financing activities of S$1.7 million in FY2022 mainly due to proceeds from the issuance of ordinary shares of S$1.9 million, partly offset by the repayment in bank borrowing of S$0.1 million and repayment in principal portion of lease liabilities of S$42,000.

BOARD OF DIRECTORS

LIM CHUAN POH
(NON-EXECUTIVE AND INDEPENDENT CHAIRMAN)

Mr Lim Chuan Poh graduated in 1978 with a Bachelor of Arts (Hons) in Engineering Science from Balliol College, Oxford University. He obtained his MSc in 1988 from Imperial College of Science & Technology on a Commonwealth Scholarship. Mr Lim spent more than 20 years in the Singapore Civil Service from 1980. Amongst his various appointments, Mr Lim was posted to the then Telecommunications Authority of Singapore (TAS) in 1994 and appointed as the Deputy Secretary of the Ministry of Communications in 1996. He was conferred the Public Administration Medal (Silver) at the 1996 National Day Awards by the Singapore government. Mr Lim left the Civil Service in 1998 to join Singapore Telecommunications Ltd ("**SingTel**") as Chief Executive (Fixed Lines & Internet Business). Thereafter, he held several key management positions including Chief Executive Officer ("**CEO**"), SingTel Mobile and CEO, International Business. He retired from SingTel in 2010. Currently, Mr Lim also serves in non-executive and advisory role with SPTel Pte. Ltd. (formerly known as SP Telecommunications Pte. Ltd.)

MR ONG SHEN CHIEH (WANG SHENGJIE)
(CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR)

Mr Ong Shen Chieh (Wang Shengjie) holds a Bachelor of Science degree in Real Estate from the National University of Singapore. He has extensive experience in the sectors of corporate finance, private equity and mergers and acquisitions. Mr Ong founded Sakal Investments Limited, a private equity investment firm, in March 2016. He is currently also serving as a non-executive and independent director of Eindec Corporation Limited, a company listed on the Catalist Board of the SGX-ST.

BOARD OF DIRECTORS

CHUE EN YAW
(NON-EXECUTIVE AND INDEPENDENT DIRECTOR)

Mr Chue En Yaw graduated from Nanyang Technological University with a Bachelor of Accountancy and is a Chartered Accountant and a CFA Charterholder. Mr Chue started his career at Arthur Andersen LLP as Staff Accountant in 1997 and was thereafter promoted to Senior in 1999. Between 2000 and 2008, he was the Director, Head of Fund Operations of JAFCO Investment (Asia Pacific) Ltd. From 2008 to 2010, he served as an Associate Director, Private Equity in the Principal Finance Department of Standard Chartered Bank. Mr Chue subsequently joined Temasek International Pte. Ltd. in 2010 where he was a Director, Private Equity Fund Investments until 2017. In 2018, Mr Chue joined Azalea Investment Management Pte. Ltd. as its Managing Director, Head of Private Equity Funds and in April 2021, he was promoted to Chief Investment Officer.

BOEY SOUK-TANN
(NON-EXECUTIVE AND INDEPENDENT DIRECTOR)

Ms Boey Souk-Tann obtained her Law Degree from the National University of Singapore in year 1992 and was called to the Singapore Bar in 1993. She is also admitted on the Roll of Solicitors of England and Wales in a non-practising capacity. Ms Boey specialises in banking, corporate and real estate matters and has close to 20 years of experience as both in-house and private legal practitioner. Ms Boey started her career with the Legal Service where she served with the Ministry of National Development as legal officer, and then with the Attorney-General Chambers as State Counsel. Thereafter, Ms Boey joined Bangkok Bank Public Company Limited as its in-house legal counsel, covering legal and operational aspects of audit, operations, regulatory compliance and corporate banking. In 1999, Ms Boey joined Khattar Wong & Partners dealing in banking, finance and property matters and in 2011, she joined LegalStandard LLP as a partner where she specialises in corporate, banking and real estate matters. With effect from 1 April 2022, Souk-Tann joined LegalWorks Law Corporation as a director specialising in banking, corporate and real estate matters.

EXECUTIVE OFFICERS

CAI JINGREN, JOHN
(GROUP FINANCIAL CONTROLLER)

Mr Cai Jingren John graduated from SIM University of London in 2008 and started his career at Deloitte & Touche LLP ("Deloitte") as an Audit Associate. He was responsible for audits of local listed companies and multi-national corporations. He left Deloitte in 2013 and joined Oxley Holdings Limited as the Finance Manager where he supported the CFO and oversaw all aspects of finance and accounting functions within the group. In 2015, he left Oxley Holdings Limited and joined KTL Global Limited as the Financial Controller. In 2019, he joined our Group as its Group Financial Controller and oversees the finance, accounting and administration functions of the Group. He is a member of the Institute of Singapore Chartered Accountants.

CORPORATE INFORMATION

BOARD OF DIRECTORS

LIM CHUAN POH
(Non-executive and Independent Chairman)
ONG SHEN CHIEH (WANG SHENGJIE)
(Executive Director and Chief Executive Officer)
CHUE EN YAW
(Non-executive and Independent Director)
BOEY SOUK-TANN
(Non-executive and Independent Director)

AUDIT COMMITTEE

CHUE EN YAW (Chairman)
LIM CHUAN POH
BOEY SOUK-TANN

NOMINATING COMMITTEE

BOEY SOUK-TANN (Chairman)
CHUE EN YAW
LIM CHUAN POH

REMUNERATION COMMITTEE

LIM CHUAN POH (Chairman)
CHUE EN YAW
BOEY SOUK-TANN

COMPANY SECRETARIES

CAI JINGREN, JOHN
LIM KOK MENG

REGISTERED OFFICE

38 Jalan Pemimpin,
05-03 M38
Singapore 577178
Tel: (65) 6755 7755

SHARE REGISTRAR

IN.CORP CORPORATE SERVICES PTE. LTD.
30 Cecil Street
#19-08 Prudential Tower
Singapore 049712

INDEPENDENT AUDITOR

BDO LLP
Public Accountants and Chartered Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

PARTNER-IN-CHARGE
Yeo Siok Yong
(Appointed since financial year ended
31 December 2020)

PRINCIPAL BANKERS

UNITED OVERSEAS BANK LIMITED

SPONSOR

RHT CAPITAL PTE. LTD.
36 Robinson Road,
#10-06, City House,
Singapore 068877
Registered Professional: Mr Khong Choun Mun

SUSTAINABILITY REPORT

BOARD'S STATEMENT

Dear Stakeholders,

V2Y Corporation Limited (referred to as "**V2Y**" or the "**Company,**" along with its subsidiaries, the "**Group**" and "**we**") is delighted to release the third annual sustainability report for the financial year ended on 31 December 2022 ("**FY2022**"). The Board of Directors (the "**Board**") is responsible for V2Y's sustainability programme, and actively incorporates environmental, social, and governance ("**ESG**") considerations in our corporate strategy formulation during our board meetings. The Board approves V2Y's material ESG factors and oversees senior management in executing sustainability initiatives across all business units.

In line with our growth strategy, our subsidiary collaborated with nEbO (junior membership arm of National Trades Union Congress "**NTUC**") by sponsoring our product Device Care to the ECHAMP 2022 Mobile Legends tournament. Held on 13 November 2022, this event aimed to promote E-Sports in Singapore. As one of the proud sponsors of the tournament, Device Care not only enhanced its brand recognition but also demonstrated its commitment to supporting the local gaming community.

The sponsorship of ECHAMP 2022 Mobile Legends tournament aligns with V2Y's overall vision of staying relevant in the industry. By participating in such events, V2Y is able to reach out to and build lasting relationships with its target audience. Furthermore, V2Y's involvement in promoting E-Sports reflects the company's commitment to supporting the development of the local gaming scene, which can have a positive impact on the growth of the industry as a whole.

To further fulfil our commitment to provide our customers with a wide range of high-quality products and services, we have continued to expand our customer base by collaborating with schools and clubs, and directly selling our products through online platforms. Our goal is to broaden our revenue streams and cater to the evolving needs and preferences of our customers. Our key strategies involve regularly reviewing our product portfolio to identify potential areas for expansion or improvement and seeking strategic partnerships with suppliers and distributors to ensure that our customers have access to a diverse range of products. We are confident that these strategies will help us continue to grow our business and provide value to our customers, even in challenging economic times.

At V2Y, we are committed to adopting sustainable practices in our supply chain and integrating our core values throughout the life cycle of our products and services. To achieve this, we have in place stringent requirements for quality and we engage only reputable service providers, including insurers, who abide by global environmental, social, and governance standards.

We believe that responsible sourcing is essential to promoting a sustainable future, and we continue to seek out partners who share our values and actively engage them in strategic partnerships.

V2Y extends our sincere appreciation to all our stakeholders for their support as we progress on our sustainability journey. We are committed to keeping you informed of our progress and sharing the steps we have taken to achieve our sustainability goals. We look forward to continuing our journey towards a sustainable future together and keeping you updated on our progress in the years to come.

For and on behalf of the Board of Directors,
Ong Shen Chieh (Wang Shengjie)
Executive Director and Chief Executive Officer
V2Y Corporation Ltd.

31 March 2023

SUSTAINABILITY **REPORT**

ABOUT THIS REPORT

Scope of the report

The Group's sustainability report has been produced in accordance with the Global Reporting Initiatives ("**GRI**") Standards covering our performance from 1 January 2022 to 31 December 2022. The primary focus of this report is on environmental, social and governance ("**ESG**") and related economic aspects, as well as initiatives undertaken that impact the material ESG factors. Unless otherwise stated, the policies, practices, performance and targets of the sustainability topics shall cover the Group's Insurtech business in Singapore.

Reporting Framework

This Sustainability Report has been prepared in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Catalist Rules and with reference to the internationally recognised Global Reporting Initiative ("**GRI**") Standards (GRI Universal Standards 2021). It includes the six required primary components of a sustainability report on a 'comply or explain' basis.

We have included climate-related disclosures in this year's report on an "explain" basis but are cognisant of how the climate crisis poses a wide range of risks and opportunities to businesses. We will continue to monitor and periodically assess the need to include climate-related disclosures that are aligned with the recommendations of the Taskforce for Climate-related Financial Disclosures ("TCFD") in future sustainability reports.

Report Content and Quality

This Sustainability Report aims to provide stakeholders with an overview of the Group's initiatives and strategies in relation to sustainability issues. Through this, we aim to address the key concerns and issues of our stakeholders. To ensure the quality of the content in this Sustainability Report, we have applied GRI's principles of accuracy, balance, clarity, comparability, reliability, and timeliness. All the data in this Sustainability Report are presented in internationally accepted measurement units. Financial figures are presented in Singapore Dollars unless otherwise stated. The report and data have been internally reviewed by management. At present, the Group has not sought external assurance for the sustainability report and will consider doing so in the future.

Availability

This Sustainability Report is only available in PDF format and can be downloaded from the SGXNet and on the Company's website https://v2y.si/investor_relations/.

As part of our ongoing efforts in improving the coverage of our sustainability practices, we welcome stakeholders to submit their questions or feedback on any aspect of our sustainability performance to Sustain@V2Y.si.

SUSTAINABILITY **REPORT**

ORGANISATIONAL PROFILE

V2Y Corporation Ltd. is a listed company on the Singapore Exchange Catalist Board. The Group's primary focus is its Insurtech business, which offers third-party administration services to multinational customers in the computer, communication, and consumer electronics sector across more than 12 Asian countries. With over a decade of experience, we provide extended warranty and accidental damage protection services, after-sales support, and call centre solutions. Our customers comprise of Fortune 500 companies in the 3C industry, and we have provided services to our corporate customers across Asia including Singapore, India, Hong Kong and Malaysia.

We serve as an administrative intermediary between our corporate customers and the insurance partners by reducing the administrative burden borne by both parties. We enable the extended warranty value chain by allowing manufacturers and retailers to outsource vital processes for their extended warranty programmes. Our products are Extended Care, Replacement Care and Device Care. Details on our products are available at "https://v2y.si/products/" and "https://devicecare.com.sg/".

Our products are:

EXTENDED CARE

Extended Care
- Provides Repair or Replacement options. Covers the repair and replacement of original parts and components in the event of mechanical and/or electrical breakdown.
- The term for Extended Care Service Plan will only begin upon expiry of the original standard manufacturer's warranty.

REPLACEMENT CARE

Replacement Care
- Replacement Care is designed to minimise 'Repair Time'.
- Provides Replacement option. In the event the new product fails to operate due to mechanical and/or electrical breakdown, a new replacement will be offered in lieu of the product being repaired.
- The term for Replacement Care Service Plan will only begin upon expiry of the original standard manufacturer's warranty.

DEVICE CARE

Device Care
- Device Care is a care plan to cover the damage costs to the devices, primarily the consumer's phone. The coverage supplements the phone's manufacturer warranty and enable the phone user to use their devices with a peace of mind.

SUSTAINABILITY **REPORT**

Our supply chain

Our sustainable supply chain strategy involves integrating our core values into the entire life cycle of our products and services, starting from the Group's supply chain. To ensure this, we maintain strict quality standards and only collaborate with reputable service providers, such as insurers, who comply with global environmental, social, and governance standards.

We conduct regular due diligence on our insurers to assess their compliance with required licenses and industry standards. Furthermore, we responsibly source partners who share our beliefs for a sustainable future and engage in strategic partnerships with them. We regularly communicate with our service providers and insurers to exchange experiences and identify improvement opportunities within our supply chain.

OUR SUSTAINABILITY STATEMENT

Our Vision

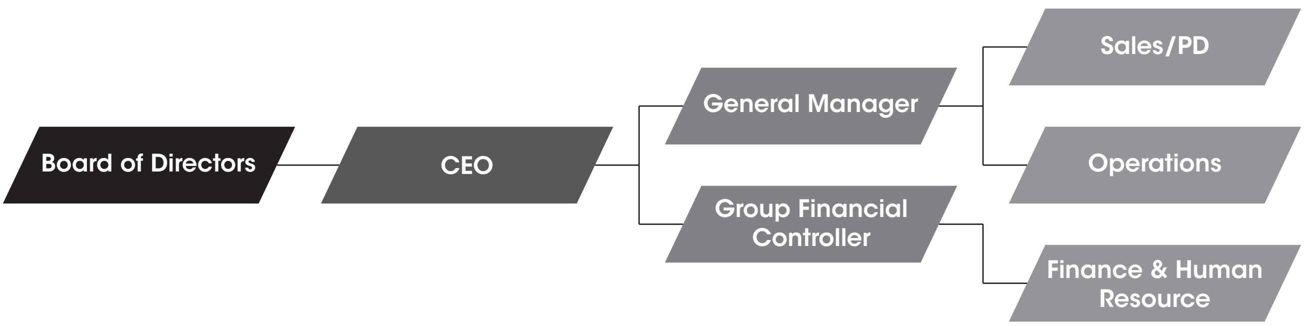
To create sustainable commerce and champion positive change.

Our Mission

To partner our customers through adding values to their products and creating exceptional post-sales service experience, to achieve profitability and to create a sustainable business together.

OUR SUSTAINABILITY MANAGEMENT

A Sustainability Management Committee ("**SRMC**") which comprises of our Executive Director, Chief Executive Officer ("**CEO**"), the Group Financial Controller as well as the respective department heads and middle management team is established to review the Company's sustainability and corporate social responsibility goals as well as to monitor the Company's performance and progress in achieving the goals and the undertaking of the materiality assessment. The SRMC is led by the Board of Directors who drives the sustainability agenda and considered sustainability issues as part of its strategic formulation. The Board is operationally supported by the CEO and he is assisted by Group Financial Controller and General Manager, who works with the respective Department Heads and middle management team, as set out below.



SUSTAINABILITY **REPORT**

Our Board reviews the ESG factors identified as material to our business and considers stakeholder priorities in setting goals and targets for the Group. Performance is closely monitored and reviewed by the Board on a regular basis. The Board also provides ongoing guidance to Management on effective implementation and monitoring of the relevant sustainability related initiatives and indicators. In addition, all the Board of Directors have completed the mandated ESG training course as required by the enhanced SGX sustainability reporting rules announced in December 2021.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement and responding to their feedback and needs are V2Y's way of doing business and ensuring long-term success. There are several groups of stakeholders with whom we engage regularly through many different platforms. The stakeholders' feedback and suggestions help us adjust our strategy and operate in a transparent and accountable manner. The following table summarises our key stakeholders, engagement channels and key areas of concern.

Stakeholder	*Engagement channels*	*Frequency*	*Key areas of concern*
Employees	Code of Conduct and Group's policies which are included in the Staff Handbook and made available to employees during orientation	On-going	▪ Fair and transparent employment practices in the workplace; and ▪ Work environment safety and welfare
	Performance appraisal	Annual	▪ Areas of improvement; ▪ Good merit-based compensation system; and ▪ Creation of effective development plan
	Training and development	Ad-hoc	▪ Professional knowledge and compliance; ▪ Career progression; ▪ Learning and growth opportunities; and ▪ Annual CPD (Continuing Professional Development) training

SUSTAINABILITY REPORT

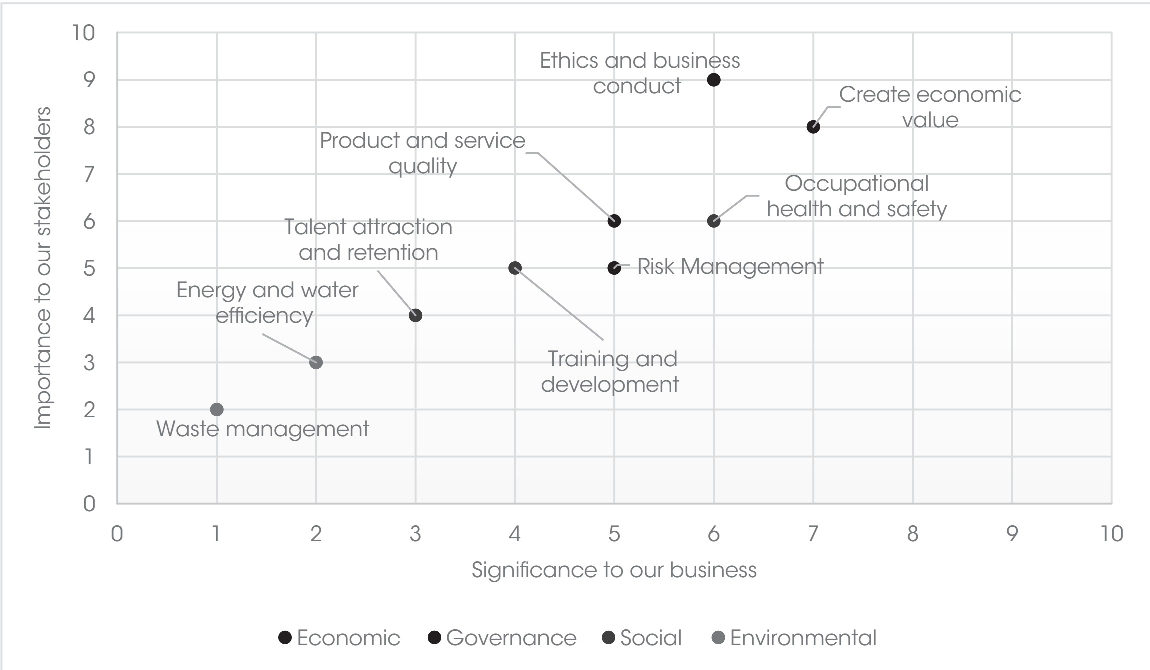
Stakeholder	Engagement channels	Frequency	Key areas of concern
Insurers	V2Y's network (e.g. writer and broker) through online meeting and calls	On-going	▪ Establishing and maintaining strong business relationships with accredited insurers; and ▪ Prompt payment cycles
End Users (B2B – Corporate Customers and B2C – Direct Customer)	Feedback	Annual	Timely and quality customer service
Shareholders	Annual report and sustainability report	Annual	▪ Financial performance and position; ▪ Business strategy and outlook; and ▪ Sustainability of business
	Announcements on SGXNet	Ad-hoc	Timeliness, completeness, transparency and accuracy of announcements
	Media releases	Ad-hoc	
Regulators	Correspondence and meetings with government agencies and statutory bodies, participation in industry associations	Ad-hoc	▪ Regulatory compliance; ▪ Good governance; and ▪ Safety at work
Community	Collaborations with local councils	Annual	▪ Corporate social conduct; and ▪ Safe and sustainable environment
	Sustainability report		

SUSTAINABILITY **REPORT**

MATERIALITY ASSESSMENT

Conducting a materiality assessment is a crucial step in sustainability reporting as it helps us identify the ESG factors that are most important to the business and its stakeholders. Based on feedback and concerns expressed by stakeholders, our sustainability strategy is developed, and our management team evaluates the factors that have a significant impact on the environment, society, and governance. After understanding and evaluating the feedback from our stakeholders, we have summarised their main concerns into nine factors which have been prioritised by the Group.

Our material sustainability topics were plotted on a materiality matrix and each topic was prioritised on a scale of '1 to 10' as shown in the table below. This matrix shows their relative position according to the degree of stakeholder interest and potential business impact.



The Board and Management have reviewed and validated the material topics for FY2022's reporting, and determined that the material topics identified in the previous year are still relevant to the organisation's business and stakeholders. Moving forward, we will continue to evaluate and review these topics and their performance.

SUSTAINABILITY REPORT

MATERIAL TOPICS

Material Topic	Our Commitment	Management Approach	Perpetual Targets
Economic Aspect			
Creating economic value	We are committed to delivering long-term value for our shareholders and other stakeholders, by striving to achieve long-term profitability.	The Company has been exploring more diversified products such as selling cracked screen insurance to direct customers via online sales (i.e., Lazada). We are also venturing and sourcing for new products such as device insurance bundle and travel insurance.	To improve or maintain our financial performance by exploring more business opportunities and enhancing our product and customer service quality.
Product and service quality	Providing quality products and excellent customer service are our top priorities. We are committed to building a reputation for quality and meeting our customers' expectations. Providing the best products and excellent services that meet or exceed our customer expectations will lead to higher customer satisfaction, and this would build a sustainable business relationship with them.	We appreciate feedback from our customers as it allows us to improve and innovate further. We value the feedback from our customers and we will continue to provide them with quality product and customer service.	To continue to maintain good rapport and gather feedback from our customers in order to enhance our range of insurance products and offer them new quality products and services.
Environmental Aspect			
Waste management	As a responsible corporation, we have been focusing on the importance of protecting the environment by promoting environmentally friendly practices within the Group. Despite our minimal waste creation, we are committed to adhering to our national vision towards becoming a Zero Waste Nation and a Leading Green Economy.	Our waste reducing practices through our 3Rs (Reduce, Reuse and Recycle) awareness and education initiatives are already in progress. We have also reduced the usage of physical screen crack card and have it replaced by electronic/online submission. This is to reduce plastic waste.	To continue to promote further waste reduction efforts such as further reducing our paper consumption and implement reuse and recycle initiatives when possible.
Energy and water efficiency	The Group seeks to maximise energy conservation efforts and reduce water wastage to minimise our environmental footprint.	In the workplace, employees have developed a culture of reducing electricity and water usage. Our employees are encouraged to set power save mode for desktops and notebooks, and to switch off air-conditioning and lights during lunch time and after office hours. We are committed to understanding and reducing operational water footprint, advocating an effective water consumption policy and encouraging our employees on water saving habits by stopping a running water tap.	To maintain zero fines and penalties incurred for non-compliance, and to continue to adhere to the environmental laws and regulations as set by the authorities.

SUSTAINABILITY **REPORT**

Material Topic	Our Commitment	Management Approach	Perpetual Targets
Social Aspect			
Talent attraction and retention	Our Group endeavours to ensure attractive remuneration packages are offered to recruit and retain talents. The remuneration packages include all staff welfare and benefits prescribed by the local authorities, applicable labour laws and regulations. This enables us to maintain our competitive edge and expand in the market.	We provide all our employees with equal opportunities in terms of equitable remuneration, promotion and career development in order to retain existing talents and as well as to attract new talents.	To reduce our turnover rate and retain talented staff.
Occupational health and safety	The Group recognises that the safety and well-being of our employees are the foundations of our success. We believe that keeping our people safe is our top responsibility as a company. It is one of the core values for us, and it is part of the expectation from our employees, their families and communities.	We always emphasise a "Safety First" culture in the Group. Continuous training and coaching are important components to encourage a culture of safety within the Group. Safety training courses which help address the major sources of known risk are conducted for our employees.	To continue to maintain zero workplace incidents reported to reduce any safety and health risks at the workplace.
Training and development	We strongly believe that cultivating our employees is crucial to our success. We constantly provide learning and development opportunities for our people to better themselves through internal courses or on-the-job training. We understand that consistent and ongoing training and development is important to maintaining a competitive, skilled, productive and motivated workforce.	We invest in our employees through various professional development opportunities and training programmes to develop their skillset and equip them with the necessary knowledge for further career advancement. On-the-job training and guidance are also provided to the employees as the need arises, so that they can execute their roles and responsibilities efficiently. We acknowledge that training requirements vary depending on the levels of management responsibilities. Therefore, our training programmes cover a variety of areas catering for employees with different job scopes and skills set requirements.	To provide ample opportunities for staff growth through extensive training programs.

SUSTAINABILITY **REPORT**

Material Topic	Our Commitment	Management Approach	Perpetual Targets
Governance Aspect			
Ethics and business conduct	The Group places a strong emphasis on corporate governance, professionalism, integrity, and accountability to ensure the sustainability of our business. We acknowledge that effective people, processes, and structures are essential to direct and manage the Group's affairs and build a solid foundation for corporate governance. The Board of Directors is fully aware of the significance of corporate governance and is dedicated to upholding high standards to safeguard the interests of shareholders, improve corporate value, and enhance accountability.	The Group has formulated a Code of Conduct ("**Code**") which sets out the guidelines and practices, and is made available to all employees. All our employees including management are expected to understand, internalise and abide by it. In our formalised Code of Business Ethics and Conduct policy, we have established zero tolerance towards corruption and fraud. In addition, we have implemented a whistleblowing policy in keeping with our commitment to the highest level of corporate governance. Employees can report workplace misconduct or any suspected wrongdoings to the Audit Committee Chairman in good faith and confidentially. We are committed to storing and protecting our customers' data in a safe and secure manner. Hence, we have put in place processes to protect our stakeholders' personal data through the privacy policy and our compliance with the Personal Data Protection Act 2012 as well as Personal Data Protection (Amendment) Act 2020.	To have zero substantiated cases of corruption or legal compliance issues and zero tolerance for corruption and fraud.
Risk management	Enterprise risk management helps an organisation in assessing the business environment as well as identifying potential risks and opportunities for its sustainability. At V2Y, we value risk management in formulation of the Group's strategic objectives. The enterprise risk management exercise enables us to identify the risks as well as seize potential opportunities for our sustainable environment.	An annual enterprise risk management exercise is carried out by the management. We constantly evaluate the potential risks, as well as closely monitor the status, effectiveness of risks mitigation measures and strategy implementation to report to the Board. In addition, we seek new opportunities and leverage on them in order to maintain the sustainable growth of the Group. As our operations involve the collection of large volume of customer's personal data, management of risks and threats is important to ensure that we comply with the regulations and our customers' data are protected and secure.	To continue to maintain zero incidents of bribery or corruptions. To continue to maintain zero incidents of non-compliance for all applicable laws and regulations. To ensure that no complaints are received regarding any breaches of customer privacy and continue to maintain our commitment towards protecting our customers' personal data.

SUSTAINABILITY REPORT

ECONOMIC PERFORMANCE

Objective

Our aims are to innovate our Insurtech business using technology innovation and create affordable insurance experiences that is unlike the traditional insurance, as well as create long-term economic value for our stakeholders.

Approach

We are committed to delivering long-term value for our shareholders and other stakeholders, by striving to achieve long-term profitability and adopt strategies through the following:

Creating Economic Value

With the trend of remote work arrangements becoming more prevalent, laptops and mobile phones are becoming increasingly important. V2Y believes that the growing ubiquity of these devices in Singapore creates a sizable market for the Group to expand its business. Although there are other Insurtech operators in Singapore, the Group sees potential in growing its business in this segment.

During the year under review, our Insurtech business experienced some short-term impacts due to the pandemic-induced uncertainty, resulting in a slowdown in the renewal of contracts by our customers. This is reflected in the 72.08% decline in revenue for FY2022, which stood at S$304,000 compared to S$1.09 million in FY2021. Our product lines are closely related to the production and sales of new laptops and mobile phones, and the global chip shortage is expected to affect the availability of these devices, thereby potentially affecting our sales. Moreover, the Group has witnessed a decrease in revenue due to a slowdown in the rate of new contract sign-ups during the year.

(GRI 201-1)	FY2022	FY2021
Economic Value Generated (S$'000)		
External revenues	304	1,089
Income tax credit	87	65
Other income	35	327
Economic Value Distributed (S$'000)		
Operating costs	196	687
Finance costs	13	10
Administrative costs	1,607	1,932
Other operating expenses	795	645
Economic Value Retained (S$'000)		
Net Profit/(Loss)	(2,185,000)	(1,793,000)

V2Y's priority in the near future is to maintain a diversified customer mix and product portfolio to sustain our business in the long run. To achieve this goal, we plan to acquire new clients through our existing network and contacts, as well as through professional agencies to tender for new projects and business opportunities. Additionally, we will continue to expand our range of products and services for consumers to broaden our revenue streams.

SUSTAINABILITY REPORT

Product and Customer Service Quality

Our company places a high priority on providing high-quality products and excellent customer service. We are committed to establishing a reputation for delivering superior quality and meeting our customers' expectations. By surpassing customer expectations with our exceptional products and services, we can guarantee customer satisfaction and foster a sustainable business relationship with them. In order to enhance our employees' efficiency and proficiency in PDPA, we provide them with comprehensive training programs, on-the-job training, and excel courses.

We highly appreciate our customers' feedback as it serves as a crucial tool for us to enhance and innovate further. In FY2021, we established a dedicated Operation Team and Claim Specialist to manage customer inquiries and feedback. We received no customer complaints in FY2022. Moreover, we have introduced key performance indicators to monitor our customer service staff's response rate to customer concerns and feedback.

Economic Performance in FY2022	
FY2022 Target	**Performance Update**
To continue launching more innovative insurance products.	We had launched two new products, Device Care Plus and Extended Device Care in FY2022.
To increase customer base for existing and newly launched products.	We have expanded our B2C customer base by collaborating with schools and clubs, and directly selling our products through online platforms.
Economic Target for FY2023	
FY2023 Target	**Action plan**
To expand our range of insurance products.	We are planning on offering extended warranty plans for our mobile insurance and exploring the possibility of providing insurance coverage for other electronic products as well.

SUSTAINABILITY **REPORT**

ENVIRONMENTAL

Objective

We are dedicated to being an environmentally-aware and socially-responsible corporation, through the integration of eco-friendly practices in our corporate strategies and decisions with the aim of minimising our environmental footprint.

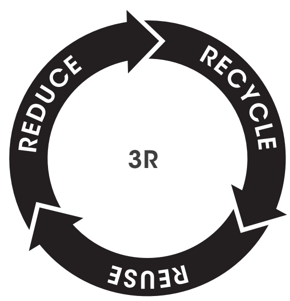
Approach

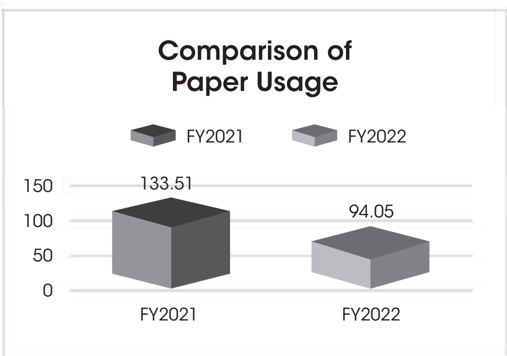
Given the rising impact of global warming and climate change on the world, and greater stress on natural resources, we acknowledge it is crucial for us to monitor and mitigate our environmental impact. Apart from economic and social considerations, environmental sustainability is always one of our principles to be upheld. While our operations generally do not generate any major environmental concerns, the Group is conscious of complying with all applicable environmental laws, guidelines and regulations, commit to reducing waste and conserving natural resources.

Waste Management

As a responsible corporate citizen, we have been focusing on the importance of protecting the environment by promoting environment-friendly practices in the Group. Waste-reducing practices through our 3Rs (Reduce, Reuse and Recycle) awareness and education initiatives are already in progress, and we have identified that our major waste generator is paper.

Although our waste generation is minimal, we are dedicated to supporting our nation's objective of becoming a Zero Waste Nation and a Leading Green Economy. We aim to incorporate the principles of the 3Rs into our daily operations, primarily by decreasing paper usage. We encourage our employees to adopt electronic methods for sharing and storing documents, while also reducing the paper used in essential printing and photocopying by utilising double-sided printing and recycled paper. Additionally, we have implemented a paperless working environment by issuing e-invoices and e-statements to our customers and promoting e-payment in our everyday activities.





Our company's efforts to streamline work processes and reduce paper consumption resulted in a decrease in paper usage from 133.51kg in FY2021 to 94.05kg in FY2022. In addition to reducing paper usage, we promote recycling by collecting and recycling used toner cartridges and encourage our staff to reduce plastic waste by using reusable items such as lunchboxes, cutlery, bottles, and paper bags. The success of our waste management efforts is due to the support and cooperation of everyone in the Group. Moving forward, we will continue to explore ways to further our commitment to creating a sustainable corporation and a paperless operating environment.

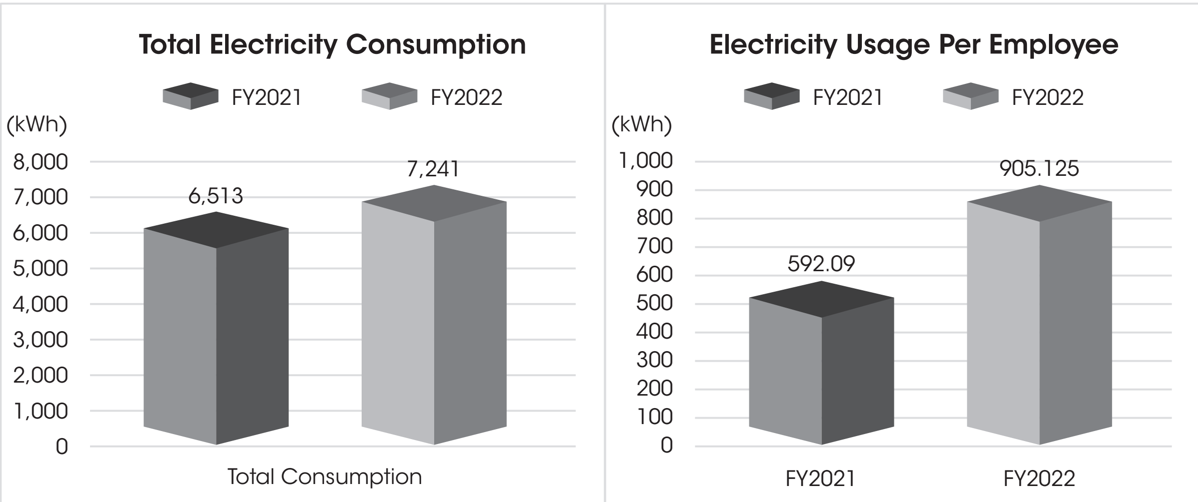
SUSTAINABILITY REPORT

Energy and Water Efficiency

The Group aims to minimise its environmental impact by maximising energy conservation and reducing water wastage. At the workplace, the employees have developed a culture of minimising electricity and water usage. They are encouraged to utilise power-saving modes for desktops and notebooks, turn off air conditioning and lights during lunchtime and after office hours. By reducing energy consumption, the Group can decrease operational costs and its carbon footprint. Additionally, energy-saving light bulbs are used wherever possible, and lights are turned off when not in use to further reduce energy consumption. The Group continually explores ways to improve energy efficiency in its business operations.

In FY2022, all environmental laws and regulations in the jurisdictions we operate in were adhered to and there were no fines or penalties incurred related to any non-compliance with environmental laws and regulations.

The following figures provide a reference point for assessing our energy and water consumption performance over the last three years. In comparison to our FY2021 performance, there was a slight rise in V2Y's electricity usage at our office from 6,513 kWh in FY2021 to 7,241 kWh in FY2022, this can mainly be attributed to the easing of the safe management measures which allowed our employees to resume work from the company's offices.



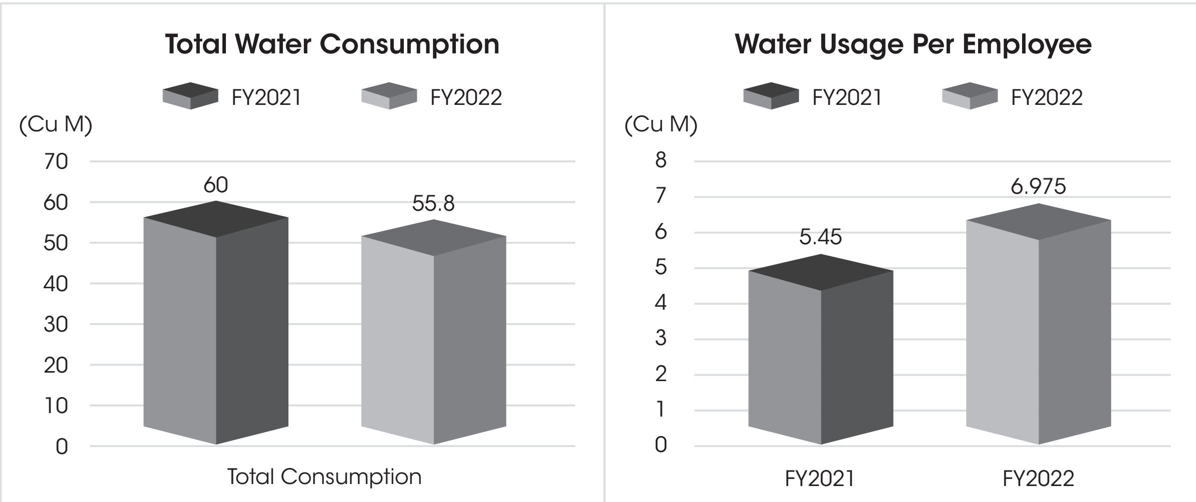
In FY2022, V2Y's offices' total electricity usage is indicated as below:

Electricity Consumption			
Year	Electricity Usage (kWh)	Group Revenue (S$'000)	Energy Intensity Ratio (kWh/S$'000)
FY2021	6,513	1,089,000	0.006
FY2022	7,241	304,000	0.024

SUSTAINABILITY **REPORT**

The supply of clean water is becoming increasingly strained, making water a limited resource. Therefore, our Group focuses on water conservation by improving water efficiency and educating employees on water-saving techniques, such as turning off running taps.

The following figures depict our office's water consumption over the past three years. Our water usage per employee in FY2022 stood at 55.80 Cu M, which did not differ significantly from our water usage in FY2021, which was 60 Cu M.



Environmental Performance in FY2022	
FY2022 Targets	**Performance Update**
To maintain zero fines and penalties incurred for non-compliance to the environmental law and regulations.	There were no fines and penalties incurred for non-compliance to the environmental law and regulations.
To continue to improve electricity and water efficiency.	There was a slight increase in electricity usage from 6,513 kWh in FY2021 to 7,241 kWh in FY2022. However, we reduced our water consumption for the year by 7% in FY2022 as compared to FY2021.
Environmental Target for FY2023	
FY2023 Targets	**Action plan**
To continue promoting our energy conservation programme to cultivate good energy-saving practices across our organisation.	To educate our people on the importance of energy conservation and ways to reduce electricity usage.

SUSTAINABILITY REPORT

SOCIAL

Objective

Corporate citizenship is a core component of our corporate responsibility strategy. The Group's professional ethics and integrity are always upheld when carrying out business operations.

Approach

Our team is made up of people with vast experience and strong industry background. We proactively provide opportunities for growth and development for talents in the organisation, through targeted development plans and succession planning. To ensure our long-term sustainability, we continuously invest time and effort in recruiting, upskilling, engaging and rewarding talents/employees.

As of 31 December 2022, V2Y's workforce comprised 8 employees (FY2021: 11 employees), all of whom are based in Malaysia and Singapore. A breakdown of our employee figures, by gender and employment contract type, is as follows:

	By Gender		By Age		
FY2022	Male	Female	< 30 years	31 – 50 years	Above 50 years
Permanent, Full-time Employees	5	1	0	5	1
Temporary Employees	0	2	0	1	1
All Employees	5	3	0	6	2

Talent Attraction and Retention

At V2Y, we recognise that talent attraction and retention are crucial to our business success, as our people are the primary drivers of our performance. However, there was a decrease in staff headcount from FY2021 to FY2022, which can be attributed to both our efforts to streamline our work processes and a decline in revenue stream during FY2022.

No. of New Hires					
	By Gender		By Age Group		
	Female	Male	< 30 years	31 – 50 years	Above 50 years
FY2022	1	0	0	1	0
FY2021	0	0	0	0	0

SUSTAINABILITY REPORT

No. of Resignees					
	By Gender		By Age Group		
	Female	Male	< 30 years	31 – 50 years	Above 50 years
FY2022	2	2	0	4	0
FY2021	1	2	1	1	1

Competitive and equitable remuneration

Our Group aims to attract and retain talented employees by offering competitive remuneration packages that adhere to all staff welfare and benefits prescribed by local authorities and applicable labour laws and regulations. This enables us to maintain our competitive edge and continue to expand in the market.

We understand that finding the right people with the necessary skills and talents to match our Group's culture and structure can be challenging. To enhance our Group's ability to retain talent and attract new talent, we provide all our employees with equal opportunities for remuneration, promotion, and career development. We conduct formal and systematic performance appraisals to ensure that performance expectations, feedback, and results are clearly communicated and discussed with employees. We also communicate expectations for the following year during the appraisal process.

We conduct an annual salary review for all employees, taking into account their performance appraisals and rewarding them based on merit. Additionally, we periodically review our salary range structure to ensure compliance with manpower regulations and maintain our competitiveness.

Employee benefits and welfare

At our company, we prioritise the well-being and work-life balance of our employees. Following the easing of COVID-19 safe management measures and the resumption of in-office work, we implemented a flexible work arrangement that enables our employees to adjust their work schedules to better suit their work and personal commitments. Our belief is that providing our employees with the autonomy to work flexible hours enhances job satisfaction and fosters higher productivity. Furthermore, we adhere to all manpower legislation and provide a range of benefits and welfare practices, such as reimbursement for outpatient and dental expenses, travel expenses, entertainment expenses for managerial positions, parental leave, and stock ownership.

Human rights and freedom of association

We respect the principles of freedom of association, the rights to collective bargaining, non-discrimination and harassment, meritocratic and progressive human resource practices, and advocate the elimination of forced or child labour. All employees under the Group are entitled to exercise freedom of association within the limits of the regulatory jurisdiction.

SUSTAINABILITY REPORT

Diversity

At V2Y, we believe discrimination hinders people from living up to their full potential, and creates inequality and less stable and prosperous societies. Talent is diverse by nature and we aim to build a diverse workforce by offering the same opportunities and career progression to our employees as well as governance bodies regardless of age, gender, race and nationality. Our employee selection process is based solely on their skills, experience, and job performance rather than their background. We firmly believe that diversity and non-discrimination are crucial for the long-term sustainability of our business. Furthermore, we recognise the importance of diversity on our Board and the values and benefits it can bring. To achieve this, we have ensured that our Board members comprised of talented and dedicated directors with a diverse mix of skills, experience, expertise, gender and age.

Occupational Health and Safety

The Group recognises that the safety and welfare of its employees is fundamental to its success. As a result, we are committed to establishing a secure and healthy workplace for our staff and implementing safe procedures in all areas of our business activities. It is not only a core value for us but is also part of the expectation from our employees, their families and the community.

We prioritise a "Safety First" mindset within the Group by emphasising continuous training and coaching to instil a safety culture. Our employees receive safety training that focuses on addressing known risks, and scheduled safety drills, including fire and evacuation scenarios, and on-site illness management, are conducted to ensure that employees are prepared for emergency situations. Additionally, we conduct regular inspections of firefighting equipment to maintain a safe workplace. We continuously review our Occupational Health and Safety policies and management systems to ensure they are effective, appropriate, and can be continually implemented within the organisation.

Our employees receive coverage under a basic medical insurance and benefits program, which protects them against any injury or illness that requires medical, surgical, or hospital treatment that may be sustained while working. Additionally, we provide health medical cards to promote the physical well-being of our employees. We prioritise the integration of Occupational Safety and Health into our organisational culture and behaviour.

In FY2022, there were no incidents of severe or fatal workplace injuries. We fully complied with manpower regulations and there were no reported incidents of child labour, forced or compulsory labour and discrimination in the reporting year.

Training and Development

We place a strong emphasis on the development of our employees as we recognise its importance to our success. To facilitate this, we provide ongoing learning and development opportunities for our staff, including internal courses and on-the-job training. Our investment in our employees extends to professional development programs such as Excel Advance, Insurance Continuing Professional Development, Continuing Professional Education ("**CPE**") under Institute of Singapore Chartered Accountants ("**ISCA**"), and Certified Data Analyst. These programs aim to equip our employees with the necessary knowledge and skills to advance in their careers. We also provide on-the-job training and guidance to ensure that our employees can perform their roles and responsibilities effectively. Our belief is that with adequate training and development, our people will possess the skills and knowledge required to remain competitive and relevant in the industry.

SUSTAINABILITY REPORT

In FY2022, our employees received an average of 13.3 hours of training each (FY2021: 17.5 hours), providing them with the tools they need to succeed in their roles. There has been a significant reduction in the number of training hours for the current year as compared to FY2021. This attributed to the company sending more employees for CPD training in FY2021, resulting in a noticeable decrease in the number of training hours as compared to FY2022. A breakdown of the average training hours per employee category is as follows:

	FY2022			FY2021		
By Employee Category	Senior Management	Managers	Executives	Senior Management	Managers	Executives
Total training hours	34.5	45	–	49	120	24
Staff headcount* (as of end of reporting period)	2	3	1	3	5	3
Average training hours	17.3	13.2	–	16.3	24	8

* Staff headcount excludes non-executive and independent directors, and temporary staffs.

We acknowledge the significance of consistent and ongoing training and development in maintaining a competitive, skilled, and motivated workforce. Our employee career development and performance management are based on merits and skill sets that align with the organisation's objectives. We achieve this through objective setting and regular performance reviews. We continuously review and enhance our career development and performance review processes to adapt to the changing business and operational environment.

We recognise that training requirements vary depending on the levels of management responsibilities, and our training programmes cover a variety of areas catering for employees with different job scopes and skillsets requirements. By having an annual performance appraisal, we can identify the gaps and needs of each employee and develop a more suitable training plan for our people. With proper training plans, we can then invest in the right training and development programmes for our employees.

Social Performance in FY2022	
FY2022 Targets	**Performance Update**
To continue providing training and development courses for employees	Managed to clock 79.5 hours in training and development which is an average of 13.3 training hours per employee.
To maintain zero workplace incidents reported	There were no workplace incidents reported.
Social Target for FY2023	
FY2023 Targets	**Action Plan**
To continue to revise our training and development program for each level of employee	To build a training plan for each employee and to source for relevant external training. To include key vendors who provide e-commerce/marketing training, insurance and other relevant course in the training programme.

SUSTAINABILITY REPORT

SUSTAINABLE GOVERNANCE

Objective

We seek to establish our corporate image based on ethical business conduct and our commitment to transparency and accountability to stakeholders.

Approach

V2Y places great importance on maintaining high standards of corporate governance, professionalism, accountability, and integrity. We firmly believe that these qualities are essential to ensuring the long-term sustainability of our business.

Ethics and Business Conduct

The Group's Board of Directors is dedicated to upholding accountability and transparency in our business activities and sustainability efforts to deliver responsible and consistent growth for our stakeholders. Our commitment to maintaining an effective compliance and governance system aligns with our priorities. We conduct our business in a manner that is both ethical and efficient, adhering to the principles and guidelines of the Singapore Code of Corporate Governance 2018 and other relevant laws and regulations.

Our key activities and business strategies of the Group are reviewed and evaluated by our Board at least twice a year. Sustainability matters are incorporated into the Group's strategy formulations.

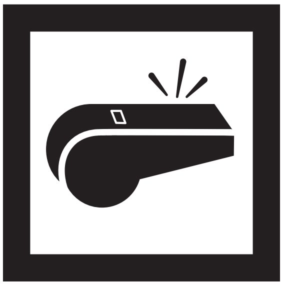
Our business is conducted through the application of ethical business practices and to build trust and confidence among our stakeholders and investors. The Group has formulated a Code of Conduct ("**Code**") which sets out the guidelines and practices that our employees, including management, are expected to understand, internalise and abide by. The Code is included in our Staff Handbook which is provided to employees during orientation and is also accessible for reading on the HR Portal (Whyze System).

Anti-corruption

At V2Y, we have a strict policy of zero tolerance towards corruption in any form. Our Code of Business Ethics and Conduct, which is accessible to all employees, formalises this policy and mandates strict adherence to ethical practices, including the prevention of fraud and corruption. We maintain the highest standards of business ethics by taking a firm stand against bribery and corruption. In the event of any alleged acts of corruption or bribery, we will thoroughly investigate and review the matter. Disciplinary action will be taken against any employee found to have engaged in any form of unethical behaviour, including malpractice or corruption. Our employees are expected to uphold and maintain high ethical standards as outlined in our Code of Business Ethics and Conduct.

SUSTAINABILITY **REPORT**

Whistleblowing



We value open communication at V2Y and ensure that all issues are handled with honesty and propriety. We have implemented a policy to encourage whistleblowing, enabling employees to confidentially and in good faith report any suspected wrongdoing or workplace misconduct to the Chairman of the Audit Committee. Reports received by the Audit Committee Chairman are presented to the Board during Board meetings. The Audit Committee has the authority to conduct independent inquiries into any complaints and take appropriate measures in response to their findings. Any harassment or victimisation, including informal pressure, against whistle-blowers is treated with the utmost seriousness, and we will take necessary action to safeguard those who raise concerns in good faith.

Data protection and information confidentiality

As a business that routinely collects substantial amounts of customer data, we place great importance on data protection and information confidentiality. Our goal is to uphold exceptional standards of data privacy and security, both to ensure sustainable growth and to safeguard our customers' interests.

Customers' data is collected upon registration for product warranty activation or purchase of any of our services. We recognise our customers' concerns regarding data protection and have implemented measures to collect only minimal levels of personal data.

To ensure sustainability of our business, we have established our privacy policy on our corporate website to show our transparency and accountability to our stakeholders. This would eventually build the trust of our customers when we collect and store their data. Our privacy policy covers the following aspects of data protection:

- Explains the types of information we collect;
- When was the consent given for our collection of personal data;
- How do we retain and use personal data;
- When do we disclose personal data;
- Importance of providing us accurate and complete personal data;
- Opt-out procedure; and
- Queries in relation to our privacy policy.

SUSTAINABILITY REPORT

We have additionally put in place reasonable security measures to protect personal data such as password protection, encryption, locked and restricted access to authorised personnel on a need-to-know basis, and retaining personal data not longer than necessary to fulfil the legal and business purposes of collection.

Our commitment lies in safeguarding our stakeholders' personal data and honouring their privacy. We fully adhere to the Personal Data Protection Act 2012 to ensure that we are compliant with all relevant data protection regulations.

Enterprise Risk Management

Enterprise risk management involves managing risks and seizing opportunities to attain the Group's objectives. At V2Y, we recognise the significance of risk management in formulating the Group's strategic objectives. Given that our operations primarily involve managing and reducing risks for our customers, it is vital to manage organisational risks and threats to ensure compliance with regulations and protect our customers' data.

Every year, we undertake an assessment of our enterprise risk management program to consider new risks that may emerge as we grow our business. We will continuously monitor our program to ensure that the risks are within our risk appetite and managed to the best of our abilities. We also conduct an annual internal audit of our key business processes on a yearly basis.

The implementation of our corporate governance and anti-corruption program has resulted in the cultivation of a positive corporate culture throughout the Group. Throughout FY2022, there was no incident of employee dismissal or disciplinary action related to corruption or fraud. In addition, we received no whistle-blower reports regarding bribery, corruption, dishonest practices, or other improper conduct in the workplace. We have also maintained compliance with listing requirements and legal regulations throughout FY2022 and have not been subject to any fines or penalties for non-compliance.

Sustainable Governance Performance in FY2022	
FY2022 Targets	**Performance Update**
Zero incidents of bribery or corruptions.	There were no reported incidents of bribery or corruption.
Zero incidents of non-compliance for all applicable laws and regulations.	There were no reported cases of non-compliance or breaches for all applicable laws and regulations.
Zero complaints received relating to breaches of customer privacy.	There were no complaints received relating to breaches of customer privacy.
Sustainable Governance Targets for FY2023	
FY2023 Targets	**Action Plan**
To improve the effectiveness of our company's risk management and internal control processes	We plan to have our key business processes audited annually.

SUSTAINABILITY **REPORT**

GRI CONTENT INDEX

GRI Standards	Disclosure No.	Disclosure Title	Page Reference and Reasons for Omission, if applicable
GRI 2: General Disclosures 2021			
The organisation and its reporting practices	2-1	Organisational details	Page 18
	2-2	Entities included in the organisation's sustainability reporting	Page17
	2-3	Reporting period, frequency and contact point	Page 17
	2-4	Restatements of information	Not applicable
	2-5	External assurance	Page 17
Activities and workers	2-6	Activities, value chain and other business relationships	Pages 18 - 19
	2-7	Employees	Page 31
	2-8	Workers who are not employees	Not applicable
Governance	2-9	Government structure and composition	Pages 46 - 48
	2-10	Nomination and selection of the highest governance body	Pages 49 - 53
	2-11	Chair of the highest governance body	Pages 48 - 49
	2-12	Role of the highest governance body in overseeing the management of impacts	Pages 19 - 20
	2-13	Delegation of responsibility for managing impacts	Pages 19 - 20
	2-14	Role of the highest governance body in sustainability reporting	Pages 19 - 20
	2-15	Conflicts of interests	Page 41
	2-16	Communication of critical concerns	Page 36
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	2-18	Evaluation of the performance of the highest governance body	Pages 53 - 54
	2-19	Remuneration policies	Pages 55 - 58
	2-20	Process to determine remuneration	Pages 55 - 57
	2-21	Annual total compensation ratio	Pages 58 - 60

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GRI Standards	Disclosure No.	Disclosure Title	Page Reference and Reasons for Omission, if applicable
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Page 16
	2-23	Policy commitments	Page 32
	2-24	Embedding policy commitments	Page 35
	2-25	Processes to remediate negative impacts	Page 37
	2-26	Mechanisms for seeking advice and raising concerns	Page 36
	2-27	Compliance with laws and regulations	Pages 35 - 37
	2-28	Membership associations	Not applicable
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Pages 20 - 21
	2-30	Collective bargaining agreements	Page 32
GRI 3: Material Topics 2021			
	3-1	Process to determine material topics	Page 22
	3-2	List of material topics	Pages 23 - 25
Economic Performance	3-3	Management of material topics	Pages 26 - 27
	201-1	Direct economic value generated and distributed	Page 26
Product And Service Quality	3-3	Management of material topics	Pages 26 - 27
Waste Management	3-3	Management of material topics	Page 28
	306-2	Management of significant waste-related impacts	Page 28
Energy And Water Efficiency	3-3	Management of material topics	Pages 29 - 30
	302-1	Energy consumption within the organisation	Page 29
	302-1	Energy intensity	Page 29
	303-5	Water consumption	Page 30

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GRI Standards	Disclosure No.	Disclosure Title	Page Reference and Reasons for Omission, if applicable
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	401-1	New employee hires and employee turnover	Page 31
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 32
Training And Development	3-3	Management of material topics	Pages 33 - 34
	404-1	Average hours of training per year per employee	Page 34
	404-2	Programs for upgrading employee skills and transition assistance programs	Page 33
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 34
Occupational Health and Safety	3-3	Management of material topics	Page 33
	403-5	Worker training on occupational health and safety	Page 33
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Anti-Corruption	3-3	Management of material topics	Pages 35 - 36
	205-3	Confirmed incidents of corruption and actions taken	Page 37
Risk Management	3-3	Management of material topics	Page 37

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**" or the "**Directors**") and the management team ("**Management**") of V2Y Corporation Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") are committed to maintaining a high level of corporate governance to promote greater transparency and safeguard the interests of shareholders, employees, and other stakeholders as well as to promote investors' confidence.

In accordance with Rule 710 of the Listing Manual – Section B: Rules of the Catalist (the "**Catalist Rules**"), this Corporate Governance report (the "**Report**") outlines the Company's corporate governance structures and practices that were in place during the financial year ended 31 December 2022 ("**FY2022**"), with specific reference made to the principles of the Code of Corporate Governance 2018 (the "**Code**"), to protect and enhance the interests and value of its shareholders.

The Company believes that it has substantially complied with the principles and guidelines as set out in the Code where appropriate. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code.

I. BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF ITS AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The Board's principal roles include promoting long-term shareholder value, setting the strategic direction and establishing goals for Management of the Company and its subsidiaries as well as ensuring proper observance of corporate governance practices. This includes setting the appropriate code of conduct and ethics as well as putting in place the desired organisational culture and tone, and to ensure proper accountability within the Group. In this regard, the Board oversees the business affairs of the Group and works with Management to achieve these goals for the Group.

Provision 1.1 of the Code

The Board has put in place policies and procedures for dealing with conflict of interest. Where a Director faces a conflict of interest, he or she would recuse himself or herself from discussions and refrain from deciding on the issues of conflict. All Directors objectively discharge their duties and responsibilities as fiduciaries and make decisions in the best interest of the Group at all times.

To ensure that the Directors are able to consistently develop and maintain their skills and knowledge, the Company encourages its Directors to attend courses and seminars. The Company relies on and encourages its Directors to regularly update themselves on, *inter alia*, new laws, regulations and changing commercial risks in the industry. Accordingly, information on courses or seminars in relation to the roles and responsibilities as a director of a public listed company as well as revisions to laws or regulations (which are applicable to the Company) are disseminated to Directors.

Provision 1.2 of the Code

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GOVERNANCE REPORT

The Company also has in place orientation programmes for newly-appointed Directors to ensure that they are familiar with the Group's structure, the Group's business, and its operations. New Director(s) will be expected to undergo orientation with the Company which includes meeting with the Chairman and/or the Executive Director(s) for an introduction to the business of the Company. Newly appointed Directors are encouraged to attend formal courses to familiarise themselves with the regulatory environment in Singapore and the roles and responsibilities as a director of a listed company.

In addition to this, the Company will arrange for new Directors, who do not have prior experience as a director of a public listed company in Singapore, to attend training courses organised by the Singapore Institute of Directors ("**SID**") or other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

Further to this, the external auditors will also brief the members of the Audit Committee on the developments in accounting standards (where applicable) during the Audit Committee meetings whilst the Company Secretary periodically updates the Board on any changes in the regulatory environment in Singapore as well as those pertaining to the roles and responsibilities of a director of a listed company.

In addition to statutory duties and responsibilities, the Board's duties, including the key matters to be approved by the Board are set out as follows:

Provision 1.3 of the Code

(a) reviewing and approving key business and financial strategies (taking into consideration sustainability issues) and objectives of the Group;

(b) reviewing and approving major corporate and/or financial restructuring and/or share issuance;

(c) reviewing and approving annual budgets of the Group, major transactions, including acquisitions, divestments, investments and capital expenditure;

(d) reviewing and approving the annual report and audited financial statements;

(e) reviewing and approving half yearly and full year annual results announcements;

(f) approving the nomination of Board members and the appointment of key management personnel;

(g) reviewing the performance of Management;

(h) providing guidance to the Management;

(i) ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;

CORPORATE GOVERNANCE REPORT

(j) ensuring that the Group has adequate internal controls, risk management, financial reporting and compliance as well as evaluating the same;

(k) ensuring the Group's compliance with laws, regulations, policies, directives and guidelines;

(l) establishing and maintaining the Company's values and standards and ensuring obligations to shareholders and others are understood and met;

(m) establishing and maintaining an ethical corporate culture that is reflective of the Company's values, standards, policies and practices and encouraging adherence to the Group's internal code of conduct;

(n) overseeing risk management strategies of the Group; and

(o) ensuring accurate, adequate and timely reporting to, and communication with shareholders and other key stakeholder groups.

To ensure smooth operations, facilitate decision-making and ensure proper controls, the Board has delegated some of its powers to its committees and Management. In particular, the Board has set up three committees to assist it in effectively discharging its duties. These three committees are the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**") (collectively, the "**Board Committees**").

Provision 1.4 of the Code

Each of the Board Committees is given specific responsibilities and they are empowered by the Board to deal with matters within the limits of authority set out in their respective terms of reference, which are reviewed on a regular basis by the Board. The AC is responsible for undertaking an independent review of the effectiveness of the financial reporting process and internal control systems of the Company and if required, to make the necessary recommendations to strengthen the necessary processes and controls to the Board. The NC is responsible for reviewing and making the appropriate recommendations to the Board on all board appointments and re-appointments while the RC is responsible for establishing and implementing a framework for remuneration of directors and key management personnel. Accordingly, the Board Committees facilitate the Board's oversight of the Group.

For the purposes of optimising operational efficiency, the Board has delegated the day-to-day operations to Management while reserving key matters (such as corporate restructuring, mergers and acquisitions, investments, acquisitions and disposals of assets, major corporate policies on key areas of operations, the release of the Group's half yearly and annual results, interested person transactions of a material nature, and declaration of interim dividends and proposal of final dividends) for the Board's approval.

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Management in conducting the day-to-day operations of the Group will be guided by the internal guidelines (such as the approval limits for various expenditures, banking and treasury approval limits and authorised signatories as well as a Compliance Reporting Policy) that clearly set out the matters which must be approved by the Board. In addition, the Board is free to request further clarification and information from Management on all matters within their purview.

Notwithstanding the above delegation of authority by the Board, the ultimate responsibility on all matters lies with the Board.

Provision 1.5 of the Code

Generally, the Board convenes scheduled meetings at least twice a year, and *ad-hoc* meetings will be arranged when required (for example to consider proposed corporate actions by the Company or to review corporate action documents). If the Directors are unable to physically attend the Board meetings, such meetings may be conducted via telephone conference, video conference, audio visual or by means of a similar communication equipment where all the Directors participating in the meeting are able to hear each other. In addition, decisions of the Board and/or the Board Committees may also be obtained through circular resolutions.

Directors' attendance at the Board and the Board Committee meetings during FY2022 are as follows:

Name of Director	Board	Audit	Nominating	Remuneration
Number of Meetings held				
	4	4	1	1
Number of Meetings attended				
Lim Chuan Poh	4	4	1	1
Chue En Yaw	4	4	1	1
Ong Shen Chieh (Wang Shengjie)	4	4*	1*	1*
Boey Souk-Tann	4	4	1	1

* Attendance by invitation

CORPORATE GOVERNANCE REPORT

To enable the Directors to better understand the Group's business as well as for them to discharge their respective duties, Management provides regular business updates to the Directors during board meetings. In addition, in order to ensure that each Director is able to contribute in a meaningful manner during Board meetings, Management provides the members of the Board with relevant background information and documents relating to the items of business to be discussed at each Board meeting, such as copies of disclosure documents, budgets, forecasts and internal financial statements, before the meetings.

Provision 1.6 of the Code

Key information relating to the Company's operations and finances are also circulated to the Board via email in a timely manner so that the Directors may monitor the Company's performance as well as the Management's fulfilment of goals and objectives set by the Board.

Further to the above, the Directors are also regularly briefed by the Management on the business activities of the Company as they are responsible for the Company's strategic directions as well as its corporate practices. Accordingly, such briefings by Management ensure that the Directors are kept updated on the day-to-day implementation of such strategic directions and corporate practices.

Complementing the existing orientation programme and periodic updates on the developments in accounting standards and any changes in the regulatory environment in Singapore as well as those pertaining to the roles and responsibilities of a director of a public listed company set out above, the Directors also have separate and independent access to the Management of the Company, including the Chief Executive Officer ("**CEO**"), and Group Financial Controller ("**Group FC**") as well as the Company Secretary of the Company.

Provision 1.7 of the Code

The Company Secretary and/or representatives from the Company Secretary's office attends all meetings of the Board and the Board Committees and prepares the minutes of such meetings. The minutes of such meetings are then circulated to the Board and the Board Committees, as the case may be. The Company Secretary also advises the Board on governance matters and ensures that the procedures for such meetings are in accordance with the Constitution and terms of reference, and that all applicable rules and regulations (including the requirements of the Companies Act 1967 of Singapore (the "**Companies Act**") and the Catalist Rules) are complied with.

CORPORATE GOVERNANCE REPORT

Further to the above, the Company Secretary helps to facilitate communications within the Board and the Board Committees and between Management and the Directors. The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Company allows Directors to take independent professional advice on matters affecting the Company, and such costs will be borne by the Company. In addition, Directors have, at all times, unrestricted access to the Company's records and information, Management and the Company Secretary.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Presently, the Board comprises the following Directors: Provision 2.1 of the Code

Name of Directors	**Designation**
Lim Chuan Poh	Non-Executive and Independent Chairman
Ong Shen Chieh (Wang Shengjie)	Executive Director and CEO
Chue En Yaw	Non-Executive and Independent Director
Boey Souk-Tann	Non-Executive and Independent Director

Further information about the profiles of the Directors are set out on pages 12 to 13 of this Annual Report.

The independence of each of the Non-Executive and Independent Directors is reviewed annually and as and when circumstances require, by the NC, based on the guidelines set forth in the Code as well as Rule 406(3)(d) of the Catalist Rules (collectively, the "**Independence Criteria**") to ensure that the Board consists of persons who, together, will provide core competencies and independent business judgements and perspectives necessary to meet the Company's objectives. In this regard, after conducting a review, the NC is satisfied that there are no relationships identified by the Code which would result in any of the Non-Executive and Independent Directors not being deemed to be independent.

The Chairman of the Board has been assessed by the NC to be independent and as such, there is no requirement for independent directors to make up a majority of the Board. Provision 2.2 of the Code

CORPORATE GOVERNANCE REPORT

Notwithstanding the above, the Company endeavours to maintain a strong and independent element on the Board. The Board currently comprises four (4) members, of whom three (3) are Non-Executive and Independent Directors and one (1) is an Executive Director. In addition, each of the Board Committees is chaired by a Non-Executive and Independent Director which further strengthens the independence element on the Board. Provision 2.3 of the Code

In light of the foregoing, the Board and the NC are of the view that the Board can exercise independent judgement on corporate affairs and that no one individual or group(s) of individuals dominates any decision-making process.

The Board, through the NC, reviews the size and composition of the Board on an annual basis to ensure that the size and composition of the Board is conducive for the purposes of effective discussion and decision-making. Based on these requirements, the NC and the Board are of the opinion that, for FY2022, its current board size and composition is reasonably effective and efficient considering the nature, scope and size of the Group's business operations. Provision 2.4 of the Code

The Company has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience and diversity of perspectives appropriate to the Group's business to promote the inclusion of different perspectives and ideas. The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has an appropriate mix of expertise, skill, knowledge, experience and gender diversity, and collectively possesses the necessary core competencies required for the purposes of ensuring that it is able to function effectively and to make informed decisions for the Company.

The NC is of the view that the Board possesses adequate core competencies in areas such as accounting, finance or legal, business or management experience, industry knowledge, strategic planning experience and knowledge that are relevant to the direction of the expansion of the Group. The current Board comprises one (1) female Director and three (3) male Directors with an age group ranging from 46 to 68 years old.

Hence, the NC is of the view that the current composition and size of the Board provides an appropriate balance and mix of skills, knowledge, experience, gender and age, which avoids groupthink, fosters constructive debate and facilitates effective decision-making.

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The Non-Executive and Independent Directors participate actively in Board meetings and provide, amongst other things, strategic guidelines to the Company based on their professional knowledge and experience. They also constructively challenge and help develop directions on strategy and review the performance of the Management in the implementation of the agreed strategies and goals. Provision 2.5 of the Code

Where necessary, the Non-Executive and Independent Directors discuss or meet to deliberate on the Group's affairs amongst themselves without the presence of the Executive Director(s) and the Management. Feedback will also be provided to the Executive Director(s) and Management after such discussions or meetings.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The positions of the Chairman of the Board and CEO are separately held by two (2) persons. In this regard, the Chairman of the Board is a Non-Executive and Independent Director. The separation of the two (2) roles has been undertaken for the purposes of maintaining an appropriate balance of power on the Board as well as to maintain effective checks and balances. In addition, the separation of the two (2) roles also promotes greater accountability from Management as the Board is able to exercise its independence in its oversight of and deliberations with Management. Provision 3.1 of the Code

In light of the separation of the two (2) roles, there is a clear division of the responsibilities between the Chairman of the Board and the CEO. Provision 3.2 of the Code

The Chairman of the Board is responsible for the overall management of the Board and has the following responsibilities:

(a) leading the Board, ensuring its effectiveness in all aspects of its role, and setting out its agenda;

(b) ensuring that the Directors receive complete, adequate, accurate, timely and clear information;

(c) critiquing key proposals by Management before they are presented to the Board;

(d) ensuring effective communication with shareholders;

(e) encouraging constructive relations between the Board and Management;

CORPORATE GOVERNANCE REPORT

(f) facilitating the effective contribution of the Non-Executive and Independent Directors towards the Company;

(g) encouraging constructive relations between the Executive Directors and Non-Executive and Independent Directors; and

(h) promoting high standards of corporate governance.

The CEO has full executive responsibilities over the business direction and operational decisions in the day-to-day management of the Group. In this regard, the CEO's responsibilities pertaining to the Board include the following:

(a) scheduling meetings that enable the Board to perform its duties responsibly;

(b) preparing meeting agendas in consultation with the Non-Executive and Independent Chairman;

(c) ensuring quality, quantity and timeliness of the flow of information between the Management and the Board; and

(d) assisting to ensure compliance with the Company's guidelines on corporate governance.

The Chairman of the Board and CEO are not immediate family members.

Provision 3.3 of the Code

Given that the roles of the Chairman and CEO are separate and the Chairman is independent, no lead independent director is required to be appointed.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The Company has established the NC which is guided by the terms of reference that have been approved by the Board. In this regard, the NC is responsible for the following:

Provision 4.1 of the Code

(a) making recommendations to the Board on all board appointments, including re-nominations, through a formal and transparent process which takes into account the director's contribution and performance (for example, attendance, preparedness, participation and candour);

(b) determining annually whether or not a director is independent based on the Independence Criteria;

CORPORATE GOVERNANCE REPORT

(c) in respect of a director who has multiple board representations in various companies, deciding whether or not such director is able to and has been adequately carrying out his/her duties as director, having regard to the competing time commitments that are faced when serving on multiple boards;

(d) reviewing and approving any new employment of related persons and the proposed terms of their employment;

(e) reviewing the directors' mix of skills, experience, core competencies and knowledge of the Company and its subsidiaries that the Board requires to function competently and efficiently;

(f) reviewing succession plans for the Executive Directors and the key management personnel;

(g) reviewing the training and professional development programs for the Board;

(h) determining and recommending to the Board the maximum number of listed company board representations which any director may hold and disclosing this in the Company's annual report; and

(i) deciding how the Board's performance is to be evaluated and proposing objective performance criteria, subject to the Board's approval, which address how the Board has enhanced long term shareholders' value. The Board will also implement a process to be proposed by the Board Committees for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual director to the effectiveness of the Board (if applicable).

The NC comprises three (3) members all of whom, including its Chairman, are Non-Executive and Independent Directors. The members of the NC are:

Provision 4.2 of the Code

(a)	Boey Souk-Tann (Chairman)	Non-Executive and Independent Director
(b)	Lim Chuan Poh	Non-Executive and Independent Director
(c)	Chue En Yaw	Non-Executive and Independent Director

In the event that there is a need to change the structure of the Board, the Chairman of the Board or the membership of the Board Committees, the NC will review the proposed changes and will make the appropriate recommendations to the Board. In addition, the NC is also responsible for ensuring that the membership of the Board is refreshed progressively and in a systematic manner, to avoid losing institutional knowledge.

Provision 4.3 of the Code

CORPORATE GOVERNANCE REPORT

The NC also reviews the succession plans for the key management personnel as it recognises the importance of succession planning. Accordingly, in order to ensure that there is a progressive and systematic renewal of the Board and key management personnel, it has put in place an internal process for succession planning for the Chairman, Directors, the CEO and the key management personnel. In this regard, the NC will, in consultation with the Board and the Company's professional advisors, examine the existing strengths, and capabilities of the existing Board and the key management personnel. In addition, the NC will also consider the contributions (such as the skills, knowledge and experience) of the existing Directors and the key management personnel as well as taking into account the diversity of the Board and the future needs of the Company. Through this process, the NC, together with the Board, will seek candidates, either through recommendations made by existing Directors or through the Company's professional advisors, who are able to contribute to the Company. When necessary, the NC may seek the assistance of external consultant(s) in the search process. Once the appropriate candidates have been identified, at least two (2) members of the NC will conduct interviews with the potential new Director or key management personnel before recommending their appointments to the Board for approval. If the proposed appointments are approved by the Board, announcements relating to their appointment will subsequently be released via SGXNET.

With regard to the retirement and re-election of Directors at every Annual General Meeting ("**AGM**"), the Company's Constitution provides that all Directors are to submit themselves for re-nomination and re-election at least once every three (3) years and at least one-third of the Directors are to retire from office by rotation. If new directors are appointed during the year, they would be subject to retirement and re-election at the forthcoming AGM of the Company. The NC is responsible for the nomination of retiring Directors for re-election. In determining the nomination of a Director for re-election, the NC takes into account the composition and progressive renewal of the Board, and the competency, performance and contribution of the Director including his/her attendance, preparedness and participation at Board and Board Committees meetings. A Director's time and effort accorded to the Company's business and affairs will also be considered.

Pursuant to Regulation 108(1) of the Company's Constitution, Mr Lim Chuan Poh and Mr Ong Shen Chieh (Wang Shengjie) will retire at the forthcoming AGM (collectively, the "**Retiring Directors**"). In this regard, after assessing the contributions of the Retiring Directors, the Board has accepted the NC's recommendation that the Retiring Directors, who have each given their consent for re-nomination and re-election at the forthcoming AGM of the Company, be put forth for re-nomination and re-election.

Information, as set out in Appendix 7F of the Catalist Rules, relating to the Retiring Directors who are retiring and offering themselves for re-election at the upcoming AGM can be found in the "Disclosure of Information on Directors Seeking Re-Election" on pages 141 to 149 of the Annual Report.

CORPORATE GOVERNANCE REPORT

Further to this, the NC is also tasked with assessing the independence of the Non-Executive and Independent Directors. This review is done annually, and as and when the circumstances require. Annually, each of the Non-Executive and Independent Directors is required to complete a Director's Independence Checklist (the "**Independence Checklist**") to confirm his/her independence. The Independence Checklist is drawn up based on the Independence Criteria. Thereafter, the NC reviews the Independence Checklist completed by each of the Non-Executive and Independent Directors and assesses their independence prior to recommending its assessment to the Board. The Non-Executive and Independent Directors have confirmed their independence in accordance with the Independence Criteria for FY2022. The Board, after taking into account the views of the NC and having considered the confirmations of independence provided by each of the Non-Executive and Independent Directors, is of the view that Mr Lim Chuan Poh, Mr Chue En Yaw, and Ms Boey Souk-Tann are independent.

Provision 4.4 of the Code

To ensure that new Directors are aware of their duties and obligations, a formal letter of appointment explaining their duties and obligations as a Director is provided to every new Director upon appointment. The formal letter of appointment sets out the time commitment required of the Director and the Director's roles and responsibilities, including disclosure requirements and best practices relating to dealings in securities under applicable laws and regulations.

Provision 4.5 of the Code

As the ability to commit time and attention to the Group's affairs is essential for the individual Director's contribution and performance, the NC has considered the number of listed directorships each of its Directors can hold after taking into considerations factors such as the expected and/or competing time commitments of the Directors, the size and composition of the Board as well as the nature and scope of the Group's operations and size. However, based on the Directors' contributions at meetings of the Board and the Board Committees as well as their time commitment to the affairs of the Company, the Board believes that at present, it would not be meaningful to define the maximum limit on the number of listed company board representations and other principal commitments which any Director may hold, and has instead tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Company.

After conducting the annual reviews, the NC is satisfied that the current Directors have been able to devote adequate time and attention to the affairs of the Company and that they are able to satisfy their duties as Directors of the Company. In addition, for FY2022, the Company does not have any alternate directors. Notwithstanding this, the NC would, from time to time, continue to review the number of board representations and other principal commitments of each Director to ensure that the Directors are able to continue to meet the demands of the Group and to discharge their duties adequately.

CORPORATE GOVERNANCE REPORT

A list of directorships of the Directors of the Board in listed companies, the principal commitments of each Director, as well as their interests in the Company and related corporations (if any) as at the date of this Annual Report is set out below:

Name of Directors	Directorship in Listed Company		Principal Commitments	Shareholding in the Company and related corporation	
	Present	Past three years		Direct	Indirect
Lim Chuan Poh	V2Y Corporation Ltd.	Nil	• Director of SPTel Pte. Ltd. (formerly known as SP Telecommunications Pte. Ltd.)	Nil	Nil
Ong Shen Chieh (Wang Shengjie)	• V2Y Corporation Ltd. • Eindec Corporation Limited	• P99 Holdings Limited • Elec & Eltek International Company Limited • Kakiko Group Limited (Listed on HKSE)	• Executive Director and CEO of V2Y Corporation Ltd. • Non-Executive and Independent Director of Eindec Corporation Limited • Managing Director of Sakal Investments Limited • Director of Sakal Capital Pte. Ltd. (formerly known as Husk Life Pte. Ltd.)	Nil	Nil
Chue En Yaw	V2Y Corporation Ltd.	Nil	Chief Investment Officer, Azalea Investment Management Pte. Ltd.	1,481,481 ordinary shares	Nil
Boey Souk-Tann	V2Y Corporation Ltd.	Nil	Director, LegalWorks Law Corporation	Nil	Nil

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

The Board has in place a process, which is carried out by the NC, for assessing the effectiveness of the Board and its Board Committees as a whole as well as the contribution made by each individual Director. Provision 5.1 of the Code

CORPORATE GOVERNANCE REPORT

In assessing the performance and effectiveness of the Board and its Board Committees, the NC takes into account, among other factors, the Board Committees' and the Board's ability to work with the senior management of the Company, the discussions and due deliberations of the Board and the Board Committees, and whether objectives and targets set at the commencement of the relevant financial years have been met.

In assessing the performance and effectiveness of the Directors in fulfilling their duties, the NC takes into account, inter alia, the Director's qualifications in relation to general commercial knowledge, specific industry experience, political and social knowledge of the countries that the Group operates in, attendance at Board and/or the Board Committees meetings in person or via teleconference, availability at all reasonable times and the degree of participation at Board and Board Committees meetings, quality of interventions or difference of opinion expressed, and any special contributions. The NC also considers whether the Director has a reasonable understanding of the Company's business and the industry, the Director's working relationship with the other members of the Board, as well as feedback from other Directors.

For the avoidance of doubt, reviews of each individual Board member's performance and effectiveness, as well as the performance and effectiveness of the Board and the Board Committees are undertaken on a continuous basis by the NC with inputs from the various Board members.

For FY2022, the Board had implemented a formal assessment process to be carried out by the NC. This formal assessment process entails the completion of a Board assessment form and Board Committee assessment forms by the Board members and Board Committee members respectively, in which they will assess the Board and the Board Committee against the factors set out in the paragraph above. In addition, the Board has also adopted a peer evaluation process and as part of this peer evaluation process, individual Directors will complete an assessment form in which individual Directors will be assessed against the factors set out in the paragraph above.

Provision 5.2 of the Code

Once the Board, the Board Committees and the individual Directors' assessment forms have been completed, the Company Secretary will assist the NC to tabulate the results for the purposes of facilitating the discussions by the NC.

For the avoidance of doubt, each member of the NC abstains from voting on any resolution in respect of the assessment of his/her own performance or re-nomination as Director.

After evaluation, the NC has considered the performance and effectiveness of each individual Director, the Board as a whole and the Board Committees to be satisfactory in respect of FY2022.

No external facilitator was engaged in FY2022. If required, the NC has full authority to engage an external facilitator to assist with the evaluation process.

CORPORATE GOVERNANCE REPORT

II. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The Company has established the RC which is guided by the terms of reference approved by the Board. In this regard, the primary function of the RC is to advise the Board on compensation matters. The RC establishes remuneration policies that are in line with the Group's business strategies and risk policies as well as long-term interests of the Group and its shareholders, with a view to ensuring remuneration packages are sufficiently competitive to attract, retain and motivate Directors and the key management personnel with the appropriate experience and expertise.

Provision 6.1 of the Code

The responsibilities and principal functions of the RC, as set out in its terms of reference, include the following:

(a) recommending to the Board a framework of remuneration for the directors and executive officers, and determining specific remuneration packages for each executive director and any CEO (or executive of equivalent rank), if a CEO is not an executive director, such recommendations to be submitted for endorsement by the entire Board and should cover all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, the contingent awards of shares in the Company granted or which may be granted pursuant to its performance share plan, the options to be issued under the Company's employee share option scheme and benefits in kind;

(b) in the case of service contracts for any director or executive officer, considering what compensation commitments the directors' or executive officers' contracts of service, if any, would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and

(c) in respect of any long-term incentive schemes including share schemes as may be implemented, considering whether any director should be eligible for benefits under such long-term incentive schemes.

CORPORATE GOVERNANCE REPORT

As part of its review, the RC will take into consideration the salary and employment conditions of similar roles within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the CEO and key management personnel. This remuneration framework is recommended by the RC to the Board to ensure that the structure is competitive and sufficient to attract, retain and motivate the Executive Director(s) and the key management personnel to run the Company successfully in order to maximise shareholder value.

The RC comprises three (3) members all of whom, including its Chairman, are Non-Executive and Independent Directors. The members of the RC are:

Provision 6.2 of the Code

(a)	Lim Chuan Poh (Chairman)	Non-Executive and Independent Director
(b)	Chue En Yaw	Non-Executive and Independent Director
(c)	Boey Souk-Tann	Non-Executive and Independent Director

There is a formal and transparent procedure for fixing the remuneration packages of the Directors. No individual Director is involved in deciding his/her own remuneration. In addition, each member of the RC abstains from making any recommendation on or voting on any resolution in respect of his/her own Director's fees payable to them, except for providing information and documents specifically requested by the RC to assist it in its deliberations. Further to this, with regard to the remuneration of other key management personnel, the RC reviews proposals which are made by the Executive Director(s). The remuneration policy for the key management personnel is guided by the National Wage Council guidelines, and takes into consideration the Company's performance, long-term interest and risk policies, as well as the responsibilities and performance of individual key management personnel. The latter is measured by goals and objectives set for each key management executive in congruence with the Company's overall goals and objectives.

Provision 6.3 of the Code

The RC will also review the terms and conditions of the respective service agreements of the Executive Director(s) as well as the key management personnel before their respective execution. In the course of such review, the RC will consider, in particular, the Group's obligations arising in the event of termination of any of the Executive Director(s) and the key management personnel. This is to ensure that the service agreements contain fair and reasonable termination clauses and are not overly generous so as to avoid rewarding poor performance. In this regard, the RC has reviewed the terms of the service agreement for the Executive Director and they are of the view that the Executive Director has a service agreement which contains fair and reasonable termination clauses and this service agreement is in line with market practices and is not overly generous.

CORPORATE GOVERNANCE REPORT

If necessary, the RC is entitled to seek professional advice from external remuneration consultants on remuneration of the Directors and key management personnel. In the event that the RC decides that such professional advice is required, it will ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

Provision 6.4 of the Code

The Company has not appointed any remuneration consultants for FY2022.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The Company has a remuneration policy for the Executive Director(s) and the key management personnel, which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus (which is inclusive of bonuses and other benefits) respectively. The variable bonus also takes into account the performance of the Group and the performance of the Executive Director(s) and the key management personnel respectively, as well as market rates.

Provision 7.1 of the Code

The performance-related elements of remuneration are designed to align the interests of the Executive Director(s) and the key management personnel with those of the Company's shareholders and link rewards to corporate and individual performance. In structuring the compensation framework, the Company also takes into account its risk policies, the need for the compensation to be symmetric with the risk outcomes and the time horizon of such risks.

Some of the performance-related elements of remuneration that the RC has at its disposal are the V2Y Employee Share Option Scheme (formerly known as the Synagie Employee Share Option Scheme) ("**V2Y ESOS**") and the V2Y Performance Share Plan (formerly known as the Synagie Performance Share Plan) ("**V2Y PSP**"), which were approved by the Company's shareholders by way of members' resolution in writing on 25 July 2018. The V2Y ESOS and V2Y PSP are administered by the RC and these performance-related elements of remuneration have been designed to align the interests of Directors, key management personnel and staff with those of shareholders and to link their rewards to corporate and individual performances. These schemes provide an additional tool for the Company to reward, retain and motivate a core group of Directors, key management personnel and employees so as to build sustainable businesses in the long term.

CORPORATE GOVERNANCE REPORT

Details of the V2Y ESOS and the V2Y PSP can be found on pages 77 to 80 of the Annual Report in the Directors' Statement. In FY2022, no share awards were granted to any employees and Directors under the V2Y PSP. No share options were granted to any employees and Directors under the V2Y ESOS in FY2022.

With regard to the remuneration of the Non-Executive and Independent Directors, the Non-Executive and Independent Directors receive basic directors' fees and additional fees for serving as a Chair of any of the Board Committees. For the avoidance of doubt, the Executive Director(s) do not receive directors' fees.

Provision 7.2 of the Code

The RC, in assessing the remuneration of the Non-Executive and Independent Directors, will take into account factors such as time spent and the responsibilities of the Non-Executive and Independent Directors, the current market circumstances, long-term interests and risk policies of the Company, and the need to attract directors of experience and standing. The Non-Executive and Independent Directors' fees are also compared against market standards to ensure that they are in line with market norms and to ensure that their independence is not compromised. In addition, payment of Directors' fees is subject to approval by the shareholders at the AGM of the Company.

As stated in Principle 6 above, the RC has established remuneration policies that are in line with the Group's business strategies and risk policies as well as long-term interests of the Group and its shareholders, with a view to ensuring remuneration packages are sufficiently competitive to attract, retain and motivate Directors and the key management personnel with the appropriate experience and expertise.

Provision 7.3 of the Code

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The remuneration framework is based on policies which are aligned with the interests of shareholders and to support the Group's business with the aim of retaining key capabilities, provide sound and structured funding of remuneration in ensuring affordability and sustainable value creation. Competitive remuneration packages are offered to attract and retain experienced individuals. The remuneration policies, the procedures for setting remuneration and the relationships between remuneration, performance and value creation are described in Principles 6 and 7 above.

Provision 8.1 of the Code

CORPORATE GOVERNANCE REPORT

Details of remuneration for the Directors and key management personnel in FY2022 are set out in the table below. Disclosure of the same is also made in Note 27 to the financial statements.

	Salary and Allowance %	Bonus %	Directors' Fees %	Other Benefits(1) %	Total %
Executive Director(s)					
Between S$200,001 – S$300,000					
Ong Shen Chieh (Wang Shengjie)	100	–	–	–	100
Non-Executive and Independent Directors					
S$100,000 and below					
Lim Chuan Poh	–	–	100	–	100
Chue En Yaw	–	–	100	–	100
Boey Souk-Tann	–	–	100	–	100
Key Management Personnel					
Between S$100,001 – S$200,000					
Cai Jingren John	100	–	–	–	100

Notes:

(1) Other benefits, where applicable, include granting of share options under the V2Y ESOS and granting of awards under the V2Y PSP.

The Company has disclosed the remuneration for its Directors and the key management personnel in bands of S$100,000 and provided a further detailed breakdown of the remuneration in percentage terms into fixed salary and allowance, variable or performance-related bonuses, directors' fees, and other benefits such as share-based incentives and awards. The Company is of the view that this is sufficient to provide shareholders with insight into the level of compensation of the Directors and the key management personnel, and the links between the Directors' and key management personnel's remuneration and their performance. The Company believes that the disclosure of further details in relation to the aggregate remuneration of the respective Directors and key management personnel may be prejudicial to its business interests given the highly competitive and niche industry that it is operating in, and would not be in the best interests of the Company.

There were no employees who are substantial shareholders of the Company, or who were immediate family members of a director, CEO or a substantial shareholder of the Company, and whose remuneration exceeded S$100,000 during FY2022. Provision 8.2 of the Code

CORPORATE GOVERNANCE REPORT

Further to the above, the Company confirms that in FY2022 there were no termination, retirement and post-employment benefits granted to the Directors and key management personnel. Provision 8.3 of the Code

In FY2022, no share awards and no share options were granted to any employees and Directors under the V2Y PSP and under the V2Y ESOS respectively. Details of the V2Y ESOS and the V2Y PSP can be found on pages 77 to 80 of the Annual Report in the Directors' Statement.

III. REMUNERATION MATTERS

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board is responsible for the Group's overall internal control framework and the AC is responsible for ensuring that Management complies with the Company's risk management framework and policies. In this regard, the Board, through the AC, ensures that the Management regularly reviews and improves the Group's internal controls and implements effective risk management policies to control and mitigate any identified areas of significant business and operational risks so as to safeguard shareholders' interest and the Company's assets. The internal controls in place will address the compliance, financial, information technology, operational risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, that there is maintenance of proper accounting records, that financial information is reliable and that assets are safeguarded. Provision 9.1 of the Code

Having considered the Company's business operations and taking into account its nature, scope and scale, as well as the existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being. Notwithstanding this, the Board recognises that all risk management and internal control systems contain inherent limitations and that no internal control system will preclude all errors and irregularities, as the system is designed to manage rather than eliminate the risks of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against misstatements or losses.

Further to this, the Board also notes that there is no risk management and internal controls system that could provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT

The Board has received assurance from the CEO and Group FC that the financial records of the Group for FY2022 have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances. In addition, the CEO and key management personnel have also given assurance to the Board that the risk management and internal control systems are adequate and effective in addressing the financial, operational, compliance and information technology risks.

Provision 9.2 of the Code

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee which discharges its duties objectively.

The Company has established the AC which is guided by the terms of reference that have been approved by the Board. The primary function of the AC is to assist the Board in discharging its responsibility to safeguard the assets of the Company, maintain adequate accounting records, as well as to develop and maintain effective systems of internal control, with the overall objective of ensuring that the Management creates and maintains an adequate and effective control environment in the Company. In this regard, the responsibilities of the AC include the following:

Provision 10.1 of the Code

(a) reviewing the audit plan, the audit report, the management letter and the Management's response with the external auditors;

(b) reviewing the internal audit plan and the evaluation of the adequacy of the Company's internal control and accounting system with the internal auditors before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report;

(c) reviewing the financial statements and financial results before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

(d) reviewing the internal control procedures and ensuring co-ordination between the external auditors and Management, reviewing the assistance given by Management to the auditors, and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the external or internal auditors may wish to discuss (in the absence of Management where necessary);

(e) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and Management's response;

CORPORATE GOVERNANCE REPORT

(f) reviewing annually the scope and results of the external audit and its cost effectiveness and the nature and extent of non-audit services (if any) to the Company as well as the independence and objectivity of the external auditors;

(g) reviewing the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls) and to report to the Board annually;

(h) reviewing the scope and results of the internal audit procedures including the effectiveness of the internal audit functions and ensuring that such function is adequately resourced and has appropriate standing within the Company;

(i) reviewing and approving interested person transactions and reviewing procedures thereof;

(j) reviewing arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and ensuring that arrangements are in place for the independent investigations of such matter and for appropriate follow-up;

(k) reviewing potential conflicts of interest (if any) and setting out a framework to resolve or mitigate any potential conflicts of interests;

(l) conducting periodic review of foreign exchange transactions and hedging policies (if any) undertaken by the Group;

(m) considering the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;

(n) reviewing the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, as amended, modified or supplemented from time to time, including such amendments made thereto from time to time;

(o) undertaking such other reviews and projects as may be requested by the Board and reporting to the Board its findings from time to time on matters arising and requiring the attention of the Board Committees;

CORPORATE GOVERNANCE REPORT

(p) overseeing the design and implementation of the overall risk management systems and internal control systems (including financial, operational, compliance and information technology controls);

(q) reviewing at least annually the Group's key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual report of the Company or, where the findings are material, to announce such material findings immediately via SGXNET; and

(r) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The Board has delegated to the AC the authority to investigate any matter within its terms of reference. The AC has full access to and the cooperation of Management. It has full discretion to invite any Director or executive officer, including any director from any subsidiary within the Group, to attend its meetings and has various resources, including external consultants, to enable it to discharge its responsibilities adequately. The auditors, both internal and external, have unrestricted access to the AC.

The AC has full access to and the co-operation of Management as well as reasonable resources to enable it to discharge its functions properly. The AC meetings are held with both external auditors and internal auditors (if required) and by invitation, any Director and representatives from Management.

Further to this, to assist the AC in discharging its duties, the external auditors also brief the AC members on the developments in accounting standards (where applicable) during AC meetings to keep the AC members abreast of changes to the accounting standards and issues which may impact the financial statements.

CORPORATE GOVERNANCE REPORT

In the review of the financial statements, the AC had discussed with Management the accounting principles that were applied and its judgement of items that might affect the integrity of the financial statements. In this regard, the following significant matters were discussed with Management and the external auditors and were reviewed by the AC:

Key Audit Matter	How the AC addressed the matter
Impairment assessment of non-current assets Please refer to page 83 of the Annual Report for further information.	The external auditors, BDO LLP ("BDO") had discussed with the AC on the procedures that were performed which included, amongst others: • Assessed the appropriateness of the Group's accounting policies for measurement of non-current assets in line with the requirements of Singapore Financial Reporting Standards (International); • Discussed and evaluated the key judgements made by management in identifying indicators of impairment and determining the impairment losses provided; • Reviewed management's strategic business plan and discounted cash flow along with the assumptions made; • Checked the accuracy and completeness of the information produced by the management, which was used as the basis of the impairment assessment; • Checked mathematical accuracy of the calculations used by the management; and • Assessed the adequacy of the disclosure in the financial statements with respect to the impairment assessment.

CORPORATE GOVERNANCE REPORT

As part of the annual review on the independence and objectivity of the external auditors, the AC will review the performance of the external auditors and the volume of non-audit services provided by them. In this regard, BDO LLP ("**BDO**"), an audit firm registered with the Accounting & Corporate Regulatory Authority of Singapore, was re-appointed as the Company's external auditors on 21 April 2022 and for FY2022, BDO has only provided audit services to the Group. In this regard, the amount of fees that were paid to BDO for audit services for FY2022 was S$80,000. BDO was also appointed to audit the accounts of the Company's Singapore subsidiaries for FY2022. The Company has therefore acted in compliance with Rule 712 and Rule 715 of the Catalist Rules.

The AC, having reviewed the independence and objectivity of BDO as required under Section 206(1A) of the Companies Act, is satisfied that the independence and objectivity of the external auditors are not affected.

Further to this, after taking into account the resources and experience of BDO and the audit engagement partner assigned to the audit, BDO's other audit engagements, the size and complexity of the audit as well as the number and experience of the staff assigned by BDO for the audit, the Board and the AC are of the view that BDO is able to meet its audit obligations and as such, the AC has recommended to the Board that BDO be nominated for re-appointment as the auditor of the Company at the forthcoming AGM.

The AC comprises three (3) members all of whom, including its Chairman, are Non-Executive and Independent Directors. The members of the AC are: Provision 10.2 of the Code

(a)	Chue En Yaw (Chairman)	Non-Executive and Independent Director
(b)	Lim Chuan Poh	Non-Executive and Independent Director
(c)	Boey Souk-Tann	Non-Executive and Independent Director

The AC as a whole has many years of experience in senior management positions and relevant accounting or related financial management expertise or experience. The Board is of the view that collectively, the AC members, having accounting and related financial management expertise and experience, are appropriately qualified to discharge their responsibilities.

None of the committee members of the AC are former partners or directors of the Company's existing audit firm: Provision 10.3 of the Code

(a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the audit firm; and

(b) for as long as they have any financial interest in the auditing firm.

CORPORATE GOVERNANCE REPORT

The Board recognises that it is the Board's responsibility to maintain a system of internal control processes to safeguard shareholders' investments and the Group's business and assets. In this regard, taking into consideration the risks which the Group is exposed to, the likelihood of occurrence of such risks, the costs of implementing the corresponding controls and the environmental and social interactions within the communities in which the Group operates, the AC has also set in place certain internal controls policies and procedures (for example, setting approval limits for various expenditures and having different bank signatories), risk management practices and sustainability practices. These internal controls are subjected to periodic review and testing in order to ensure that the control mechanisms in place are working in the intended manner for which they are designed.

Provision 10.4 of the Code

While the importance of effective internal controls cannot be discounted, the Board also recognised that, due to the size of the Group, it is not cost-effective to have an internal audit function and team within the organisational setup. Accordingly, for FY2022, the Company had appointed Baker Tilly Consultancy (Singapore) Pte. Ltd. ("**BTC**"), a suitably appointed qualified firm of accountants which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors, to conduct internal control reviews over selected processes/sub-processes of the Group. In assessing the engagement of the internal auditors, the AC has considered factors such as the resources of the internal auditors and the independence of the internal auditors from the activities that it audits. In terms of reporting, the internal auditors report functionally to the AC and administratively to the CEO and the Group FC. For the avoidance of doubt, the internal auditors are independent of Management.

The internal auditors' activities are guided by its global internal auditing methodology which is in line with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. In addition, in order to ensure that the internal auditors are able to discharge the internal audit function effectively, the AC ensures that Management provides good support to the internal auditors and provides them with access to documents, records, properties, and personnel when requested in order for the internal auditors to carry out their function accordingly. The AC also reviews and approves the internal auditor's scope of work (which covers key aspects of the Group's internal controls established to address financial, operational, compliance and information technology risks) for the purposes of ensuring the adequacy of the internal audit function. In the event that non-compliance and internal control weaknesses are highlighted during the internal audit, the appropriate recommendations to address these issues will be reported to the AC as part of the review of the Group's internal control system.

CORPORATE **GOVERNANCE REPORT**

Further to the internal audit work done by the internal auditors, the Company also has in place whistleblowing policies by which staff may, in confidence, raise concerns either verbally or in writing (via email) about possible improprieties in matters of financial reporting, misconduct or wrongdoing relating to the Company and its officers, or other matters within the Company to the members of the AC directly. The AC is responsible for oversight and monitoring of whistleblowing. The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle-blowers. These whistleblowing policies are part of the internal control mechanisms put in place by the Group and the objectives of the whistleblowing policies are to ensure that arrangements are in place for independent investigations of such matters and for appropriate follow-up action to be taken. Copies of the whistleblowing policies have been circulated to the employees and are also available at the Company's registered office. There were no whistle-blowing reports received in FY2022.

Accordingly, based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by Management, the AC, and the Board, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2022.

This is further supported by the assurances that the Board and the AC had received from the CEO and the Group FC that:

(a) the financial records of the Group have been properly maintained and the financial statements for FY2022 give a true and fair view of the Group's operations and finances; and

(b) the risk management system and internal controls in place within the Group are adequate and effective in addressing the key financial, operational and compliance risks in the Group.

Provision 10.5 of the Code

The AC meets with the internal and external auditors separately, at least once a year, without the presence of the Management, to review any matter that might be raised. These meetings enable the auditors to raise any issues in the course of their work directly to the AC. Individual members of the AC also engage the internal and external auditors separately in ad hoc meetings.

CORPORATE GOVERNANCE REPORT

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 of the Code

The Company is committed to treating all of its shareholders fairly and equitably and to facilitate the exercise of shareholders' rights. In this regard, the Board also regards the general meetings as opportunities to communicate directly with the shareholders and encourages greater shareholder participation. During these general meetings, shareholders are able to engage the Board and Management on the Group's business activities, financial performance and other business-related matters.

To facilitate participation by shareholders, all general meetings of the Company are held in Singapore. Shareholders have the opportunity to participate effectively in and to vote at general meetings of the Company. As such, the shareholders are encouraged to attend general meetings of the Company to gain a better understanding of the Group's businesses and be informed of the Group's strategic goals and objectives. Notices of general meetings are dispatched to the shareholders in accordance with the relevant provisions set out in the Companies Act and the Constitution.

Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures. In this regard, shareholders of the Company are informed of the rules, including voting procedures that govern general meetings of shareholders.

The Company's Constitution states that shareholders of the Company are allowed to vote in person and allows shareholders, who are unable to attend the general meetings in person, to appoint not more than two (2) proxies to attend and vote in his/her place at the general meetings via proxy forms submitted in advance (i.e., not less than seventy-two (72) hours before the time appointed for holding the general meeting). The proxy form is sent with the notice of general meetings to all shareholders.

The Company wishes to highlight that the above description is the Company's usual practice when there are no pandemic risks arising from COVID-19 and when the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**") is not in operation.

CORPORATE GOVERNANCE REPORT

For the last three (3) annual general meetings held by the Company on 28 May 2020, 22 April 2021 and 21 April 2022 as well as the past two (2) extraordinary general meetings held by the Company on 28 September 2020 and 29 December 2020, these meetings had been conducted by the Company via electronic means. Accordingly, shareholders who wished to exercise their voting rights had been required to appoint the Chairman of the respective meetings as their proxy to attend and vote on their behalf at the respective meetings.

As physical attendance for the last three (3) annual general meetings held by the Company on 28 May 2020, 22 April 2021 and 21 April 2022 as well as the past two (2) extraordinary general meetings held by the Company on 28 September 2020 and 29 December 2020 were not practicable due to the COVID-19 situation, the Company had instead informed shareholders that they were to submit their questions in advance of the respective meetings and that the Company would address their questions either prior to the respective meetings or during the respective meetings itself.

For the two (2) extraordinary general meetings that were held on 28 September 2020 and 29 December 2020, the Company had not arranged for the circular to shareholders, notice of the respective extraordinary general meeting and proxy forms to be physically despatched to shareholders. Instead, the Company had uploaded these documents on its corporate website and SGXNet.

These measures were in accordance with the Order and the Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation issued by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation which was issued on 13 April 2020, and as updated from time to time (the "**Guidance Note**").

The forthcoming AGM will similarly also be held by electronic means pursuant to the Order as well as the Guidance Note. In accordance with the Regulator's Column issued by Singapore Exchange Regulation Pte. Ltd. on 23 May 2022 (the "**23 May 2022 Regulator's Column**"), the Company will utilise both (i) real-time electronic voting and (ii) real-time electronic communication for the forthcoming AGM, so as to facilitate full participation by shareholders in the forthcoming AGM.

Separate resolutions on each distinct issue are tabled at general meetings and voting on each resolution by poll is carried out systematically with proper recording of votes cast and the resolution passed. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one (1) significant proposal and only where the reasons and material implications justifying the same are explained. In compliance with Rule 730A(2) of the Catalist Rules, resolutions tabled at general meetings of shareholders will be put to vote by poll, using polling slips, the procedures of which will be explained by the appointed scrutineer(s) at the general meetings of shareholders.

Provision 11.2 of the Code

CORPORATE
GOVERNANCE REPORT

General meetings of the Company are chaired by the Non-Executive and Independent Chairman and are also attended by other Directors, Management, the external auditors, the Company Secretary and if necessary, the internal auditors. Provision 11.3 of the Code

At all general meetings, shareholders are given the opportunity to air their views and to ask the Chairman, the individual Directors and the Chairmen of the Board Committees questions regarding the Company. The external auditors are also present to assist the Board in addressing any shareholders' questions on the conduct of audit and the preparation of the auditors' report, if necessary.

For FY2022, all Directors were present at the last annual general meeting held on 21 April 2022.

If shareholders are not able to attend these meetings, they can appoint up to two (2) proxies to attend and vote in their place. The Company does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of shareholders voting by such means. Provision 11.4 of the Code

A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

As mentioned in the paragraphs above, due to COVID-19, shareholders who wished to exercise their voting rights had been required to appoint the Chairman of the respective past meetings as their proxy to attend and vote on their behalf at the respective past meetings. This had been done in reliance on the Order as well as the Guidance Note.

As mentioned in the paragraphs above, the forthcoming AGM will similarly also be held by electronic means pursuant to the Order as well as the Guidance Note, and will allow shareholders to participate fully through both (i) real-time electronic voting and (ii) real-time electronic communication, in accordance with the 23 May 2022 Regulator's Column.

Shareholders who wish to exercise their voting rights will be provided with the option to appoint the Chairman of the AGM as their proxy to vote on their behalf at the forthcoming AGM. It will not be a mandatory requirement for shareholders to exercise such option, as shareholders will be able to engage in real-time electronic voting at the forthcoming AGM.

CORPORATE GOVERNANCE REPORT

The Company Secretary and/or representatives from the Company Secretary's office prepares the minutes of general meetings that include relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. The minutes of such meetings are then circulated to the Board for approval. The Company does not publish the minutes on its corporate website but instead makes the minutes available to shareholders upon request. In this regard, the Company is of the view that this is consistent with the intent of Principle 11 as this would achieve the same effect of treating all shareholders fairly and equitably and giving shareholders a balanced and understandable assessment of the Company's performance, position and prospects. Provision 11.5 of the Code

Notwithstanding the above, as the Company had held its last three (3) annual general meetings on 28 May 2020, 22 April 2021 and 21 April 2022 as well as its last two (2) extraordinary general meetings on 28 September 2020 and 29 December 2020 in accordance with the Order and the Guidance Note, minutes of these meetings had been published within one (1) month after the respective meetings on SGXNet and the Company's corporate website.

For the forthcoming AGM, the Company will be complying with the Order and the Guidance Note and as such, it will be publishing minutes of the forthcoming AGM on SGXNet and the Company's corporate website. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate. Any pay-out of dividends would be clearly communicated to shareholders via announcements released on SGXNet. Provision 11.6 of the Code

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Board values dialogue with shareholders and believes in regular, effective and fair communication with them and is committed to hearing shareholders' views and addressing their concerns where possible. Accordingly, it is the Board's policy that all shareholders should be equally and timely informed of all major developments that impact the Group. In this regard, information is communicated to shareholders on a timely basis via SGXNet through, inter alia: Provision 12.1 of the Code

(a) annual reports that are issued to all shareholders;

CORPORATE GOVERNANCE REPORT

(b) half-yearly financial results containing a summary of the financial information and affairs of the Group;

(c) timely announcements and disclosures made pursuant to the Catalist Rules;

(d) notices of general meetings; and

(e) circulars or letters to shareholders to provide the shareholders with more information on transactions which require shareholders' approval.

The Group monitors the dissemination of material information to ensure that it is made publicly available on a timely and non-selective basis. Half-yearly and full-year results as well as the annual report are announced or issued within the mandatory period.

The Board does not practise selective disclosure and adheres to the continuous disclosure obligations of the Company pursuant to the Catalist Rules as well as its policy set out above. All disclosures will be made on a timely basis through SGXNet. Accordingly, the Group issues announcements and news releases on an immediate basis when required under the Catalist Rules. Where an immediate announcement is not possible, the announcement is made as soon as possible to ensure that the stakeholders and the public have fair access to the information.

Provision 12.2 of the Code

The Company's corporate website and its announcements made via SGXNet are the key resource of information for shareholders. It contains a wealth of investor-related information of the Company, which includes, amongst others, profiles of the Directors and key management personnel of the Company, the unaudited financial results of the Company, and annual reports of the Company.

While the Company does not have a formal written investor relations policy, all shareholders are encouraged to contact the Company with any queries or concerns. The contact details of the Company can be found on the corporate website to facilitate dialogue and queries from shareholders. Accordingly, this is in line with the objectives of provision 12.2 of the Code which is to allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Provision 12.3 of the Code

While the Company does not have a formal investor relations policy, shareholders can provide feedback to the Company via email to the electronic mail address of the Company published on the Company's corporate website or via mail to the registered office address of the Company. Calls and emails requesting information are generally attended to promptly, taking into consideration the fact that key management personnel may need to consult with the Board or any of the Company's relevant advisors before communicating or disseminating certain information.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Group has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationship with such groups. The Group identifies stakeholders as groups that have an impact, or have the potential to be impacted by the Group's business, as well as external organisations that have expertise in aspects that the Group considers material. The feedback the Group receives from stakeholders helps to determine the Group's material topics and identify focus areas. Stakeholders of the Company include, but are not limited to, customers, employees, suppliers and subcontractors, community and shareholders and investors.

Provision 13.1 of the Code

The Company's strategy and key focus areas in relation to the management of stakeholder relationships during the year will also be set out in the Company's sustainability report which will be set out on pages 16 to 40 of this Annual Report.

Provision 13.2 of the Code

In addition, the Company also engages with its shareholders via its website at https://v2y.si/investor_relations/.

Provision 13.3 of the Code

DEALING WITH THE COMPANY'S SECURITIES

Pursuant to Rule 1204(19) of the Catalist Rules, the Company has adopted an internal policy on dealings in the Company's securities to provide guidance to its Directors and officers with regard to dealings in the Company's securities.

The Company, its Directors and officers are prohibited from dealing in the Company's securities during the period commencing one (1) month before the announcement of the Company's half-year and full-year financial statements and ending on the date of announcement of the relevant results. In addition, both Directors and employees are prohibited from dealing in securities of the Company while in possession of price-sensitive information of the Group. Notifications of the 'closed window' periods are sent to all Directors and officers concerned.

The Directors are also required to notify the Company of any dealings in the Company's securities within two (2) days of the transaction and to submit an annual confirmation on their compliance with the internal policy. In addition, the Company, its Directors and officers are discouraged from dealing in the Company's securities on short-term considerations. The Board confirms that as at the date of this Report, the Company has complied with Rule 1204(19) of the Catalist Rules.

CORPORATE GOVERNANCE REPORT

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director, or controlling Shareholder, either still subsisting at the end of FY2022 or if not then subsisting, entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

To ensure compliance with the relevant rules under Chapter 9 of the Catalist Rules on interested person transactions, the Company has established internal control procedures to ensure that any interested person transaction proposed to be entered into is regularly reviewed by the Board and the AC and if so, to ensure that the Company complies with the requisite rules under Chapter 9 of the Catalist Rules.

If the Company does enter into an interested party transaction, and a potential conflict of interest arises, the Director concerned will abstain from any discussions and will also refrain from exercising any influence over other members of the Board.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules. The Company confirms that there were no interested person transactions entered into by the Group for FY2022.

NON-SPONSOR FEES

The Company is under the SGX-ST Catalist sponsor-supervised regime. RHT Capital Pte. Ltd. ("**RHTC**") is the existing continuing sponsor of the Company.

With reference to Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees paid to RHTC in FY2022.

USE OF PROCEEDS

Pursuant to the Company's placement completed on 14 March 2022, the Company received net proceeds of approximately S$1.9 million (the "**Net Proceeds**"). Further to the Company's announcement on 24 March 2023 (the "**24 March Announcement**") in relation to the re-allocation of the Net Proceeds, as at 4 April 2023, the Net Proceeds have been utilised as following:

	Amount allocated on 14 March 2022 S$'000	Amount re-allocated on 24 March 2023 S$'000	Amount utilized as at 4 April 2023 S$'000	Balance S$'000
Acquisition Expenses[1]	**978**	21	(21)	–
General working capital	**903**	1,860	(829)[2]	1,031
	1,881	1,881	(850)	1,031

CORPORATE GOVERNANCE REPORT

Notes:

(1) As defined the Company's announcements on 23 February 2022, 7 March 2022, 14 March 2022, 29 July 2022 and 27 February 2023.

(2) Breakdown of amount utilised for working capital:

	S$'000
Employee benefits	396
Directors' fees	172
Professional fees & compliance costs	212
Other operating expenses	49
Total	829

The previous allocation of proposed use of the Net Proceeds to Acquisition Expenses was largely premised on the Company pursuing the earlier transaction (as announced in the 24 March Announcement). As the Company will no longer be pursuing the earlier transaction, the re-allocation to general working capital allowed the Company greater flexibility in its deployment of the Net Proceeds to support the needs of the existing business of the Group.

DIRECTORS' STATEMENT

The Directors of V2Y Corporation Ltd. (the "Company") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 December 2022, the statement of financial position of the Company as at 31 December 2022 and the statement of changes in equity of the Company for the financial year ended 31 December 2022.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(b) at the date of this statement, as disclosed in the Note 3.1(a) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are as follows:

Lim Chuan Poh
Ong Shen Chieh (Wang Shengjie)
Chue En Yaw
Boey Souk-Tann

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraph 5 below.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as follows:

Name of Directors and companies in which interests are held	Shareholdings registered in name of Director or nominee	
	At beginning of year	At end of year
Company:		
V2Y Corporation Ltd.		
(No. of ordinary shares)		
Chue En Yaw	1,481,481	1,481,481

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 January 2023 in the shares or debentures of the Company have not changed from those disclosed as at 31 December 2022.

5. Share options

The V2Y Employee Share Option Scheme ("V2Y ESOS")

The Company implemented V2Y ESOS in accordance with the scheme approved by shareholders on 25 July 2018 and is subjected to annual approval by the shareholders at the annual general meeting. The objectives of V2Y ESOS are as follows:

(a) to motivate participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) to retain key employees and directors whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instil loyalty to, and a stronger identification by participants with the long-term prosperity of, the Group;

(d) to attract potential employees with relevant skills to contribute to the Group and to create value for the shareholders; and

(e) to align the interests of participants with the interests of the shareholders.

DIRECTORS' STATEMENT

5. **Share options** (Continued)

The V2Y Employee Share Option Scheme ("V2Y ESOS") (Continued)

V2Y ESOS is administered by the Remuneration Committee whose members are:

Lim Chuan Poh (Chairman)
Chue En Yaw
Boey Souk-Tann

Terms of V2Y ESOS:

(a) A one year vesting period is required commencing from the first date of grant if offer price is not at a discount; a two years vesting period is required commencing from the first date of grant if offer price is at a discount.

(b) The subscription price is based on the price equal to the average of the last dealt prices of an ordinary share in the capital of the Company for the five consecutive trading days immediately preceding the date of grant of the option, rounded up to the nearest whole cent in the event of fractional prices.

(c) The options may be exercised in whole or in part at any time by a participant after the first anniversary from the date of grant. Such option shall be exercised before the tenth anniversary of the date of grant, or such earlier date may be determined by the Committee.

(d) The unvested options shall lapse upon the employee ceasing to be employed by the Company or its subsidiaries.

Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

Unissued shares under options

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

DIRECTORS' STATEMENT

6. Share awards

<u>The V2Y Performance Share Plan ("V2Y PSP")</u>

The Company implemented V2Y PSP in accordance with the performance share scheme approved by shareholders on 25 July 2018 and is subjected to annual approval by the shareholders at the annual general meeting. The purpose of V2Y PSP are as follows:

(a) to attract potential employees with relevant skills to contribute to the Group and to create value for shareholders;

(b) to instil loyalty to, and a stronger identification by the participants with the long-term prosperity of the Group;

(c) to motivate the participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;

(d) to align the interests of the participants with the interests of the shareholders;

(e) to give recognition to the contributions made by the participants to the success of the Group; and

(f) to retain key employees of the Group whose contributions are essential to the long-term prosperity of the Group.

V2Y PSP is administered by the Remuneration Committee whose members are:

Lim Chuan Poh (Chairman)
Chue En Yaw
Boey Souk-Tann

An executive or non-executive director of any member of the Group or a full-time employee of any member of the Group ("Eligible Person") who is selected by the Remuneration Committee is eligible to participate in the V2Y PSP. The awards represent the right of an Eligible Person to receive fully paid shares free of charge, upon the participant satisfying the criteria set out in the V2Y PSP and upon satisfying such conditions as may be imposed. The number of shares to be granted to an Eligible Person shall be determined at the absolute discretion of the Remuneration Committee, which shall consider criteria such as individual performance, length of services, achievements of past performance targets, ability to value-add to the Group's performance and development and overall enhancement to shareholder values, and the extent of effort with which the performance conditions as determined by the Remuneration Committee may be achieved within the performance period.

DIRECTORS' STATEMENT

6. Share awards (Continued)

The V2Y Performance Share Plan ("V2Y PSP") (Continued)

Each award to be granted to an Eligible Person who is a non-executive director of any member of the Group shall not exceed 10% of the total number of shares available for grant of awards under the V2Y PSP. The total number of shares which may be issued and/or issuable pursuant to awards granted under the V2Y PSP on any date shall not exceed 15% of the issued shares of the Company (excluding any shares held in treasury) from time to time. The V2Y PSP shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years, commencing from adoption date, provided always that the V2Y PSP may continue beyond the stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

During the financial year, there were no shares of the Company or any corporation in the Group issued and awarded to employees who are eligible to participate in the V2Y PSP.

7. Audit committee

The audit committee of the Company, consisting of all Non-Executive and Independent Directors, is chaired by Mr Chue En Yaw, and includes Mr Lim Chuan Poh and Ms Boey Souk-Tann. The audit committee has met 3 times since the last Annual General Meeting (AGM) till the date of this report and has carried out its functions in accordance with Section 201B(5), including reviewing the following, where relevant, with the executive Directors and external and internal auditors of the Company:

(a) the audit plans of the internal and external auditors and the results of the auditors' examination and evaluation of the Group's systems of internal accounting controls;

(b) the Company's and the Group's financial and operating results and accounting policies;

(c) the statement of financial position and the statement of changes in equity of the Company and the consolidated financial statements of the Group and external auditor's report on those financial statements before their submission to the Directors of the Company;

(d) the half-yearly and full-year announcements as well as the related press releases on the results and financial position of the Company and the Group;

(e) the co-operation and assistance given by the management to the Company's internal and external auditor; and

(f) the re-appointment of the internal and external auditor of the Company.

DIRECTORS' STATEMENT

7. Audit committee (Continued)

The audit committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the audit committee.

The audit committee has recommended to the Directors the nomination of BDO LLP for re-appointment as external auditor of the Company at the forthcoming AGM of the Company.

8. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Ong Shen Chieh (Wang Shengjie)
Director

Lim Chuan Poh
Director

Singapore
31 March 2023

INDEPENDENT AUDITORS' **REPORT**

TO THE MEMBERS OF V2Y CORPORATION LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of V2Y Corporation Ltd. (the "Company") and its subsidiaries (the "Group"), as set out on pages 87 to 138, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022;
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022, and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3.1(a) in the financial statements, which indicates that the Group incurred a net loss of $2,185,000 and negative cash flows from operating activities of $1,767,000 for the financial year ended 31 December 2022. As stated in Note 3.1(a), these events or conditions, along with other matters as set forth in Note 3.1(a), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF V2Y CORPORATION LTD.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	AUDIT RESPONSE
Impairment assessment of non-current assets	
In accordance with SFRS(I) 1-36 Impairment of Assets, the Group is required to test the non-current assets, excluding goodwill annually, to determine whether there is any indication that those assets may be impaired. Goodwill is tested for impairment annually, or more frequently if there is any indicator that it may be impaired. For the purpose of the impairment assessment of goodwill, software, customer relationship, plant and equipment and right-of-use assets, management prepared discounted cash flows forecasts for respective cash-generating units ("CGU") to determine if any impairment is required. As a result, these assets were fully impaired and impairment loss of approximately \$329,000, \$1,000, \$321,000, \$12,000 and \$92,000 were recognised for goodwill, software, customer relationship, plant and equipment and right-of-use assets respectively for the financial year. We focused on the impairment assessment of non-current assets as a key audit matter as the impairment assessment involved significant judgements and estimates with regard to the key assumptions used in discounted cash flows forecast. Refer to Notes 2.8, 2.10, 3.2(a), 7, 8, 9, 10 and 22 of the accompanying financial statements.	Our procedures included, amongst others: • Assessed the appropriateness of the Group's accounting policies for measurement of non-current assets in line with the requirements of SFRS(I)s; • Discussed and evaluated the key judgements made by management in identifying indicators of impairment and determining the impairment losses provided; • Reviewed management's strategic business plan and discounted cash flow along with the assumptions made; • Checked the accuracy and completeness of the information produced by the management, which was used as the basis of the impairment assessment; • Checked mathematical accuracy of the calculations used by the management; and • Assessed the adequacy of the disclosure in the financial statements with respect to the impairment assessment.

INDEPENDENT AUDITORS' **REPORT**

TO THE MEMBERS OF V2Y CORPORATION LTD.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF V2Y CORPORATION LTD.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITORS' **REPORT**

TO THE MEMBERS OF V2Y CORPORATION LTD.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Yeo Siok Yong.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
31 March 2023

STATEMENTS OF **FINANCIAL POSITION**

AS AT 31 DECEMBER 2022

	Note	Group 2022 $'000	Group 2021 $'000	Company 2022 $'000	Company 2021 $'000
ASSETS					
Current assets					
Cash and cash equivalents	4	**1,623**	1,624	**1,266**	562
Trade and other receivables	5	**207**	331	**17**	800
Deferred service costs	6	**49**	84	**–**	–
Total current assets		**1,879**	2,039	**1,283**	1,362
Non-current assets					
Deferred service costs	6	**25**	–	**–**	–
Plant and equipment	7	**–**	25	**–**	24
Right-of-use assets	8	**–**	38	**–**	24
Goodwill	9	**–**	329	**–**	–
Intangible assets	10	**–**	515	**–**	–
Investment in a subsidiary	11	**–**	–	**–**	1,300
Total non-current assets		**25**	907	**–**	1,348
Total assets		**1,904**	2,946	**1,283**	2,710
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	12	**386**	1,116	**217**	239
Bank borrowing	13	**99**	96	**–**	–
Provision	14	**17**	–	**–**	–
Deferred service revenue	15	**224**	199	**–**	–
Lease liabilities	16	**45**	26	**–**	24
Total current liabilities		**771**	1,437	**217**	263
Non-current liabilities					
Bank borrowing	13	**249**	348	**–**	–
Deferred service revenue	15	**62**	–	**–**	–
Lease liabilities	16	**38**	13	**–**	–
Deferred tax liabilities	17	**–**	87	**–**	–
Total non-current liabilities		**349**	448	**–**	–
Equity					
Share capital	18	**2,935**	1,027	**2,935**	1,027
Other reserve	19	**792**	792	**792**	792
Translation reserve		**–**	*	**–**	–
(Accumulated losses)/Retained earnings		**(2,943)**	(758)	**(2,661)**	628
Total equity		**784**	1,061	**1,066**	2,447
Total liabilities and equity		**1,904**	2,946	**1,283**	2,710

* denotes less than $1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 $'000	2021 $'000
Revenue	20	**304**	1,089
Cost of sales		**(195)**	(685)
Gross profit		**109**	404
Other item of income			
Other income	21	**35**	327
Other items of expense			
Distribution costs		**(1)**	(2)
Administrative expenses		**(1,607)**	(1,932)
Other operating expenses	22	**(795)**	(645)
Finance costs	23	**(13)**	(10)
Loss before income tax	24	**(2,272)**	(1,858)
Income tax credit	25	**87**	65
Loss for the financial year		**(2,185)**	(1,793)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising from translation of foreign operations		*	*
Other comprehensive income for the financial year, net of tax		*	*
Total comprehensive income for the financial year		**(2,185)**	(1,793)
Total comprehensive income attributable to owners of the parent		**(2,185)**	(1,793)
Loss per share attributable to owners of the Company			
Basic and diluted (cents)	26	**(0.63)**	(0.59)

* denotes less than $1,000

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF
CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share capital $'000	Other reserve $'000	(Accumulated losses)/ Retained earnings $'000	Translation reserve $'000	Total equity $'000
Group					
Balance at 1 January 2022	**1,027**	**792**	**(758)**	*	**1,061**
Issuance of ordinary shares (Note 18)	**1,908**	**-**	**-**	**-**	**1,908**
Loss for the financial year, representing total comprehensive income for the year	**-**	**-**	**(2,185)**	*	**(2,185)**
Balance at 31 December 2022	**2,935**	**792**	**(2,943)**	**-**	**784**
Balance at 1 January 2021	1,027	792	1,035	–	2,854
Loss for the financial year, representing total comprehensive income for the year	–	–	(1,793)	*	(1,793)
Balance at 31 December 2021	1,027	792	(758)	*	1,061

* denotes less than $1,000

	Share capital $'000	Other reserve $'000	Retained earnings/ (Accumulated losses) $'000	Total $'000
Company				
Balance at 1 January 2022	**1,027**	**792**	**628**	**2,447**
Issuance of ordinary shares (Note 18)	**1,908**	**-**	**-**	**1,908**
Loss for the year, representing total comprehensive loss for the year	**-**	**-**	**(3,289)**	**(3,289)**
Balance at 31 December 2022	**2,935**	**792**	**(2,661)**	**1,066**
Balance at 1 January 2021	1,027	792	1,121	2,940
Loss for the year, representing total comprehensive income for the year	–	–	(493)	(493)
Balance at 31 December 2021	1,027	792	628	2,447

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 $'000	Group 2021 $'000
Operating activities			
Loss before income tax		**(2,272)**	(1,858)
Adjustments for:			
Amortisation of intangible assets	24	**193**	385
Bad debts written off	22	**40**	–
Amortisation of right-of-use assets	24	**49**	40
Depreciation of plant and equipment	24	**13**	16
Impairment loss on goodwill	22	**329**	642
Impairment loss on intangible assets	22	**322**	–
Impairment loss on plant and equipment	22	**12**	–
Impairment loss on right-of-use assets	22	**92**	–
Interest expense	23	**13**	10
Interest income	21	**(2)**	–
Intangible assets written off	22	**–**	3
Reversal of provisions no longer required	14	**–**	(147)
Unrealised exchange gain		**–**	(16)
Operating cash flows before movements in working capital		**(1,211)**	(925)
Trade and other receivables		**100**	233
Trade and other payables		**(656)**	(73)
Cash used in operations, representing the net cash used in operating activities		**(1,767)**	(765)
Investing activity			
Purchase of plant and equipment, representing net cash used in investing activity	7	**–**	(4)
Financing activities			
Proceeds from issuance of ordinary shares	18	**1,908**	–
Proceeds from bank borrowing		**–**	500
Repayment of bank borrowing		**(96)**	(56)
Repayment of principal portion of lease liabilities	16	**(42)**	(39)
Interest paid		**(13)**	(10)
Net cash generated from financing activities		**1,757**	395
Net decrease in cash and cash equivalents		**(10)**	(374)
Cash and cash equivalents at beginning of year		**1,624**	1,978
Effect of exchange rate changes on the balance of cash held in foreign currencies		**9**	20
Cash and cash equivalents at end of year	4	**1,623**	1,624

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

V2Y Corporation Ltd. (the "Company") (Registration No. 201717972D) is a limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office at 38 Jalan Pemimpin, #05-03 M38, Singapore 577178. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

The consolidated financial statements of the Company and its subsidiaries (the "Group"), the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a Directors' resolution dated 31 March 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below and on a going concern basis as referred to in Note 3.1(a) to the financial statements.

The individual financial statements of each entity within the Group are measured and presented in the currency of primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar ("$") which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand ("$'000") as indicated.

The preparation of financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

<u>Changes in accounting policies</u>

New standards, amendments and interpretations effective from 1 January 2022

The standards, amendments to standards, and interpretations that will apply for the first time by the Group are not expected to impact the Group as they are either not relevant to the Group's business activities or require accounting which is consistent with the Group's current accounting policies.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Changes in accounting policies (Continued)

New standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following SFRS(I)s were issued but not yet effective, and have not been adopted early in these financial statements:

		Effective date (annual periods beginning on or after)
SFRS(I) 17	: Insurance Contracts	1 January 2023
Various	: Amendments to SFRS(I) 17	1 January 2023
Various	: Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-8 (Amendments)	: Definition of Accounting Estimates	1 January 2023
SFRS(I) 1-12, SFRS(I) 1 (Amendments)	: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
SFRS(I) 16 (Amendments)	: Lease Liability in a Sale and Leaseback	1 January 2024
SFRS(I) 1-1 (Amendments)	: Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 17	: Amendments to SFRS(I) 17: Initial Application of SFRS(I) 17 and SFRS(I) 9 – Comparative Information	1 January 2024
Various	: Amendments to SFRS(I) 1-1: Non-current liabilities with covenants	1 January 2024
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the above SFRS(I)s in future periods, if applicable, will not have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which the Group obtains control over the investee and cease from consolidation when the control is lost. Control is reassessed whenever the facts and circumstances indicate that there may be a change in the elements of control.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

The financial statements of the subsidiaries are prepared for the same financial year as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, less any accumulated impairment loss that has been recognised in profit or loss.

Non-controlling interests

Non-controlling interests represents the equity in subsidiaries which is not attributable directly or indirectly to the equity owners of the parent. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners). The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

2.4 Cash and cash equivalents

Cash and cash equivalents in the statements of financial position comprise cash on hand, cash and deposits with banks and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.5 Financial instruments

The Group recognises a financial asset or a financial liability in its statements of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial instruments (Continued)

Financial assets

The Group classifies its financial assets depending on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group shall reclassify its affected financial assets when and only when the Group changes its business model for managing these financial assets. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's and the Company's financial assets measured at amortised cost comprise trade and other receivables (excluding goods and service tax receivables and prepayments) and cash and cash equivalents in the statements of financial position.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial instruments (Continued)

Financial assets (Continued)

Amortised cost (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 60 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial instruments (Continued)

Financial assets (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as default or past due events;
- The lenders of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for that financial asset because of financial difficulties.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Group classifies ordinary shares as equity instruments.

Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities (Continued)

Trade and other payables

Trade and other payables (excluding goods and service tax payables and deferred government grant) are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

Borrowings

Interest-bearing bank loans are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of financial year, in which case they are presented as non-current liabilities.

Financial guarantee contracts

The Company has issued corporate guarantees to banks for borrowings of a subsidiary and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if the subsidiary breaches any repayment term.

Financial guarantee contract liabilities are measured initially at their fair values, net of transaction costs. Financial guarantee contracts are subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of loss allowance determined in accordance with SFRS(I) 9.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

Offsetting arrangements

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment

All items of plant and equipment are initially recognised at cost. The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure on an item of plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Plant and equipment are subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to allocate the depreciable amounts of the plant and equipment over their estimated useful lives, on the following bases:

Computers	3 years
Furniture and fittings	3 years
Renovation	3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

2.7 Leases

Group as lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (Continued)

Group as lessee (Continued)

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group and the Company present the right-of-use assets and lease liabilities separately from other assets and other liabilities in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (Continued)

Group as lessee (Continued)

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated amortisation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are amortised on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are amortised over the useful life of the underlying asset.

The right-of-use assets are amortised based on the following bases:

	Years
Office premises	2
Office equipment	5

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use assets may be impaired. The accounting policy on impairment is as described in Note 2.10 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Leases (Continued)

Group as lessee (Continued)

Subsequent measurement (Continued)

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;

- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;

- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to account for the entire contract as a lease. The Group does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

2.8 Goodwill

Goodwill arising on the acquisition of a subsidiary or business represents the excess of the consideration transferred (see Note 2.3), the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill on subsidiary is recognised separately as intangible assets. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Goodwill (Continued)

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

2.9 Intangible assets

Software

Acquired software is initially capitalised at cost which includes purchase price (net of discounts and rebates) and other directly attributable costs of preparing the software for its intended use. Direct expenditure which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured is added to the original cost of the software. Software is reported as cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives of three to five years. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

The intangible assets pertain to customer relationships acquired through business combinations. These intangible assets are amortised on a straight-line basis over their useful lives. Management has assessed the appropriate useful lives to be five years. The estimated useful lives and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets (excluding goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The increase in the provision due to the passage of time is recognised as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amount, variable amounts or both. Most of the Group's revenue is derived from fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

Insurtech – rendering of warranty and other support services, including the related administration services in handling and processing of warranty and other claims

The Group provides a series of warranty support services. Such performance obligations are recognised as a performance obligation over time. Revenue is recognised on a straight-line basis over the period of service. Management has assessed that the revenue recognition method is an appropriate measure of progress towards complete satisfaction of these performance obligations under SFRS(I) 15.

Insurtech – Commission income

The Group receives commission income for acting as a corporate agent for insurance provider. The income is recognised upon submission of the insured information to the insurance provider. The Group is acting as an agent in the arrangement, and amounts collected should be recognised as a net amount of commission.

Revenue relating to the commission income is recognised when the commission is earned after the insurance provider undertakes the insured customer. This represents the point in time at which the right to consideration becomes unconditional as only the passage of time is required before payment is due.

Interest income

Interest income is recognised using the effective interest rate method.

2.13 Government grants

Government grants are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants received and receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense in the period in which the related service is performed. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, and has no legal and constructive obligation to pay further once the payments are made.

Employee leave entitlements

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

2.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

2.16 Income tax

Income tax expense comprise current tax expense and deferred tax expense.

Current income tax

Current income tax expense is the amount of income tax payable in respect of the taxable profit for a period. Current income tax liabilities for the current and prior periods shall be measured at the amount expected to be paid to the taxation authorities, using the tax rates and interpretation to applicable tax laws in the countries where the Group operates, that have been enacted or substantively enacted by the end of the reporting period. Management evaluates its income tax provisions on periodical basis.

Current income tax expenses are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Income tax (Continued)

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases of asset and liabilities, except when the temporary difference arises from the initial recognition of goodwill or other assets and liabilities that is not a business combination and affects neither the accounting profit nor taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates expected to apply for the period when the asset is realised or the liability is settled, based on tax rate and tax law that have been enacted or substantially enacted by the end of reporting period. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also recognised either in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination, is taken into account in calculating goodwill on acquisition.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales taxation that is incurred on purchase of assets or services is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollar using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group's translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the translation reserve.

On disposal of a foreign operation, the accumulated translation reserve relating to that operation is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.18 Segment reporting

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Critical judgements in applying the entity's accounting policies

The following are the critical judgements, apart from those involving estimations (Note 3.2) that management has made in the process of applying the Group's accounting policies and which have a significant effect on the amounts recognised in the consolidated financial statements:

(a) Going concern

The Group incurred a net loss of $2,185,000 (2021: $1,793,000) and negative cash flow from operating activities of $1,767,000 (2021: $765,000) for the financial year ended 31 December 2022. As of that date, the Group has yet to secure or renew any contract with any key customer who can contribute significant revenue and margin to the Group. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as going concern.

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

(a) the Directors of the Group have carried out a detailed review of the cash flow forecast of the Group for the next 15 months after the end of the financial year. Based on such forecast, the Directors of the Group have estimated that the proceeds from the ongoing contracts and existing liquidity are adequate to finance the working capital requirements of the Group for the next 15 months;

(b) management will implement cost reduction measures such as minimising the staff cost and streamlining its business to manage cost; and

(c) management is actively pursuing new business opportunities and expanding its business within local and international market;

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY** (CONTINUED)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impairment review of goodwill, software, customer relationship, plant and equipment and right-of-use asset

The Group reviews goodwill, software, customer relationship, plant and equipment and right-of-use assets for impairment annually. As at 31 December 2022, the net carrying amounts of goodwill, software, customer relationship, plant and equipment and right-of-use asset were $NIL (2021: $329,000, $3,000, $512,000, $25,000 and $38,000) respectively. An impairment loss of $329,000, $1,000, $321,000, $12,000 and $92,000 on goodwill, software, customer relationship, plant and equipment and right-of-use asset was recognised respectively during the financial year. In prior year, impairment loss of $642,000 was recognised on goodwill.

The management estimates the recoverable amount of the cash-generating unit to which the goodwill, software, customer relationship, plant and equipment and right-of-use asset belong, and the amount of any impairment required. The carrying amounts of goodwill, software, customer relationship, plant and equipment and right-of-use asset as at 31 December 2022 are disclosed in Notes 9, 10, 7 and 8 to the financial statements.

(b) Allowance for impairment loss in investment in a subsidiary

At the end of each of financial year, an assessment is made on whether there is indication that the investment in a subsidiary is impaired. Where such indications exist, the recoverable amount is determined based on higher of fair value less cost of disposal and value-in-use of the subsidiary by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions are disclosed in Note 11 to the financial statements. The Company's carrying amount of investment in a subsidiary as at 31 December 2022 are disclosed in Note 11 to the financial statements.

(c) Allowance for impairment loss of trade and other receivables

The Group determines expected credit losses on trade receivables from third parties based on credit loss model. In determining the expected credit losses for trade receivables, management categorised the trade debtors based on their historical credit loss pattern, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For non-trade receivables, management considers the performance, financial capability as well as payment profile of these non-trade receivables in order to determine the appropriate stage of expected credit loss for these receivables. Probability or risk of default is then being estimated by considering future conditions.

Notwithstanding the above, the Group evaluates the ECL on customers in financial difficulties separately. The carrying amounts of the Group's and the Company's trade and other receivables as at 31 December 2022 are disclosed in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

4. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Cash at bank	**1,123**	1,624	**766**	562
Short-term fixed deposit	**500**	–	**500**	–
	1,623	1,624	**1,266**	562

Short-term fixed deposit is made for tenure of 3 months and bears interest at 2.70% per annum. The deposit is freely convertible to cash as and when such fund is required and will mature within the next 2 months.

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

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Singapore dollar	**1,086**	312	**1,014**	78
United States dollar	**537**	1,312	**252**	484
	1,623	1,624	**1,266**	562

5. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Trade receivables				
– Third parties	**131**	17	**–**	–
Other receivables				
– Third parties	**56**	243	**5**	3
– A subsidiary	**–**	–	**1,157**	784
Less: Loss allowance on amount due from a subsidiary	**–**	–	**(1,157)**	–
Deposits	**8**	38	**–**	8
Goods and service tax receivables	**–**	21	**5**	–
Interest receivables	**2**	–	**2**	–
Prepayments	**10**	12	**5**	5
Total trade and other receivables	**207**	331	**17**	800
Less:				
Goods and service tax receivables	**–**	(21)	**(5)**	–
Prepayments	**(10)**	(12)	**(5)**	(5)
Add:				
Cash and cash equivalents (Note 4)	**1,623**	1,624	**1,266**	562
Financial assets carried at amortised cost	**1,820**	1,922	**1,273**	1,357

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

5. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables are unsecured, non-interest bearing and generally on 7 to 30 (2021: 7 to 30) days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group assesses the potential customer's credit quality and determines credit limits to be allowed before accepting any new customer. Credit limits granted to customers are reviewed regularly.

Other receivables due from the third parties are unsecured, non-interest bearing, repayable on demand and expected to be settled in cash. Other receivables due from a subsidiary are unsecured, non-interest bearing and repayable on demand.

Deposits mainly relate to deposits made for the rental of office premises and utilities.

Analysis of trade receivables

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There is no loss allowance provided during the financial year as the amount is insignificant.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. There is no bad debt written off on trade receivables during the financial year.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimate of future economic conditions. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	Group Trade receivables – days past due				
	Not past due $'000	**1 to 30 days $'000**	**31 to 60 days $'000**	**> 60 days $'000**	**Total $'000**
2022					
Expected loss rate	**-**	**-**	**-**	**-**	**-**
Estimated total gross carrying amount at default	**74**	**34**	**23**	**-**	**131**
Lifetime ECL	**-**	**-**	**-**	**-**	**-**
					131
2021					
Expected loss rate	–	–	–	–	–
Estimated total gross carrying amount at default	16	1	–	–	17
Lifetime ECL	–	–	–	–	–
					17

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

5. TRADE AND OTHER RECEIVABLES (CONTINUED)

Analysis of other receivables

During the financial year, the management carried out a review of the recoverable amount of the other receivables due from the third parties. The review led to the recognition of bad debts written off amounting to $40,000 (2021: $Nil) that has been recognised in "other operating expenses" in line item of profit or loss. There is no allowance for doubtful debts arising from the remaining other receivables from the third parties as the expected credit loss is not material.

For amount due from a subsidiary, management has taken into account information that it has available internally about the subsidiary's past, current and expected operating performance and cash flow position. Management monitors and assesses at each reporting period on any indicator of significant increase in credit risk on amount due from the subsidiary, by considering the performance and any default in external debts.

At the end of reporting period, the total carrying amount of amounts due from a subsidiary is $NIL (2021: $784,000). Based on the subsidiary's financial performance and results, management is of the view that the amount due from subsidiary is not likely to be recovered and fully impaired the receivable of $1,157,000 (2021: $NIL).

Movement in loss allowance on other receivables due from a subsidiary is as follows:

	2022 $'000
Company	
Balance at beginning of financial year	–
Allowance recognised in profit of loss	1,157
Balance at end of financial year	1,157

The currency profiles of the Group's and Company's trade and other receivables (excluding Goods and service tax receivables and prepayments) at each reporting date are as follows:

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Singapore dollar	150	62	7	795
United States dollar	47	236	–	–
	197	298	7	795

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6. DEFERRED SERVICE COSTS

	Group	
	2022	**2021**
	$'000	**$'000**
Non-current	**25**	-
Current	**49**	84
	74	84

Costs relating to warranty services is recognised over time although the Group pays up-front in full for these services. These costs are amortised on a straight-line basis over the period of warranty services.

Movement in deferred service costs is as follows:

	2022	**2021**
	$'000	**$'000**
At 1 January	**84**	51
Billed in advance of performance and not recognised as cost of sales	**106**	523
Amount recognised as cost of sales	**(116)**	(490)
At 31 January	**74**	84

7. PLANT AND EQUIPMENT

	Computers $'000	**Furniture and fittings $'000**	**Renovation $'000**	**Total $'000**
Group				
Cost				
At 1 January 2022 and 31 December 2022	**6**	**7**	**33**	**46**
Accumulated depreciation and impairment loss				
At 1 January 2022	**6**	**2**	**13**	**21**
Depreciation	**–**	**2**	**11**	**13**
Impairment loss	**–**	**3**	**9**	**12**
At 31 December 2022	**6**	**7**	**33**	**46**
Carrying amount				
At 31 December 2022	**–**	**–**	**–**	**–**
Cost				
At 1 January 2021	4	6	32	42
Additions	2	1	1	4
At 31 December 2021	6	7	33	46
Accumulated depreciation				
At 1 January 2021	3	–	2	5
Depreciation	3	2	11	16
At 31 December 2021	6	2	13	21
Carrying amount				
At 31 December 2021	–	5	20	25

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7. PLANT AND EQUIPMENT (CONTINUED)

During the financial year, management carried out a review of the recoverable amount of its plant and equipment because the Group had negative operating cash flows and had been persistently making losses. An impairment loss of $12,000 (2021: $Nil) was recognised for plant and equipment for financial year ended 31 December 2022 as the estimated future cash flow of the Group is negative. The key assumptions for the calculations are those regarding the future contract revenue, discount rate and terminal growth rate. Management estimates discount rate using pre-tax rate that reflect current market assessment of the time value of money and the risk specific to the CGU. The growth rates are based on industry growth forecasts and expectations of future changes in the market. The key assumptions for the computations are those regarding the revenue growth rate, terminal growth rate and discount rate at each reporting date as follows:

	2022	**2021**
Revenue growth rate	**20.0%**	14.0%
Terminal growth rate	**1.0%**	1.0%
Discount rate	**7.1%**	10.2%

	Computers $'000	**Furniture and fittings $'000**	**Renovation $'000**	**Total $'000**
Company				
Cost				
At 1 January 2022 and 31 December 2022	*	**6**	**33**	**39**
Accumulated depreciation and impairment loss				
At 1 January 2022	*	**2**	**13**	**15**
Depreciation	**–**	**2**	**11**	**13**
Impairment loss	**–**	**2**	**9**	**11**
At 31 December 2022	*	**6**	**33**	**39**
Carrying amount				
At 31 December 2022	**–**	**–**	**–**	**–**
Cost				
At 1 January 2021	–	5	32	37
Additions	*	1	1	2
At 31 December 2021	*	6	33	39
Accumulated depreciation				
At 1 January 2021	–	–	2	2
Depreciation	*	2	11	13
At 31 December 2021	*	2	13	15
Carrying amount				
At 31 December 2021	–	4	20	24

* denotes less than $1,000

During the financial year, management carried out a review of the recoverable amount of its plant and equipment because the Company had negative operating cash flows and had been persistently making losses. An impairment loss of $11,000 (2021: $Nil) was recognised for plant and equipment for financial year ended 31 December 2022 as the estimated future cash flow of the Company is negative.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8. RIGHT-OF-USE ASSETS

	Office premises $'000	Office equipment $'000	Total $'000
Group			
Cost			
At 1 January 2022	**70**	**18**	**88**
Lease modification	**103**	**–**	**103**
Derecognition of right-of-use assets*	**(70)**	**–**	**(70)**
At 31 December 2022	**103**	**18**	**121**
Accumulated amortisation and impairment loss			
At 1 January 2022	**46**	**4**	**50**
Amortisation	**45**	**4**	**49**
Derecognition of right-of-use assets*	**(70)**	**–**	**(70)**
Impairment loss	**82**	**10**	**92**
At 31 December 2022	**103**	**18**	**121**
Carrying amount			
At 31 December 2022	**–**	**–**	**–**

	Office premises $'000	Office equipment $'000	Total $'000
Group			
Cost			
At 1 January 2021	189	18	207
Derecognition of right-of-use assets*	(119)	–	(119)
At 31 December 2021	70	18	88
Accumulated amortisation			
At 1 January 2021	129	–	129
Amortisation	36	4	40
Derecognition of right-of-use assets*	(119)	–	(119)
At 31 December 2021	46	4	50
Carrying amount			
At 31 December 2021	24	14	38

* Right-of-use assets in respect of office premises have been derecognised due to expiration of lease.

During the financial year, management carried out a review of the recoverable amount of its right-of-use assets because the Insurtech business had negative operating cash flows and had been persistently making losses. An impairment loss of $92,000 (2021: $Nil) was recognised for right-of-use assets for financial year ended 31 December 2022 as the estimated future cash flow of Insurtech business is negative. See Note 7 to financial statements for assumptions over impairment assessment performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8. RIGHT-OF-USE ASSETS (CONTINUED)

	Office premises $'000
Company	
Cost	
At 1 January 2022	**69**
Derecognition of right-of-use assets*	**(69)**
At 31 December 2022	**-**
Accumulated amortisation	
At 1 January 2022	**45**
Amortisation	**24**
Derecognition of right-of-use assets*	**(69)**
At 31 December 2022	**-**
Carrying amount	
At 31 December 2022	**-**
Cost	
At 1 January 2021 and 31 December 2021	69
Accumulated amortisation	
At 1 January 2021	9
Amortisation	36
At 31 December 2021	45
Carrying amount	
At 31 December 2021	24

* Right-of-use assets in respect of office premises have been derecognised during the current year due to expiration of lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. GOODWILL

	Group $'000
Cost	
At 1 January 2022 and 31 December 2022	**2,171**
Accumulated impairment loss	
At 1 January 2022	**1,842**
Impairment loss	**329**
At 31 December 2022	**2,171**
Carrying amount	
At 31 December 2022	**-**
Cost	
At 1 January 2021 and 31 December 2021	2,171
Accumulated impairment loss	
At 1 January 2021	1,200
Impairment loss	642
At 31 December 2021	1,842
Carrying amount	
At 31 December 2021	329

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that are expected to benefit from the business combination. The carrying amount of goodwill has been allocated to the Insurtech CGU, arising from the acquisition of Insurtech Subsidiary.

The Group tests goodwill at least annually for impairment and the recoverable amount is determined from value in use method. As the estimated future cash flow of CGU is negative, the Group has made a full impairment loss of approximately $329,000 (2021: $642,000) during the year. The impairment loss was recognised in respect of goodwill recognised in the CGU and included in "other operating expenses" in line item of profit or loss. See Note 7 to financial statements for assumptions over impairment assessment performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. INTANGIBLE ASSETS

	Software $'000	Customer relationships $'000	Total $'000
Group			
Cost			
At 1 January 2022 and 31 December 2022	**100**	**1,916**	**2,016**
Accumulated amortisation and impairment loss			
At 1 January 2022	**97**	**1,404**	**1,501**
Amortisation	**2**	**191**	**193**
Impairment loss	**1**	**321**	**322**
At 31 December 2022	**100**	**1,916**	**2,016**
Carrying amount			
At 31 December 2022	**-**	**-**	**-**
Cost			
At 1 January 2021	117	1,916	2,033
Written off	(17)	–	(17)
At 31 December 2021	100	1,916	2,016
Accumulated amortisation			
At 1 January 2021	109	1,021	1,130
Amortisation	2	383	385
Written off	(14)	–	(14)
At 31 December 2021	97	1,404	1,501
Carrying amount			
At 31 December 2021	3	512	515

The amortisation of intangible assets is included in the administrative expenses line item in the consolidated statement of profit or loss and other comprehensive income.

During the financial year, management carried out a review of the recoverable amount of its intangible assets because the Insurtech business had negative operating cash flows and had been persistently making losses. An impairment loss of $322,000 (2021: $Nil) was recognised for intangible assets for financial year ended 31 December 2022 as the estimated future cash flow of Insurtech business is negative. See Note 7 to financial statements for assumptions over impairment assessment performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

11. INVESTMENT IN A SUBSIDIARY

	Company 2022 $'000	Company 2021 $'000
Unquoted equity shares, at cost	**1,300**	1,300
Less: Impairment loss on investment in a subsidiary	**(1,300)**	–
	–	1,300

The management assesses the recoverable amount of its investment in a subsidiary at the end of each reporting period to determine whether there is any indication of impairment. The assessment was made reference to the recoverable amount which has been determined based on its value in use calculation from cash flow projections from financial budgets approved by management covering a five-year period and projection to terminal year. Based on management's review, the Company recognised an impairment loss of S$1,300,000 (2021: Nil). The key assumptions for the computations are those regarding the revenue growth rate, terminal growth rate and discount rate at each reporting date as follows:

	2022
Revenue growth rate	**20.0%**
Terminal growth rate	**1.0%**
Discount rate	**7.1%**

Movement in impairment loss of investment in a subsidiary is as follows:

	2022 $'000
Balance at beginning of financial year	**–**
Impairment loss recognised in the year	**1,300**
Balance at end of financial year	**1,300**

Details of the Company's subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation and principal place of business	Ownership interest 2022 %	Ownership interest 2021 %
Held by the Company				
V2Y Pte. Ltd.(1)	Investment holding.	Singapore	**100**	100
Held by V2Y Pte. Ltd.				
1Care Global Pte. Ltd.(1)	Other information technology and computer service activities and general wholesale trade (including general importers and exporters).	Singapore	**100**	100
V2Y Insurtech Pte. Ltd.(1)	Other information technology and computer service activities.	Singapore	**100**	100
V2Y Technologies Pte. Ltd.(2)	Dormant.	Singapore	**–**	100
V2Y Insurtech Sdn. Bhd.(3)	Dormant.	Malaysia	**100**	100

(1) Audited by BDO LLP, Singapore
(2) Struck off on 6 June 2022
(3) Struck off on 10 February 2023

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

12. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Trade payables				
– Third parties	**60**	364	**–**	–
Other payables				
– Third parties	**17**	327	**15**	15
Accruals	**300**	398	**202**	224
Goods and services tax payables	**9**	24	**–**	–
Deferred government grant	**–**	3	**–**	–
Total trade and other payables	**386**	1,116	**217**	239
Add:				
Lease liabilities (Note 16)	**83**	39	**–**	24
Bank borrowing (Note 13)	**348**	444	**–**	–
Less:				
Goods and services tax payables	**(9)**	(24)	**–**	–
Deferred government grant	**–**	(3)	**–**	–
Financial liabilities carried at amortised cost	**808**	1,572	**217**	263

Trade payables are unsecured, non-interest bearing and repayable within the normal trade credit terms of 30 to 60 (2021: 30 to 60) days.

Other payables due to third parties are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

In previous financial year, deferred government grant relates to Enterprise Singapore Grant announced by the Singapore Government to provide support to employers to help them adopt IT solutions and equipment to enhance business processes during this period of economic uncertainty.

The currency profiles of the Group's and Company's trade and other payables (excluding goods and services tax payables and deferred government grant) at each reporting date are as follows:

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Singapore dollar	**377**	426	**217**	203
United States dollar	**–**	661	**–**	36
Thai baht	**–**	2	**–**	–
	377	1,089	**217**	239

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

13. BANK BORROWING

	Group	
	2022 $'000	2021 $'000
Temporary bridging loan		
Non-current	**249**	348
Current	**99**	96
	348	444

In previous year, the Group applied for a 5-year temporary bridging loan under the Enterprise Financing Scheme in order to support its working capital.

The temporary bridging loan is repayable within 60 months from the date of first drawn down date, the interest is fixed at 2.5% per annum and will be fully repaid in 2026.

The bank borrowing of the Group is supported by corporate guarantee provided by the Company.

As at the end of the reporting period, the Group had facilities as follows:

	Group	
	2022 $'000	2021 $'000
Facilities granted	**500**	500
Facilities utilised	**500**	500

The currency profile of the borrowing of the Group is Singapore dollar.

14. PROVISION

	Group	
	2022 $'000	2021 $'000
At 1 January	**–**	147
Provision made during the financial year	**17**	–
Provision reversed	**–**	(147)
At 31 December	**17**	–

In prior year, provision for defects warranty in certain contracts for an agreed period was based on estimates made from historical warranty data associated with similar completed contracts. The provision for warranty was reversed upon expiry of the agreed warranty period.

The provision for current year pertains to provision for reinstatement costs, which is the estimated costs of dismantlement, removal or restoration of leased office to its original conditions as stipulated in the terms and conditions of lease contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

15. DEFERRED SERVICE REVENUE

	Group	
	2022	**2021**
	$'000	**$'000**
Non-current	**62**	-
Current	**224**	199
At 31 January	**286**	199

Revenue relating to warranty services is recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to the warranty services at the time of the initial sales transaction and is amortised over the service period. Deferred service revenue as at the end of each reporting period is expected to be utilised over the next 1 to 3 years.

Movement in deferred service revenue is as follows:

	2022	**2021**
	$'000	**$'000**
At 1 January	**199**	96
Billed in advance of performance and not recognised as revenue	**386**	1,190
Amount recognised as revenue	**(299)**	(1,087)
At 31 January	**286**	199

16. LEASE LIABILITIES

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Cost				
At 1 January	**39**	78	**24**	61
Lease modification	**86**	–	**–**	–
Interest expense (Note 23)	**3**	3	*	2
Lease payments				
– Principal portion	**(42)**	(39)	**(24)**	(37)
– Interest portion	**(3)**	(3)	**(*)**	(2)
At 31 December	**83**	39	**–**	24

* denotes less than $1,000.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16. LEASE LIABILITIES (CONTINUED)

The maturity analysis of lease liabilities of the Group and Company at the end of reporting date are as follows:

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Contractual undiscounted cash flows				
– Not later than a year	**49**	28	**-**	24
– After one year but within five years	**39**	14	**-**	–
	88	42	**-**	24
Less: Future interest expense	**(5)**	(3)	**-**	*
Present value of lease liabilities	**83**	39	**-**	24
Presented in statements of financial position				
– Current	**45**	26	**-**	24
– Non-current	**38**	13	**-**	–
	83	39	**-**	24

* denotes less than $1,000

The Group and Company lease office premises and equipment. The lease payments are fixed. As at 31 December 2022, the average incremental borrowing rate applied in the lease was 5.50% (2021: 5.00%).

The currency profiles of the Group's and Company's lease liabilities at each reporting date are Singapore dollar.

17. DEFERRED TAX LIABILITIES

Deferred tax liabilities arose from fair value adjustment on intangible assets – customer relationships in relation to the acquisition of a subsidiary on 20 April 2018.

	Intangible assets – customer relationships $'000
Group	
At 1 January 2022	**87**
Credit to profit or loss for the year (Note 25)	**(87)**
At 31 December 2022	**-**
At 1 January 2021	152
Credit to profit or loss for the year (Note 25)	(65)
At 31 December 2021	87

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. SHARE CAPITAL

	Group and Company	
	2022	2021
	$'000	$'000
Issued and paid up:		
At 1 January	**1,027**	1,027
Issuance of ordinary shares[1]	**1,908**	–
At 31 December	**2,935**	1,027

Number of ordinary shares

	Group and Company	
	2022	2021
	'000	'000
Issued and paid up:		
At 1 January	**305,896**	305,896
Issuance of ordinary shares[1]	**47,990**	–
At 31 December	**353,886**	305,896

[1] On 14 March 2022, the Company had allotted and issued an aggregate of 47,990,000 new ordinary shares at a price of $0.0417 per share (the "Allotment"), representing an increase in the share capital of approximately $1,908,000. As part of the Allotment, 47,990,000 warrants were issued to the owners for each of the new ordinary shares subscribed, at a ratio of one warrant to one new ordinary share at no consideration. The warrant has an exercise price of $0.0417 and will expire in 2 years from the date of issuance. There is no cash repayment or share issuance upon the expiration of the warrants.

19. OTHER RESERVE

This represents the excess of the Convertible Notes reserve and principal amount of the Convertible Notes upon conversion to share capital of the Company recognised in prior financial years.

20. REVENUE

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 Operating Segments.

A disaggregation of the Group's revenue for the year, is as follows:

	Group	
	2022	2021
	$'000	$'000
Insurtech:		
– Sale of warranty support services recognised over time	**299**	1,087
– Commission income recognised at a point in time	**5**	2
	304	1,089

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21. OTHER INCOME

	Group	
	2022	2021
	$'000	$'000
Government grants	**7**	207
Gain on foreign exchange, net	**12**	19
Interest income	**2**	*
Others	**14**	101
	35	327

* denotes less than $1,000

22. OTHER OPERATING EXPENSES

	Group	
	2022	2021
	$'000	$'000
Bad debts written off	**40**	–
Impairment loss on goodwill	**329**	642
Impairment loss on intangible assets	**322**	–
Impairment loss on plant and equipment	**12**	–
Impairment loss on right-of-use assets	**92**	–
Intangible assets written off	**–**	3
	795	645

23. FINANCE COSTS

	Group	
	2022	2021
	$'000	$'000
Interest on lease liabilities	**3**	3
Interest on bank borrowings	**10**	7
	13	10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

24. LOSS BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the statement of profit or loss, the above includes the following charges:

	Group	
	2022	**2021**
	$'000	**$'000**
Cost of sales		
Employee benefit expenses:		
– Staff costs	**59**	160
– Employer's contribution to defined contribution plans	**17**	27
Administrative expenses		
Audit fees to auditor of the Company	**80**	77
Amortisation of intangible assets	**193**	385
Depreciation of plant and equipment	**13**	16
Amortisation of right-of-use assets	**49**	40
Directors fees	**172**	172
Employee benefit expenses:		
– Staff costs (including directors' remuneration)[1]	**767**	920
– Employer's contribution to defined contribution plans	**72**	116

[1] Employee compensation relating to key management personnel is disclosed in Note 27 to the financial statements.

25. INCOME TAX CREDIT

	Group	
	2022	**2021**
	$'000	**$'000**
Deferred tax:		
– Credit to profit or loss	**87**	65
Total income tax credit recognised in profit or loss	**87**	65

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25. INCOME TAX CREDIT (CONTINUED)

The income tax credit varied from the amount of income tax credit determined by applying the applicable income tax rate of 17% (2021: 17%) to loss before income tax as a result of the following differences:

	Group	
	2022 $'000	2021 $'000
Loss before income tax	**(2,272)**	(1,858)
Income tax calculated at 17% (2021: 17%)	**(386)**	(316)
Non-deductible expenses	**70**	129
Non-taxable income	**(1)**	(61)
Effect of unutilised tax losses and other temporary differences not recognised as deferred tax assets	**230**	183
Income tax credit	**(87)**	(65)

As at 31 December 2022, the Group has unabsorbed tax losses of approximately $7,167,000 (2021: $5,920,000) available for offsetting against future taxable income. The unrecognised deferred tax benefits arising from unutilised tax losses and other temporary differences amounted to approximately $1,218,000 and $42,000 (2021: $1,006,000 and $24,000) respectively.

The unrecognised deferred tax assets relating to certain entities have not been recognised as there is no certainty that there will be sufficient future taxable profits to realise these future benefits. Accordingly, the deferred tax assets have not been recognised in the financial statements in accordance with the accounting policy in Note 2.16 to the financial statements.

26. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary owners of the Company is based on the following data:

	2022	2021
Loss for the year attributable to owners of the Company ($'000)	**(2,185)**	(1,793)
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	**344,287,908**	305,895,908
Basic and diluted (cents per share)	**(0.63)**	(0.59)

The dilutive loss per share computed for the relevant periods are as the same as the basic loss per share as the Group's warrants as disclosed in Note 18 to the financial statements are anti-dilutive because the average market prices during the period are below the exercise price of the warrants.

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27. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, in addition to those related party information disclosed elsewhere in these financial statements, the Group has no significant transactions with its related parties whereas the Company entered into the following transactions with related parties at rates and terms agreed between the parties:

	Company	
	2022	**2021**
	$'000	**$'000**
With subsidiaries		
Advances to	**(385)**	(355)
Management fee charged to	**(63)**	(144)
Management fee charged by	**45**	–
Advances from	**30**	–

Compensation of directors and key management personnel

The remuneration of the Directors and key management personnel of the Group during the financial year are as follows:

	Group	
	2022	**2021**
	$'000	**$'000**
Short-term benefits	**414**	521
Post-employment benefits	**27**	37
Directors fees	**172**	172
	613	730

28. SEGMENTAL INFORMATION

For purposes of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn are segregated based on the type of goods and services supplied. This forms the basis of identifying the segments of the Group under SFRS(I) 8 Operating segments as follows:

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, and if applicable, the nature of the regulatory environment.

The Group has two reportable operating segments:

- Insurtech – providing third party administration and value-added services to brand partners in the computer, communication and consumer electronic sector, manage and execute their extended warranty and accidental damage protection programs.
- Investment holding – relates to investment holding company.

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28. SEGMENTAL INFORMATION (CONTINUED)

	Insurtech $'000	Investment holding $'000	Total $'000
2022			
Revenue			
Segment revenue	304	–	304
Results			
Segment results	(651)	(848)	(1,499)
Other income			35
Other operating expenses			(795)
Finance costs			(13)
Loss before income tax			(2,272)
Income tax credit			87
Loss for the financial year			(2,185)

	Insurtech $'000	Investment holding $'000	Total $'000
2022			
Other material non-cash items			
Amortisation of intangible assets	193	–	193
Bad debt written off	40	–	40
Depreciation of plant and equipment	–	13	13
Amortisation of right-of-use assets	25	24	49
Impairment loss on goodwill	329	–	329
Impairment loss on intangible assets	322	–	322
Impairment loss on plant and equipment	1	11	12
Impairment loss on right-of-use assets	92	–	92

	Insurtech $'000	Investment holding $'000	Total $'000
2021			
Revenue			
Segment revenue	1,089	–	1,089
Results			
Segment results	(655)	(875)	(1,530)
Other income			327
Other operating expenses			(645)
Finance costs			(10)
Loss before income tax			(1,858)
Income tax credit			65
Loss for the financial year			(1,793)

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28. SEGMENTAL INFORMATION (CONTINUED)

	Insurtech $'000	Investment holding $'000	Total $'000
2021			
Other material non-cash items			
Amortisation of intangible assets	385	–	385
Intangible assets written off	3	–	3
Amortisation of right-of-use assets	4	36	40
Depreciation of plant and equipment	3	13	16
Impairment loss on goodwill	642	–	642
Additions to non-current assets:			
Plant and equipment	2	2	4

	Insurtech $'000	Investment holding $'000	Total $'000
2022			
Assets and liabilities			
Segment assets	**626**	**1,278**	**1,904**
Segment liabilities	**909**	**211**	**1,120**
2021			
Assets and liabilities			
Segment assets	2,320	626	2,946
Segment liabilities	1,646	239	1,885

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Geographical information

The Group's revenue from external customers and information about its segment assets by geographical location are detailed below:

	Revenue		Non-current assets	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Singapore	**304**	1,089	**25**	907

Major customer information

The Group's revenue derived from 2 customers (2021: 1 customer) of Insurtech segment who accounted for 80% (2021: 77%) or more of the Group's revenue amounted to $243,000 (2021: $841,000).

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THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Group's and the Company's activities expose them to financial risks (including credit risk, foreign currency risk and liquidity risk) arising in the ordinary course of business. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets in the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which they manage and measure the risk. The Group and the Company do not hold or issue derivative financial instruments for trading purposes, if any, in interest rates and foreign exchange rates.

29.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2022, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amounts of the respective recognised financial assets as stated in the statements of financial position; and

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its trading records to rate its major customers and other debtors. The Group does not hold collateral to cover its credit risks associated with its financial assets.

As at 31 December 2022, the Group does not have significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except for 2 (2021: 1) customers which accounted for 63% (2021: 89%) of trade receivables.

Cash and cash equivalents

Credit risk also arises from cash and cash equivalents with a bank. The Group and the Company held cash and cash equivalents of $1,623,000 and $1,266,000 (2021: $1,624,000 and $562,000) respectively as at 31 December 2022. The cash and cash equivalents are held with banks and financial institutions, which are rated Aa1 (2021: Aa1). Impairment on cash and cash equivalents balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Management considers that its cash and cash equivalents balances have low credit risk based on the external credit ratings of the counterparty.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.1 Credit risk (Continued)

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks on subsidiary's borrowings. The Company's maximum exposure is the maximum amount the Company could have to pay if the guarantee is called on. As at 31 December 2022, a subsidiary's borrowings of $348,000 (2021: $444,000) was guaranteed by the Company. For the financial guarantee issued, the Company has assessed that the subsidiary has sufficient financial capabilities to meet its contractual cash flows obligation in the near future hence, does not expect any material loss allowance under 12-month expected credit loss model.

Trade and other receivables

For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL.

For other receivable, the Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for Recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	Simplified approach
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >120 days past due or there is evidence indicating the asset is credit- impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.1 Credit risk (Continued)

Trade and other receivables (Continued)

The tables below detail the credit quality of the Group's trade and other receivables, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Group						
2022						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	**131**	**–**	**131**
Other receivables	5	Performing	12-month ECL	**56**	**–**	**56**
Deposits	5	Performing	12-month ECL	**8**	**–**	**8**
Interest receivables	5	Performing	12-month ECL	**2**	**–**	**2**
2021						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	17	–	17
Other receivables	5	Performing	12-month ECL	243	–	243
Deposits	5	Performing	12-month ECL	38	–	38

The tables below detail the credit quality of the Company's trade and other receivables, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Company						
2022						
Amount due from a subsidiary	5	(ii)	Lifetime ECL	**1,157**	**(1,157)**	**–**
Other receivables	5	Performing	12-month ECL	**5**	**–**	**5**
Interest receivables	5	Performing	12-month ECL	**2**	**–**	**2**
2021						
Amount due from a subsidiary	5	(ii)	Lifetime ECL	784	–	784
Other receivables	5	Performing	12-month ECL	3	–	3
Deposits	5	Performing	12-month ECL	8	–	8

(i) For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 5 includes further details on the loss allowance for these receivables.

(ii) For amount due from a subsidiary, the Company determines the expected credit losses on these items based on the financial performance and results. Note 5 includes further details on the loss allowances for amount due from a subsidiary.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that financial instruments presented in the consolidated statement of financial position, except for the financial guarantee issued to bank for a subsidiary's borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.2 Foreign currency risk

The Group's foreign currency exposures arise mainly from the exchange rate movements of the United States dollar against Singapore dollar.

At the end of the reporting period, carrying amounts of significant monetary assets and liabilities denominated in the currency other than the respective group entities' functional currencies are as follows:

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Assets				
United States dollar	**584**	1,548	**252**	484
Liabilities				
United States dollar	**-**	661	**-**	36

The following table details the sensitivity to a 10% (2021: 10%) increase and decrease in the foreign currency against the functional currency of each group entity. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusted their translation at the period end for a 10% range in foreign currency rates. If the relevant foreign currency strengthens by 10% against the functional currency of each Group's entity, loss after tax will increase/(decrease) by:

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
United States dollar	**(58)**	(89)	**(25)**	(45)

29.3 Liquidity risk

Liquidity risk refers to the risk in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group and the Company actively manage their operating cash flows so as to ensure that all repayment needs are met. As part of overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet working capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.3 Liquidity risk (Continued)

Contractual maturity analysis

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the Group is expected to pay. The table includes both expected interest and principal cash flows.

	Weighted average effective interest rate %	Repayable on demand or within 1 year $'000	After 1 year but within 5 years $'000	Total $'000
Group				
2022				
Trade and other payables	**–**	**377**	**–**	**377**
Borrowings	**2.50**	**106**	**257**	**363**
Lease liabilities	**5.50**	**49**	**39**	**88**
Total undiscounted financial liabilities		**532**	**296**	**828**
2021				
Trade and other payables	–	1,089	–	1,089
Borrowings	2.50	106	364	470
Lease liabilities	5.00	28	14	42
Total undiscounted financial liabilities		1,223	378	1,601
Company				
2022				
Trade and other payables	**–**	**217**	**–**	**217**
Financial guarantee contracts*	**2.50**	**363**	**–**	**363**
Total undiscounted financial liabilities		**580**	**–**	**580**
2021				
Trade and other payables	–	239	–	239
Lease liabilities	5.00	24	–	24
Financial guarantee contracts*	2.50	470	–	470
Total undiscounted financial liabilities		733	–	733

* This represents the maximum exposure of the Company in relation to corporate guarantees provided to the bank for a subsidiary's borrowings, without taking into consideration of the collaterals held. However, based on management's assessment, it is not probable that the counterparty to these financial guarantee contracts will claim under the contracts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.4 Capital risk management policies and objectives

The Group and the Company manage its capital so as to ensure that the Group and the Company are able to continue as going concern and to maintain an optimal capital structure so as to maximise shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares. The Group's and the Company's overall strategy remains unchanged from the previous financial year.

The capital structure of the Group comprises only of issued share capital and reserves as disclosed in the consolidated statement of changes in equity of the Group.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2022 and 31 December 2021.

29.5 Fair value of financial assets and financial liabilities

Fair value hierarchy

The Group and the Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value by the valuation method. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values of financial instruments that are not carried at fair value

The carrying amounts of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at each reporting date due to the relatively short-term maturity of these financial instruments.

The carrying amount of non-current bank borrowing approximates its fair value because it is charged at the market lending rate for similar types of lending or borrowing at the end of the reporting period.

NOTES TO
THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

29.6 Offsetting financial assets and financial liabilities

The Company has entered into master netting agreements with its subsidiaries. Financial assets and liabilities subject to offsetting, master netting agreements are presented below.

	Related amounts set off in the statement of financial position		
	Gross amount – financial assets $'000	Gross amount – financial liabilities $'000	Net amount – presented in financial statement $'000
2022			
Company			
Other receivables – a subsidiary	**1,238**	**81**	**1,157**
2021			
Company			
Other receivables – a subsidiary	785	1	784

STATISTICS OF **SHAREHOLDINGS**

AS AT 13 MARCH 2023

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	17	1.67	1,020	0.00
100 – 1,000	106	10.44	82,029	0.02
1,001 – 10,000	224	22.07	1,364,809	0.39
10,001 – 1,000,000	625	61.58	102,254,623	28.89
1,000,001 AND ABOVE	43	4.24	250,183,427	70.70
TOTAL	**1,015**	**100.00**	**353,885,908**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	73,981,239	20.91
2	MAYBANK SECURITIES PTE. LTD.	15,620,593	4.41
3	TAI LAI FUN CINDY	14,898,250	4.21
4	TEO QUEE LAM EUGENE (ZHANG GUINAN EUGENE)	11,250,000	3.18
5	ZANETTA LEE YUE (ZANETTA LI YU)	10,592,190	2.99
6	OCBC SECURITIES PRIVATE LIMITED	9,334,600	2.64
7	TAI HO YAN	9,056,250	2.56
8	STF INVESTMENTS LTD	8,800,000	2.49
9	CAI SONGHAN	8,719,290	2.46
10	CHUA SONG RU @ CAI SONGRU	7,919,290	2.24
11	TOH XIN YI	6,350,000	1.79
12	VINCENT SIM TECK LENG (SHEN DELONG)	6,350,000	1.79
13	JACK INVESTMENT PTE LTD	5,210,000	1.47
14	HENG SIEW ENG	3,720,700	1.05
15	EVOLVE CAPITAL MANAGEMENT PRIVATE LIMITED	3,630,000	1.03
16	CHUA SIEW LIAN	3,500,000	0.99
17	DAVID TAN YEW WENG	3,330,165	0.94
18	KONG POH LIN, NARIKO	3,330,165	0.94
19	LIM HUI TIAN	3,300,000	0.93
20	PHILLIP SECURITIES PTE LTD	2,814,160	0.80
	TOTAL	**211,706,892**	**59.82**

STATISTICS OF **SHAREHOLDINGS**

AS AT 13 MARCH 2023

Class of shares	: Ordinary shares
Number of shares (excluding treasury shares)	: 353,885,908
Voting rights	: One vote per share
Number of treasury shares and percentage	: Nil
Number of subsidiary holdings held and percentage	: Nil

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct interest	Shareholding %(1)(2)	Deemed interest	Shareholding %(1)(2)
Metadrome Ltd(3)	–	–	71,373,669(4)	20.17
Lee Shieh-Peen Clement(3)	–	–	71,373,669	20.17

Notes:

(1) Calculated based on 353,885,908 shares as at 13 March 2023.

(2) Rounded to the nearest two decimal places.

(3) Mr Lee Shieh-Peen Clement is the sole beneficial owner of Metadrome Ltd. Accordingly, Mr Lee Shieh-Peen Clement is deemed interested in the Shares held by Metadrome Ltd. by virtue of Section 7 of the Companies Act.

(4) Metadrome Ltd. is deemed to be interested in 71,373,669 Shares of the Company held in its custodian account maintained with UOB Kay Hian Pte. Ltd.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 13 March 2023, approximately 270,438,568 Shares, representing approximately 76.4% of the total number of issued Shares (excluding treasury shares), are in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules which requires at least 10.0% of the total number of issued shares (excluding preference shares, convertible equity securities and treasury shares) to be in the hands of the public.

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Mr Lim Chuan Poh and Mr Ong Shen Chieh (Wang Shengjie) are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 20 April 2023 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**"), the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules: -

Name	**Lim Chuan Poh**	**Ong Shen Chieh (Wang Shengjie)**
Date of Appointment	28 June 2018	28 August 2020
Date of last re-appointment	22 April 2021	22 April 2021
Age	68	46
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Lim Chuan Poh for re-appointment as the Non-Executive and Independent Chairman of the Board of the Company. The Board has reviewed and concluded that Mr Lim Chuan Poh possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. Accordingly, the Board has recommended the re-election of Mr Lim Chuan Poh for re-appointment as the Non-Executive and Independent Chairman of the Board of the Company.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Ong Shen Chieh (Wang Shengjie) for re-appointment as the Executive Director in addition to his position as the Chief Executive Officer of the Company. The Board has reviewed and concluded that Mr Ong Shen Chieh (Wang Shengjie) possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. Accordingly, the Board has recommended the re-election of Mr Ong Shen Chieh (Wang Shengjie) as Executive Director in addition to his position as the Chief Executive Officer of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive. Mr Ong will be responsible for the general management and business development of the Group.

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Name	Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Independent Chairman of the Board, Chairman of the Remuneration Committee and Member of both the Audit Committee and the Nominating Committee.	Executive Director and Chief Executive Officer
Professional qualifications	• Bachelor of Arts (Hons) in Engineering Science, Balliol College, Oxford University; and • Master of Science in Public Health and Engineering, Imperial College of Science & Technology	• Bachelor of Science in Real Estate (Hons), 2nd Upper, National University of Singapore
Working experience and occupation(s) during the past 10 years	• From June 2018 to present: Non-Executive and Independent Chairman of V2Y Corporation Ltd. (formerly known as Synagie Corporation Ltd.) • From February 2018 to June 2018: Non-Executive and Non-Independent Director of Yinda Infocomm Limited • From September 2017 to February 2018: Non-Executive and Lead Independent Director of Yinda Infocomm Limited • From May 2017 to present: Non-Executive and Independent Director of SPTel Pte. Ltd. (formerly known as SP Telecommunications Pte. Ltd.)	• From December 2020 to present: Executive Director and Chief Executive Officer of V2Y Corporation Ltd. • From August 2020 to December 2020: Non-Executive and Independent Director of V2Y Corporation Ltd. • From June 2016 to present: Director of Sakal Capital Pte. Ltd. (formerly known as Husk Life Pte. Ltd.) • From March 2016 to present: Director of Sakal Investments Limited • From December 2015 to present: Non-Executive and Independent Director of Eindec Corporation Ltd

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Name	Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
	• From 2016 to date: Senior Advisor to Nokia Global Enterprise & Public Sector, Asia Pacific • From 2015 to 2016: Advisor to Hyalroute Pte. Ltd. • From 2013 to 2018: Director of L & G Inc Services Pte. Ltd. • From 2012 to 2019: Non-Executive advisory role as Chairman of Asurion Asia Pacific Pte. Ltd. • From 2012 to 2017: Advisor (Asia) to Milvik AB • From 2012 to 2016: Non-Executive advisory role as Chairman of Alcatel-Lucent (Singapore) Pte. Ltd. • From 2011 to 2013: Director of Singtel Innov8 Holdings Pte. Ltd. • From 2010 to 2013: Director of Singtel Innov8 Pte. Ltd.	• From September 2017 to July 2019: Non-Executive and Independent Director of Kakiko Group Limited • From October 2016 to March 2019: Executive Director of P99 Holdings Limited • From June 2016 to October 2020: Non-Executive and Independent Director of Elec & Eltek International Company Limited • From September 2012 to April 2015: Director of TJZ Holdings Pte. Ltd. • From March 2012 to February 2016: Head of New Business Development of ORIX Leasing Singapore Limited
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	No	No

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Name	Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments• Including Directorships# • *"Principal Commitments" has the same meaning as defined in the Code.* # *These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8).*		
Past (for the last 5 years)	• L & G Inc Services Pte. Ltd. • Yinda Infocomm Limited	• Kakiko Group Limited • P99 Holdings Limited • Elec & Eltek International Company Limited
Present	• V2Y Corporation Ltd. • SPTel Pte. Ltd. (formerly known as SP Telecommunications Pte. Ltd.)	• V2Y Corporation Ltd. • Sakal Capital Pte. Ltd. (formerly known as Husk Life Pte. Ltd.) • Eindec Corporation Limited • Ong Kim Tee (Pte.) Ltd. • Sakal Investments Limited • V2Y Pte. Ltd. • V2Y Insurtech Pte. Ltd. • 1Care Global Pte. Ltd.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name		Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes. Mr Ong served as an Executive Director in P99 Holdings Limited from 26 October 2016 to 22 March 2019. On 31 July 2017, P99 Holdings Limited announced its decision to place itself under a members' voluntary liquidation and the members' voluntary liquidation was completed on 22 March 2019. Further details in relation to the members' voluntary liquidation of P99 Holdings Limited can be found in its SGXNet announcements dated 31 July 2017, 30 August 2017, 4 October 2017 and 27 October 2017.

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Name		Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
(c)	Whether there is any unsatisfied judgment against him	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name		Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

DISCLOSURE OF INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Name		Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining her from engaging in any type of business practice or activity?	No	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of -		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes. Mr Ong had served as a Non-Executive and Independent Director of Elec & Eltek International Company Limited from 30 June 2016 to 12 October 2020. In June 2020, the company was charged for a failure in or late filing of return of changes of company secretary, directors or authorised representatives of registered non-Hong Kong company under sections 791(2)(b) or 791(2)(c) of the Companies Ordinance. The fine amount was HKD18,000. To the best of Mr Ong's knowledge, there was no investigation or action brought against him in relation to the aforementioned regulatory breaches.
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name		Lim Chuan Poh	Ong Shen Chieh (Wang Shengjie)
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	Yes. Mr Ong was indicted by the Singapore Armed Forces while serving national service in Singapore. As far as Mr Ong is aware, the indictment was made pursuant to Section 19 of the Singapore Armed Forces Act (Chapter 295) of Singapore for insubordinate behaviour. As a consequence of the indictment, Mr Ong was imposed detention for a period of 10 days. No further action was taken against Mr Ong for this matter, and Mr Ong completed his national service in January 1997.

NOTICE OF
ANNUAL GENERAL MEETING

This Notice has been made available on SGXNet and the Company's website via the following link: http://www.v2y.si/investor_relations. **A printed copy of this Notice will NOT be despatched to members.**

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of V2Y Corporation Ltd. (the "**Company**") will be held by way of electronic means on 20 April 2023 at 2.00 p.m. to transact the following business:

ORDINARY BUSINESS

1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 December 2022 and the Directors' Statement and the Auditors' Report thereon.	Ordinary Resolution 1
2.	To approve the payment of Directors' fees in the amount of S$172,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears (FY2022: S$172,000.00).	Ordinary Resolution 2
3.	To re-elect Mr Lim Chuan Poh pursuant to Regulation 108(1) of the Company's Constitution. [See Explanatory Note (i)]	Ordinary Resolution 3
4.	To re-elect Mr Ong Shen Chieh (Wang Shengjie) pursuant to Regulation 108(1) of the Company's Constitution. [See Explanatory Note (ii)]	Ordinary Resolution 4
5.	To re-appoint Messrs BDO LLP as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration.	Ordinary Resolution 5
6.	To transact any other ordinary business which may properly be transacted at an AGM.	

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 ("Companies Act") and Rule 806 of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules")**

That pursuant to Section 161 of the Companies Act and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:

(a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation or issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit;

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided always that:

(i) the aggregate number of shares (including shares to be issued pursuant to this Resolution) shall not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

NOTICE OF
ANNUAL GENERAL MEETING

(A) new shares arising from the conversion or exercise of any convertible securities;

(B) new shares arising from exercising share options or vesting of share awards, provided that the share options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(C) any subsequent bonus issue, consolidation or subdivision of shares.

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(d) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (iii)] Ordinary Resolution 6

8. **Authority to issue shares under the V2Y Employee Share Option Scheme (formerly known as the Synagie Employee Share Option Scheme) ("V2Y ESOS")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing V2Y ESOS and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the V2Y ESOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the V2Y ESOS and V2Y Performance Share Plan shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)] Ordinary Resolution 7

NOTICE OF ANNUAL GENERAL MEETING

9. **Authority to issue shares under the V2Y Performance Share Plan (formerly known as the Synagie Performance Share Plan) ("V2Y PSP")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant share awards under the V2Y PSP and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of share awards under the V2Y PSP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the V2Y PSP and V2Y ESOS shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)] Ordinary Resolution 8

By Order of the Board

ONG SHEN CHIEH (WANG SHENGJIE)
Executive Director and Chief Executive Officer
Singapore
5 April 2023

NOTICE OF
ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Lim Chuan Poh will, upon re-election as a Director of the Company, remain as the Non-Executive and Independent Chairman of the Board, Chairman of the Remuneration Committee as well as a member of the Audit Committee and Nominating Committee. The Nominating Committee and the Board consider Mr Lim Chuan Poh to be independent for the purposes of Rule 704(7) of the Catalist Rules. Please refer to "Disclosure of Information on Directors Seeking Re-Election" section of the Annual Report for the detailed information required under Rule 720(5) of the Catalist Rules.

(ii) Mr Ong Shen Chieh (Wang Shengjie) will, upon re-election as a Director of the Company, remain as an Executive Director and Chief Executive Officer of the Company. Please refer to "Disclosure of Information on Directors Seeking Re-Election" section of the Annual Report for the detailed information required under Rule 720(5) of the Catalist Rules.

(iii) Ordinary Resolution 6 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which up to 50% may be issued other than on a pro rata basis to Shareholders.

For the purposes of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) at the time this Ordinary Resolution 6 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 6 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(iv) Ordinary Resolutions 7 and 8, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares pursuant to the exercise of Options and vesting of Awards under the V2Y ESOS and V2Y PSP, provided that the aggregate number of shares to be issued pursuant to the V2Y ESOS and V2Y PSP, when aggregated with the number of shares issued and issuable or transferred and to be transferred under any other share based incentive schemes of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

Notes:

i. The AGM will be held **by way of electronic means** pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Printed copies of this Notice of AGM will not be sent to members. Instead, this Notice of AGM will be published on the Company's website at http://www.v2y.si/investor_relations, the pre-registration website at https://conveneagm.sg/V2YAGMFY2022 and the SGXNet.**

ii. **Pre-registration**

Members and Investors will not be able to attend the AGM in person. The proceedings of the AGM will be broadcasted "live" through an audio-and-video webcast and an audio-only feed. Members and investors holding shares in the Company through Relevant Intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) ("**Investors**") (including investors holding shares through the Supplementary Retirement Scheme ("**SRS Investors**")) who wish to follow the proceedings through a "live" audio-and-video webcast via their mobile phones, tablets or computers or listen to the proceedings through a "live" audio feed via telephone must pre-register at https://conveneagm.sg/V2YAGMFY2022 no later than 2.00 p.m. on 17 April 2023 (the "**Registration Cut-Off Time**"). Following verification, an email containing instructions on how to access the "live" audio-and-video webcast and "live" audio feed of the proceedings of the AGM will be sent to authenticated members and Investors. Members and Investors who do not receive any email by 10.00 a.m. on 19 April 2023, but have registered by the Registration Cut-Off Time, should contact the Company by email at AGMFY2022@v2y.si. Investors holding shares through Relevant Intermediaries must also contact their respective Relevant Intermediaries as soon as possible to indicate their interest in order for the Relevant Intermediaries to make the necessary arrangements for them to participate in the "live" broadcast of the AGM or the appointment of the Chairman to act as their proxy.

Members and Investors must not forward the abovementioned email instructions to other persons who are not Members and who are not entitled to attend the AGM.

Members and Investors are reminded that the AGM proceedings are private, and recording of the live webcast in whatever form is strictly prohibited.

iii. A member of the Company (whether individual or corporate and including a Relevant Intermediary, whichever is applicable) is able to participate at the AGM by electronic means or appoint proxy(ies) as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM conducted by electronic means, if such member wishes to exercise his/her/its voting rights at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

iv. Members (whether individual or corporate) may vote at the AGM in real time via electronic means or by appointing proxy(ies) or the Chairman of the AGM as proxy to vote on his/her/its behalf at the AGM. A proxy need not be a member of the Company. The Chairman of the AGM, as proxy, need not be a member of the Company. The instrument for the appointment of proxy ("**proxy form**") may be accessed at the Company's website via the following link: http://www.v2y.si/investor_relations or the SGXNet. Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the proxy form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.

v. The proxy form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. **An Investor who wishes to vote should instead approach his/her Relevant Intermediary as soon as possible to specify his/her voting instructions. A SRS Investor who wishes to vote should approach his/her SRS Operator at least 7 working days before the date of the AGM to submit his/her voting instructions.** This is so as to allow sufficient time for the respective Relevant Intermediaries to in turn submit a proxy form to appoint a proxy to vote on their behalf.

vi. The proxy form must be submitted to the Company in the following manner:

(i) via the pre-registration website at https://conveneagm.sg/V2YAGMFY2022,

(ii) if submitted by post, be lodged with the Company's office, V2Y Corporation Ltd., 38 Jalan Pemimpin, #05-03 M38, Singapore 577178; or

(iii) if submitted by email, to AGMFY2022@v2y.si,

in either case, not less than 72 hours before the time appointed for holding the AGM.

A member who wishes to submit the proxy form by post or by email must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. Members are strongly encouraged to submit completed proxy forms electronically via the pre-registration website or by email.

vii. In the case of members of the Company whose shares are entered against their names in the Depository Register (as defined in Part 3AA of the Securities and Futures Act 2001 of Singapore), the Company may reject any proxy form lodged if such members are not shown to have shares entered against their names in the Depository Register, as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

viii. **Submission of questions in advance of the AGM:**

All members and Investors may submit questions in advance relating to the business of the AGM no later than 5.00 p.m. on 12 April 2023:

(i) via the pre-registration website at https://conveneagm.sg/V2YAGMFY2022; or

(ii) by email to the Company at AGMFY2022@v2y.si.

For verification purposes, when submitting any questions by email, members MUST provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), contact number, NRIC/passport number, shareholding type and number of shares held). Members will need to register on the pre-registration website before they are able to submit their questions via the pre-registration website.

The Company will endeavour to answer all substantial and relevant questions received from shareholders by the above-stated timeline, after trading hours on 14 April 2023. Any relevant and substantial questions received after 12 April 2023 prior to the AGM shall be addressed during the AGM.

ix. **Submission of questions during the AGM:**

All members and Investors who have pre-registered and been verified to attend the AGM will be able to ask questions relating to the business of the AGM "live" during the AGM, by typing in and submitting their questions through the "live" ask-a-question function via the audio-and-video webcast platform during the AGM. Members and Investors or, where applicable, their appointed proxy(ies) must access the AGM proceedings via the "live" audio-and-video webcast platform in order to ask questions "live" at the AGM, and will not be able to do so via the live audio-only stream of the AGM proceedings.

During the AGM itself, the Company will address as many substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) which have not already been addressed prior to the AGM, as well as those received "live" at the AGM itself, as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

NOTICE OF
ANNUAL GENERAL MEETING

The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNet and on the Company's website, and the minutes will include the Company's responses to the substantial and relevant questions addressed during the AGM.

x. All documents (including the Annual Report, proxy form, and this Notice of AGM) or information relating to the AGM have been, or will be, published on SGXNet and the Company's website which can be accessed via the following link: http://www.v2y.si/investor_relations. **Printed copies of the documents will not be despatched to members and Investors. Members and Investors are advised to check SGXNet and/or the Company's website regularly for updates.**

Personal Data Privacy:

By submitting the proxy form appointing proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, a member consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of proxy(ies) for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

V2Y CORPORATION LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201717972D)

PROXY FORM
ANNUAL GENERAL MEETING

A printed copy of this proxy form will **NOT** be despatched to members of the Company

1. *The AGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Printed copies of the Notice of AGM and this Proxy Form will not be sent to members.** Instead, the Notice of AGM and this Proxy Form will be sent to members by electronic means via publication on the Company's website via the following link: http://www.v2y.si/investor_relations and the SGXNet.*
2. *Members and Investors will not be able to attend the AGM in person. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-and-video webcast or "live" audio-only stream), submission of questions to the Company in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by proxy or real-time voting during the AGM, are set out in the Notice of AGM and the accompanying Company's announcement dated 5 April 2023. This announcement may be accessed at the Company's website via the following link: http://www.v2y.si/investor_relations and the SGXNet.*
3. *A member of the Company (whether individual or corporate and including a Relevant Intermediary, whichever is applicable) is able to participate at the AGM by electronic means or appoint proxy(ies) as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM conducted by electronic means, if such member wishes to exercise his/her/its voting rights at the AGM.*
4. *This proxy form is not valid for use by investors holding shares in the Company ("**Shares**") through Relevant Intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) ("**Investors**") (including investors holding Shares through Supplementary Retirement Scheme ("**SRS Investors**")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her Relevant Intermediary as soon as possible to specify voting instructions. A SRS Investor who wishes to vote should approach his/her SRS Operator at least 7 working days before the date of the AGM to submit his/her vote.*
5. ***Personal Data Privacy:** By submitting this proxy form, a member of the Company accepts and agrees to the personal data terms set out in the Notice of AGM dated 5 April 2023.*
6. ***PLEASE READ THE NOTES OVERLEAF WHICH CONTAIN INSTRUCTIONS ON, INTER ALIA, THE APPOINTMENT OF PROXIES OR THE CHAIRMAN OF THE AGM AS A MEMBER'S PROXY TO ATTEND, SPEAK AND VOTE ON HIS/HER BEHALF AT THE AGM.***

I/We ______________________ (Name) __________ (NRIC/Passport/Company Registration Number)
of ____ (Address)
being a *member/members of V2Y Corporation Ltd. ("the **Company**"), hereby appoint:

Name	Email Address & Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Email Address & Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing the person, or either or both the persons, referred to above, the Chairman of the Annual General Meeting ("**AGM**"), as my/our* proxy to vote for me/us* on my/our* behalf at the AGM to be held by way of electronic means on Thursday, 20 April 2023 at 2.00 p.m. and at any adjournment thereof.

I/We* direct my/our* proxy to vote for or against, or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. **If no specific direction as to voting is given, the appointment of proxy for that resolution will be treated as invalid at the AGM and at any adjournment thereof.**

NOTE: All resolutions at the AGM will be voted on by way of a poll.

	Resolutions relating to:	For**	Against**	Abstain**
Ordinary Business				
1.	Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2022 and the Auditors' Report thereon			
2.	Approval of Directors' fees amounting to S$172,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears			
3.	Re-election of Mr Lim Chuan Poh who is retiring by rotation pursuant to Regulation 108(1) of the Company's Constitution, as a Director of the Company			
4.	Re-election of Mr Ong Shen Chieh (Wang Shengjie) who is retiring by rotation pursuant to Regulation 108(1) of the Company's Constitution, as a Director of the Company			
5.	Re-appointment of BDO LLP as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration			
Special Business				
6.	Authority to allot and issue new shares			
7.	Authority to issue shares under the V2Y Employee Share Option Scheme			
8.	Authority to issue shares under the V2Y Performance Share Plan			

* Delete accordingly
** If you wish to exercise all your votes "For", "Against" or "Abstain" from voting on the resolutions, please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll. In the absence of specific directions, where you appoint the Chairman of the AGM as your proxy, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this ________ day of ________________ 2023

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of member(s) and/or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of Shares held by you. If you only have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you only have Shares registered in your name in the Register of Members, you should insert that number of Shares. However, if you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the proxy form shall be deemed to relate to all the Shares held by you (in both the Register of Members and the Depository Register).

2. **Members and Investors will not be able to attend the AGM in person. Members (whether individual or corporate) may vote at the AGM in real time via electronic means or by appointing proxy(ies) or the Chairman of the AGM as proxy to vote on his/her/its behalf at the AGM. A proxy need not be a member of the Company. The Chairman of the AGM, as proxy, need not be a member of the Company. This proxy form may be accessed at the Company's website via the following link: http://www.v2y.si/investor_relations and the SGXNet.** Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the proxy form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.

3. This proxy form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her Relevant Intermediary* as soon as possible to specify his/her voting instructions. A SRS Investor who wishes to vote should approach his/her SRS Operator at least 7 working days before the date of the AGM to submit his/her vote.

4. **The proxy form must be submitted to the Company in the following manner:**

   (i) via the pre-registration website at https://conveneagm.sg/V2YAGMFY2022,

   (ii) if submitted by post, be lodged with the Company's office, V2Y Corporation Ltd., 38 Jalan Pemimpin, #05-03 M38, Singapore 577178; or

   (iii) if submitted by email, to AGMFY2022@v2y.si,

   in either case, **not less than 72 hours before the time appointed for holding the AGM**.

   A member who wishes to submit the proxy form by post or by email must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. Members are strongly encouraged to submit completed proxy forms electronically via the pre-registration website or by email.

5. The proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid.

6. The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company shall be entitled to reject any proxy form lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

**A Relevant Intermediary means:*

(a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

*(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.*

Important Reminders

Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNet for updates on the AGM.

V2Y CORPORATION LTD.
(Company Registration No.: 201717972D)
(Incorporated in Singapore on 28 June 2017)

38 JALAN PEMIMPIN #05-03, M38,
SINGAPORE 577178
TEL: +65 6745 1668
HTTPS://V2Y.SI/